

Andy Burnham's new Government – what does it mean for life sciences?

Introduction and summary

Andy Burnham's Government represents a shift in political direction and organisation, but not a wholesale break with Keir Starmer's. His new Cabinet combines experienced ministers moved into new roles with fresh faces more closely associated with Burnham's emphasis on reindustrialisation and devolution. The most significant appointments for life sciences include Chris McDonald as Minister of State for Science, Innovation and Investment, jointly across the business and health departments, and James Frith as Minister for Health Innovation. Jonathan Reynolds will be key as Secretary of State for a newly expanded Department for Business, Innovation, Science and Trade, as will Yvette Cooper as Health and Social Care Secretary and John Healey as Chancellor of the Exchequer. However, the new architecture of government may prove more consequential for the sector than the individual appointments.

The renaming and expansion of the Department for Business and Trade (DBT) as the Department for Business, Innovation, Science and Trade (BIST) brings research, innovation, industrial strategy, investment and trade into one department. This presents an opportunity to align support for life sciences more clearly as both a strategic innovation-led industry and a source of regional economic growth. However, the reorganisation nevertheless creates risks. Abolishing the Department for Science, Innovation and Technology (DSIT) will create short-term disruption. Lord Vallance's departure removes a senior scientific voice from day-to-day departmental decision-making, although he will remain influential as chair of the Prime Minister's AI Taskforce and the Oxford-Cambridge Growth Corridor. The division of DSIT's responsibilities between BIST, the Cabinet Office and the expanded Department for Digital, Culture, Media and Sport (DCMS) could also risk fragmented policy impacting health data and AI-enabled drug discovery.

The sector is partly insulated from these changes because the Office for Life Sciences (OLS) had already expanded into a joint unit spanning the business, health and science departments. Bringing the business and science functions together should reduce the number of departmental interfaces with which OLS has to contend. Chris McDonald's appointment in both BIST and DHSC should enable coordination between the science, business and health agendas, with his portfolio spanning life sciences, R&D, investment, scale-ups and OLS.

Taken together, the changes point to a government focused on place-based industrial strategy, reindustrialisation and devolution, underpinned by an emphasis on experienced and pragmatic delivery. However, the fiscal challenges faced by Starmer and Reeves have not gone away. Burnham has already made several spending commitments around housing and welfare, which could put pressure on other departmental spending and lead to tax rises.

This briefing focuses on people and organisational structures. For more in-depth policy analysis, see our previous BIA member [briefing](#) on Andy Burnham's policy platform and implications for life sciences.

Government structural changes

Bringing science and business together

BIST has been created by expanding and renaming DBT, absorbing science and innovation functions from the abolished DSIT. The Investment Security Unit has also moved from the Cabinet Office to BIST, taking responsibility for scrutinising investments on national security grounds closer to the Government's wider business, investment and industrial-policy functions. BIST is [intended](#) to provide end-to-end support from foundational research to the creation and scaling of innovative firms, with infrastructure supported through stronger links to the British Business Bank and the HM Treasury-sponsored National Wealth Fund. Combining science and innovation with business, trade and industrial policy should also create closer connections between research, commercialisation, manufacturing, investment and international growth.

This further cements the shift towards applied research and commercialisation established by the Industrial Strategy, as well as [UKRI's 2026-2031 Strategy](#), which maps its new priority programmes against the eight Industrial Strategy growth sectors and allocates £1.5 billion to life sciences over the Spending Review period. Closer alignment between science and business needs should directly benefit the sector, as well as make it easier to present life sciences as an integrated economic proposition rather than a collection of separate research, health and industrial-policy interests.

There are, however, two main limitations. First, life sciences, and science more generally, will be competing for attention within a large economic department. Second, the distribution of AI and digital responsibilities across the Cabinet Office, BIST and the DCMS may mean that health data, digital health and AI-enabled discovery will require engagement and coordination across several departments.

