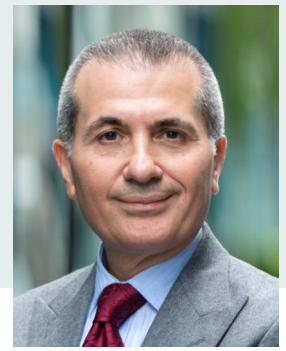


Innovation 'theatre' will not save Britain from AI



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AI has made innovation cheaper, faster and more deceptive. A minister can announce a pilot. A company can launch a chatbot. A university can build a prototype. None of this proves innovation. In the AI era, the easiest thing is to look modern; the hardest thing is to create measurable public, scientific or economic value.

The real bottleneck is judgement

The old defence of systematic innovation was organisations needed help generating ideas. That argument is now obsolete. AI can generate endless concepts, business cases, code, images, policies and product variants. The bottleneck is no longer imagination; it is judgement. Which ideas are worth testing? Which are safe? Which can scale? Which should be stopped before they become expensive theatre?

Stanford's 2026 AI Index¹ reports that organisational AI adoption reached 88%, while responsible AI practice is not keeping pace: documented AI incidents rose from 233 in 2024 to 362 in 2025. The lesson is blunt: adoption without discipline is not leadership; it is exposure.

Pilots are becoming a political alibi

Britain does not suffer from a shortage of AI pilots. It suffers from a shortage of institutional learning. McKinsey's 2025 global survey² found that only one-third of respondents said their organisations were scaling AI across the enterprise, and only 39% attributed any enterprise-wide EBIT impact to AI. The high performers were not merely experimenting; they were redesigning workflows, scaling faster and pursuing transformative change.

That should worry Parliament. A pilot can be useful evidence. But a pilot can also be a holding pen for indecision. The phrase "scan, pilot, scale" must not become "scan, pilot, forget".

Bureaucracy is not the answer – but neither is chaos

The controversial conclusion is that systematic innovation is more necessary, not less. But it must be stripped of

bureaucracy. A modern innovation system should be brutal about evidence: define the public problem, set ethical guardrails, test the smallest safe intervention, measure real-world outcomes, scale what works and terminate what doesn't.

This is not conventional stage-gate management. It is an operating system for national learning. ISO 56001:2024, from the ISO frames innovation management as a repeatable system for establishing, implementing, maintaining and improving innovation capability. That matters because AI does not remove uncertainty; it accelerates it.

Regulation must move upstream

The stale debate is whether Britain should accelerate AI or regulate it. That is the wrong binary. The UK should regulate by design, not by delay. Governance must be built into experimentation from the start: data rights, human oversight, cyber security, bias testing, procurement transparency and accountability for harms.

The NIST AI Risk Management Framework³ was developed to help manage risks to individuals, organisations and society, and to incorporate trustworthiness into the design, development, use and evaluation of AI systems. The OECD AI Principles⁴ similarly promote innovative and trustworthy AI that respects human rights and democratic values.

From AI announcements to national advantage

The UK Government's AI Opportunities Action Plan, published in January 2025⁵ set out 50 recommendations to grow the UK's AI sector, drive adoption across the

economy and improve products and services. Its 2026 progress report says Government has met commitments on 38 of those 50 actions and is moving from ambition to delivery.

That is welcome. But delivery must now be judged by outcomes, not activity. Britain should ask harder questions: Which AI deployments improved diagnosis, reduced backlogs, raised productivity, widened access, strengthened science or created defensible industries? Which merely consumed attention?

The uncomfortable prescription

The UK should stop celebrating innovation theatre and build real innovation infrastructure: shared evidence standards, faster procurement for proven tools, public registers for significant AI systems, multidisciplinary testbeds, reusable data foundations and stronger routes from prototype to deployment.

In the AI age, the winners will not be those with the most pilots. They will be those with the fastest responsible learning loops. Systematic innovation is not dead. Properly reinvented, it is the discipline that separates national renewal from technological noise.

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