

## **BUILDING SOMETHING GREAT: UK'S GLOBAL BIOSCIENCE CLUSTER**

### ***BIA briefing paper, July 2017***

A recent report published by the UK BioIndustry Association (BIA) shows that financing of the UK biotech sector remains strong. The UK maintained its leading position in European biotech funding last year and has the strongest pipeline in Europe for future drug development.

Despite a challenging year of financial uncertainty with Brexit and the US election leading to markets cooling across the globe in 2016, UK biotech companies worked harder than ever to secure the funding that they need, achieving their second-best fundraising performance since the financial crisis.

In fact, *Building something great: UK's Global Bioscience Cluster 2016* shows that the UK is in a strong position to close the gap on the leading life sciences clusters in Boston and San Francisco, providing current momentum can be maintained.

In this short paper, we outline three key policies the newly established government should commit to in 2017 to support UK companies' ambitions to make the UK the third global cluster for life sciences, despite further political and financial uncertainty ahead.

#### **Prioritise public health in the ongoing Brexit negotiations**

As the UK leaves the EU the BIA, in conjunction with ABPI, is working closely with Government and officials to represent the needs of the life sciences sector (which reflect public health issues). The BIA is seeking:

- Regulatory partnership and cooperation with the European Medicines Agency. Industry has worked with the UK regulator, MHRA, to co-develop a position.
- Trade in goods and services that is as frictionless as possible. Industry is working with government on transition options, rules of origin, Free Trade Agreements and priorities for future markets, how new HMRC systems could work and WTO engagement.
- An immigration system that is quick, simple, consistent and cheap. The ability to bring in expertise (science, support, manufacturing, regulatory and management talent) from around the world, not just the EU, is essential. UK innovation, and innovators, will benefit by learning from global talent.
- Reassurances on funding. Government needs to consider the value of collaboration, as well as financial considerations, of the European research programme, Horizon 2020. The European Investment Bank and Fund support an estimated 20% of venture capital investment into bioscience in the UK. This element of Brexit has largely moved to the Patient Capital (Buffini) Review and the government's Industrial Strategy, which BIA is engaged in.

#### **Deliver an effective Industrial Strategy, which allows UK life sciences to continue to grow and remain internationally competitive**

The government's Industrial Strategy and associated Life Sciences Industrial Strategy and sector deal are a great opportunity to build on the strength of the UK's public and private life science sectors to create new jobs, grow the economy, and deliver life-changing technologies for patients and the public.

These strategies must focus on supporting the UK's innovative SMEs. This can be achieved by:

- Continuing to support early-stage companies through grant schemes such as the Biomedical Catalyst
- Increasing access to scale-up capital by incentivising individual and institutional investors
- Improving entrepreneurial, business and technical training

## **Ensure the ambitions of the Accelerated Access Review are achieved and not lost in the political fray of Brexit**

Building on the unique strengths of the NHS will be an essential differentiator for the UK market as we prepare to leave the EU. The Accelerated Access Review (AAR), published in October 2016, sets out several important reforms that could ensure the NHS is able to become a true partner in innovation, both in delivering better uptake of medicines but also leading the discovery and development of next generation treatments. The Government is yet to respond to the review, although it is expected to publish its response imminently.

Successful and timely implementation of the review remains the key challenge, particularly given the pressures that will be placed upon government resources by the ongoing Brexit negotiations. Successive governments have introduced similar initiatives to fast-track the approval process and harness incentives for better use of innovation but these policies have not been fully implemented or led to lasting change.

In the report, *Now More Than Ever: Seizing the opportunity to make the UK a world leader in the life sciences*, the BIA calls for:

- A rapid government response to the review, followed by a timely implementation plan from NHS England.
- Both NHS England and NHS Improvement to appoint an accountable board member for delivering improved rates of innovation and importantly, implementing the AAR.
- Ministerial leadership and central government resource dedicated to implementing the review's recommendations.
- A funded Early Access to Medicines Scheme, as recommended by the AAR, and previously advocated by the BIA, to encourage SME engagement.

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