The Office for Life Sciences should limit disruption

Life sciences is likely to be better insulated from the disruption caused by machinery-of-government changes than other sectors. OLS had already operated across DBT, DHSC and DSIT, connecting the Government's health and growth missions. With the business and science functions now combined in BIST, the underlying departmental structure should be simpler, although formal OLS governance arrangements have not yet been updated publicly. McDonald's joint role as Minister for Science, Innovation and Investment across BIST and DHSC should also improve coordination between science, investment and health policy. However, James Frith's appointment as Minister for Health Innovation means that, despite the simpler departmental structure, the sector will still need to navigate more than one ministerial portfolio and decision-making could be fragmented.

Number 10 North could develop into an economic delivery centre

The centrepiece of Burnham's policy platform, Number 10 North is intended to be more substantial than a regional administrative office. It will form part of the new Office for the Prime Minister and the Cabinet, which brings together 10 Downing Street, Number 10 North and the core Cabinet Office functions serving the Prime Minister and Cabinet. This places Number 10 North within the Government's central strategic and decision-making machinery, rather than treating it as a separate regional outpost. Local economic growth and devolution strategy are moving from the housing department, while local economic growth policy is transferring from the Treasury. Number 10 North also [hosted](#) the first meeting of the revived National Economic Council, bringing senior ministers and regional mayors into national economic decision-making. The Government describes it as the engine room of devolution and growth, while Burnham has [called](#) it a "situation room" for improving the country.

This suggests that Number 10 North could become a cross-government economic-development and delivery function, bringing together central departments, local leaders and investment priorities. There are also informal indications that BIST officials are being asked whether they would be willing to work in Manchester for part of the week. This has not been publicly confirmed, but it would be consistent with an operation intended to shape and deliver economic policy rather than simply administer central government from a second location.

This could potentially yield significant benefits for the life sciences sector, since Greater Manchester is identified in UKRI's strategy as a location with strengths in health technology and life sciences, advanced manufacturing and applied AI. Number 10 North could therefore become a route through which Greater Manchester and other regional clusters bring forward investible propositions covering innovation funding, research infrastructure, medicines and medtech manufacturing, clinical trials, health data and NHS adoption.

Key figures in the Burnham Government

Jonathan Reynolds



Jonathan Reynolds was appointed Secretary of State for Business, Innovation, Science and Trade on 20 July 2026. He returns to an economic portfolio after serving as Chief Whip from September 2025, having previously been Business and Trade Secretary and President of the Board of Trade between July 2024 and September 2025. Reynolds has been the MP for Stalybridge and Hyde since 2010. His previous frontbench roles have covered business and industrial strategy, work and pensions, the Treasury, energy and climate change. He has also served on parliamentary committees covering science, innovation, business and trade.

His return provides continuity with the Industrial Strategy and Life Sciences Sector Plan – both developed and launched during his previous tenure as Business and Trade Secretary – while the expansion of his department also indicates that science and innovation will be expected to contribute directly to investment, commercialisation and regional growth. His previous experience in the business department should mean that he is familiar with the investment environment and industry concerns around scale-up capital, manufacturing, skills and regulation. However, there may be a challenge to maintain sufficient attention on life sciences within a department covering science, wider business policy, industrial strategy, trade, investment, and economic security.

Chris McDonald



Chris McDonald's appointment as Minister for Science, Innovation and Investment, jointly across BIST and DHSC, gives him [a broad portfolio](#) spanning R&D, UK science, research and innovation, life sciences, tech investment, scale-ups and access to finance. He also has joint responsibility for the OLS at DHSC, while his public-body responsibilities include UKRI, Innovate UK, ARIA and the British Business Bank. This gives McDonald a significant role across the research-to-commercialisation pathway and provides a clearer ministerial link between science, investment and life-sciences policy. McDonald previously served as an industry minister across DBT and the Department for Energy Security and Net Zero and, before entering Parliament, spent around 20 years in the steel industry as a chemical engineer, much of it focused on research.

