

# THE OUTLOOK FOR LIFE SCIENCES INVESTMENT IN THE UK

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HEAD OF INNOVATION



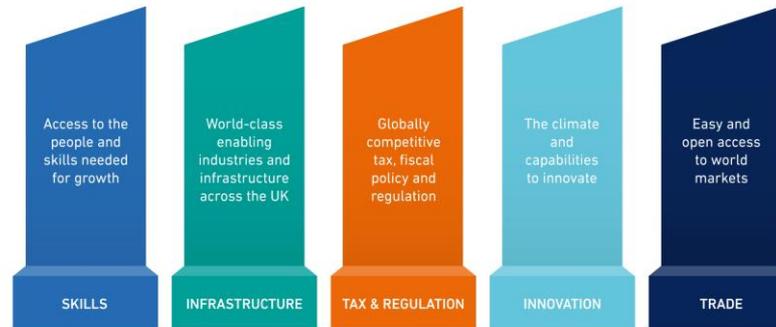
# AIMS OF TODAY'S SESSION

## To better understand and articulate:

- 1) The context that Life Sciences companies are operating in the UK including strengths, weaknesses, challenges and opportunities
- 2) The policy measures which government can pursue to help support the sector
- 3) The CBI's role in supporting the sector

# THE CBI IS THE UK'S PREMIER BUSINESS LOBBYING ORGANISATION

- Across the UK, the CBI speaks on behalf of 190,000 businesses which together employ nearly 7 million people. We speak for companies of all sizes – from FTSE100 to micro businesses, private and family owned businesses, across all sectors.
- With 13 offices around the UK as well as representation in Brussels, Washington, Beijing and Delhi, the CBI communicates the British business voice around the world.
- We provide our members with the **influence, insight and access** they need to plan ahead with confidence and grow. We represent their views as we work with policymakers to deliver a healthy environment for businesses to succeed, create jobs and ultimately, drive economic growth and prosperity.
- The CBI's five year vision is to help business create a more prosperous society, providing a framework for CBI policy priorities based around five pillars:



# THE CBI'S ROLE IN SUPPORTING THE SECTOR

Lobbying for the best policy environment for sector so it has the conditions to grow

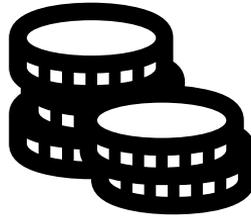
Championing the contributions of the sector and its value to UK prosperity

Showcasing the impact of the sector to the broader innovation landscape

# THE UK'S LIFE SCIENCES SECTOR IN A SNAPSHOT

£70bn

Contributed by the life sciences sector per year



£1.1bn

Foreign Direct Capital Expenditure in 2018

 40%

Higher productivity levels than Germany



240,000

Jobs across the life sciences sector across the UK

# KEY FACTORS IMPACTING THE SECTOR IN THE UK

A growing and  
ageing  
population

NHS marketplace  
for medicines

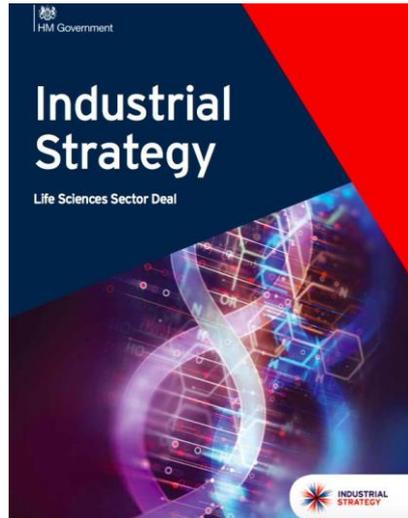
Global  
competition

Brexit

Environment to  
carry out  
research and  
innovate

SO HOW DO WE ADDRESS THIS...

# 1) THE GOVERNMENT'S ROLE IN SUPPORTING LIFE SCIENCES



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Science & Environment

## Aide: After Brexit science is No 10's top priority

By Pallab Ghosh  
Science correspondent, BBC News

🕒 30 September 2019 | 🇬🇧

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Brexit

*“We will focus our efforts on areas where the UK can generate a commanding lead in the industries of the future – **life sciences**, clean energy, space, design, computing, robotics and artificial intelligence.”*

*“In particular, we will make the UK the leading global hub for **life sciences** after Brexit.”*

**Conservative Party Manifesto, 2019**

## 2) THE ENVIRONMENT FOR RESEARCH AND INNOVATION

2.4% of GDP  
spend on  
R&D

- Encouraging and supporting the development of new medicines.

International  
collaboration

- The role of the EU and European Medicines Agency is vital.

Working  
with  
Universities

- Four of the world's top 10 universities for medical research based in the UK.

### 3) ACCESS TO TALENT AND SKILLS

STEM skills

Mobility of  
international talent

# CBI RECOMMENDATIONS

**The government should commit and be held to account of the UK being a world leading destination for life sciences.**

- Identify a clear set of international performance metrics, based on the Life Sciences Competitiveness Indicators, to hold the Government to account for the implementation of the Life Sciences Industrial Strategy and Sector Deals. Progress should be monitored regularly by the Life Sciences Council.
- The Secretary of State for Health and Social Care should make an annual statement to Parliament setting out current performance.

# CBI RECOMMENDATIONS

## **The UK should be the best place in the world to trial and bring new drugs to market**

- Aligning to EU clinical trials regulation post-Brexit.
- Invest in additional resources for NHS clinical trial sites. For example, recruit additional Data Managers and Research Nurses to support timely and high-quality trial implementation.
- Invest in digital and IT infrastructure and capabilities to find and recruit clinical trial participation

# CBI RECOMMENDATIONS

## **The UK should build a reputation for the best home-grown skills and talent in life sciences.**

The Apprenticeship Levy should be reformed in the following ways:

- Increase transparency around Levy receipts and expenditure – Enabling firms to better understand how the Levy system is working, what's being funded by the Government and how their contributions are being spent
- Make the Levy system more user-friendly – Engage smaller firms with practical, online support and locally-led 'matching services' which allow large firms to pass on unused funds
- Creating a sustainable financial plan for the Levy budget – Introduce a £100 million annual Government top-up to the Levy budget – so that Levy payers and SME non-Levy payers can continue using the scheme to spend on apprentices of all ages and skill levels
- Opening up conversations about the future of the Levy – Government should urgently fulfil its commitment to publicly consult on options after 2020 – including broadening the Apprenticeship Levy into a 'Flexible Skills Levy', which would cover a wider range of high-quality, relevant training.

## **The UK should be a magnet for international life sciences talent**

- The UK's future immigration system must enable life sciences firms to access the talent it needs, including lab assistants, technicians and specialist professions.

# QUESTIONS FOR YOU

- Can you see any of these policy issues impacting “on the ground” and in your specific projects?
- Are there any specific policy “risks” you are factoring in as part of your project management / implementation?

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