McDonald's background in industrial research, materials and commercialisation fits well with the Government's emphasis on translating research into economic growth. Moreover, he has direct constituency exposure to our sector, with FUJIFILM Biotechnologies – a BIA member and major medicines manufacturer and employer in his Stockton North constituency – having recently completed a £400 million expansion of its Billingham facilities. McDonald attended the site's opening in addition to speaking at BIA's inaugural [BioSolutionsUK conference](#) earlier this year. While his joint appointment should improve coordination across BIST and DHSC, James Frith's separate Health Innovation portfolio means effective coordination between the two ministers will be critical.



James Frith



James Frith was appointed Parliamentary Under-Secretary of State for Health Innovation at DHSC on 22 July 2026. He previously served as a junior minister in DSIT and the Cabinet Office between March and July 2026, where his responsibilities included digital ID. Frith has represented Bury North since 2024, having previously been its MP between 2017 and 2019, and before entering Government had a background as a social entrepreneur and in organisations spanning health and education.

[His portfolio](#) makes him an important minister for the life sciences sector, being responsible for NHS data and technology, medtech, medicines, research and innovation, as well as rare diseases and major and long-term conditions.

Frith's appointment adds another important ministerial interface for the sector. While Chris McDonald's joint BIST-DHSC role as Minister for Science, Innovation and Investment should connect the science, investment and health agendas, Frith holds many of the key DHSC levers affecting medicines, medtech, research and NHS adoption. The portfolios still overlap in areas such as research and innovation, so effective coordination between them will remain important. Early indications from our contacts within government suggest that Frith will lead on patient-facing decisions, while McDonald will lead on those related to industry. The sector is therefore likely to benefit from closer cross-departmental alignment but will still need to navigate more than one ministerial route.



Yvette Cooper

Yvette Cooper was appointed Health and Social Care Secretary on 20 July 2026, moving from the Foreign Office, where she had served as Foreign Secretary since September 2025. She previously served as Home Secretary from July 2024 to September 2025. Cooper has been an MP continuously since 1997 and has extensive ministerial experience, including as Chief Secretary to the Treasury, Work and Pensions Secretary, Housing Minister and a junior health minister between 1999 and 2002.

Her appointment suggests that Burnham wants an experienced political and departmental operator to oversee NHS and social care reform. Her previous Treasury experience should help her negotiate funding and manage delivery across government, but she does not have a recent or strongly established profile on medicines, research or life-sciences policy.

The immediate question is whether Cooper treats life sciences as a central mechanism for NHS reform and economic growth, rather than as a secondary industry interest. She has taken on Isabel Abbs as an advisor. Isabel was health policy advisor to Keir Starmer so provides good continuity as well as an understanding of

the critical US-UK Pharmaceutical Partnership agreed under his watch. Dame Diana Johnson and Alison McGovern have also joined DHSC, with Johnson appointed Minister of State for Public Health and Patient Safety and McGovern Minister of State for Social Care.

There is useful continuity below Secretary of State level.

Karin Smyth has been reappointed as a Minister of State at DHSC, having served in the department since July 2024. Her previous responsibilities included secondary care, NHS finance and capital, the workforce, system oversight and NHS data and technology. Her retention should preserve departmental knowledge during a period of significant ministerial and organisational change.

Baroness Merron has also been retained at DHSC, preserving valuable departmental knowledge of clinical trials, NIHR, research, medtech, genomics and regulation. However, her new published brief focuses on women's health, meaning that this continuity is likely to be institutional rather than operational for the life-sciences sector.



John Healey

John Healey was appointed Chancellor on 20 July 2026, having previously served as Defence Secretary from July 2024 until June 2026. He has represented constituencies in South Yorkshire since entering Parliament in 1997. Healey has considerable previous Treasury experience, serving as Economic Secretary and then Financial Secretary between 2002 and 2007. His wider career has included roles covering housing, local government and skills, as well as a year as Shadow Health Secretary from 2010 to 2011.

Healey's appointment aims to provide experience and reassurance at the Treasury while the Government advances a more interventionist economic programme with limited fiscal headroom. He was also a leading advocate for devolution of economic policy as a junior Treasury minister in Tony Blair's Government, which Burnham has now given him full authority to implement. In his first address to Treasury staff, he outlined his five priorities: fiscal discipline; growth in every postcode; backing Britain; wealth creation; and bringing down the cost of living.

Decisions on the R&D budget, tax incentives, investment vehicles and the financing of the Industrial Strategy will ultimately depend on the fiscal framework he establishes. His previous Treasury experience included substantial engagement with enterprise, productivity and science and innovation policy, giving him a relevant understanding of the relationship between tax policy, public investment and innovation. His key test will be whether the Government's more active economic approach is supported by sufficient and predictable funding.

The wider Treasury team contains several positive points for life sciences.

Emma Reynolds was appointed Chief Secretary to the Treasury on 20 July 2026, returning to HMT after serving as Environment Secretary. She previously served as Economic Secretary and as a joint Treasury and DWP minister, including as pensions minister. As Chief Secretary, she is responsible for public expenditure, capital investment, infrastructure and strategic spending decisions. Before returning to Parliament, Reynolds held a senior policy role at TheCityUK. During that period, TheCityUK [co-led](#) the access-to-finance workstream of the Life Sciences Scale-Up Taskforce with BIA and OLS, developing proposals to direct more institutional capital towards life sciences venture and growth funds. Her experience at TheCityUK and subsequently as pensions minister gives her a strong understanding of the sector's scale-up and institutional-investment agenda.



James Murray returns to the Treasury as Financial Secretary and Paymaster General, after serving briefly as Health and Social Care Secretary and previously as Chief Secretary and Exchequer Secretary. He has served as the MP for Ealing North since 2019 and was previously Deputy Mayor of London for Housing and Residential Development. His return augurs well for the sector with BIA having previously met with him on R&D tax relief. His combination of Treasury experience and recent period at DHSC should also give him a useful understanding of the links between tax policy, health investment and the life sciences growth agenda.

Lucy Rigby has returned to the Economic Secretary and City Minister role, which she previously held between September 2025 and May 2026 before a short period as Chief Secretary. Her responsibilities include financial services policy, capital markets, listings, asset management, personal savings and pensions tax policy.

Torsten Bell has been retained in a Parliamentary Secretary role across HMT and DWP, having served jointly across the departments since January 2025. His retention should provide personnel and policy continuity on pensions investment, while Bell's retention and Rigby's return to the City brief provide continuity for the Mansion House and pensions investment agenda. Together with Emma Reynolds's experience, this gives the Treasury team a strong understanding of the effort to unlock institutional capital for private markets, growth companies and science and technology.

Conclusion

Overall, the changes point towards a closer integration of life sciences with the Government's wider industrial, investment and regional growth agenda. Bringing science and innovation into BIST should strengthen the connection between research, commercialisation, manufacturing and investment, while the emphasis on devolution and the development of Number 10 North could give regional life sciences clusters

a stronger route into national economic policy. Jonathan Reynolds's return to the business brief provides continuity and support for the Life Sciences Sector Plan, while the Treasury team's considerable experience of pensions reform, scale-up finance, R&D policy and institutional investment should support the sector's longstanding objective of increasing the supply of scale-up capital. At DHSC, Yvette Cooper brings significant political and Treasury experience, but the key question will be whether she places life sciences at the heart of the Government's approach to NHS reform and economic growth.

However, the abolition of DSIT risks short-term disruption and could weaken the visibility of science within government, while the creation of BIST may simplify departmental structures without necessarily creating simpler ministerial accountability for the sector. The publication of McDonald's responsibilities provides greater clarity over ministerial accountability, although the breadth of his portfolio and areas of overlap with James Frith mean close coordination between BIST and DHSC will remain important. The overall direction is encouraging for life sciences, but the main test will be whether the new machinery of government translates clearer accountability into sustained investment and better coordination between science, health and economic policy.