

## Written evidence submitted by the Northern Health Science Alliance (NHSA) (PEG0092)

### About the NHSA

The NHSA is a partnership of ten research-intensive universities, ten leading research NHS Hospital Trusts and the four Academic Health Science Networks of North England, established to improve the health and wealth of the North by building on an internationally recognised life science and healthcare cluster. The NHSA is working to reduce the dramatic inequalities that exist in health outcomes between the North and other regions of the UK.

The NHSA promotes the combined value of its membership to secure public and private investment in the Northern health science cluster as a national asset. The NHSA was identified in the Industrial Strategy and Life Sciences Sector Deal both as a successful exemplar of regional strength in health innovation and as a delivery partner for a Northern Sector Deal in life sciences.

The NHSA would be happy to provide oral evidence and expand on the points outlined below, to the support the Business, Energy and Industrial Strategy Select Committee's inquiry.

### Consultation response

- ***What core/guiding principles should the Government adopt/prioritise in its recovery package, and why?***
- ***How can the Government borrow and/or invest to help the UK deliver on these principles?***
- ***Whether the Government should prioritise certain sectors within its recovery package, and if so, what criteria should it use when making such decisions? What conditions, if any, should it attach to future support?***

This is a once in the lifetime opportunity for levelling up the UK through preferentially investing in regions which have been historically neglected. In its recovery package, the Government should prioritise sectors which have the potential to increase productivity and stimulate growth in the economy ensuring this growth is equally distributed across the UK. Health innovation has been identified as a prime capability for the North of England and yet the region sees just £21 spent per person on health innovation and research each year compared to a £62 average in the 'golden triangle'.

The COVID-19 pandemic has placed significant strain on the NHS and economy. A swift economic recovery will be required to ensure a sustainable NHS as the UK moves into the recovery phase and a thriving economy to provide funding and resources. In order to allow businesses and the economy to operate again, a national effort will be required. This national effort needs to utilise all constituent parts of the economy from across the country, to maximise opportunities for enhanced economic growth.

Given the historic economic variance and inequalities between the North and South, the health and economic challenges will be more acute in the North. Despite these challenges, the region is home to 16 million people, research-intensive NHS hospitals, world-leading universities and over 1 million private sector businesses and leads the way in important growth sectors such as pharmaceuticals, digital and technology. By investing in the North's health research and innovation potential there is an opportunity to revive the economy, while supporting the healthcare system post-COVID-19.

The North of England has excellent clinical academic expertise as evidenced through its Care Quality Commission reports<sup>i</sup> and diagnostics, manufacturing and therapeutics are key strengths of the North.<sup>ii</sup> Post-COVID, there is a need for the Government and NHS to properly use the potential of diagnostics

and therapeutics in the North and its capacity for digital evaluation. An example of this can be found in the North's work on mental health.

**Mental health** is already an area of acute need and social distancing measures will mean that pre and post-COVID-19, the need will increase.<sup>iii</sup> There is a plethora of innovation which is being implemented but this is often commissioned without thorough testing, and robust evaluation is imperative to ensure patient safety.

The North of England has the potential to become a globally-recognised test bed for digital mental health innovation, with an established network of practitioners, academics and industry partners identifying and articulating unmet need, providing high quality evaluative capability aligned to excellence in care practice, accessing secure longitudinal data within the NHS and social care and engaging citizens in a high-trust environment for data sharing. This would deliver better outcomes for patients, efficiencies for the care system and economic growth.

The test bed would result in a high-trust, high quality, pragmatic evaluation environment, covering a population of 16 million people and provide demonstrable societal, economic and health impacts. Evaluations would be based on real time access to routine data sets and would be coupled with the informed consent of the person. It would be delivered through a consortium of care providers, AHSNs and industry partners and would be a clinically led and academically support capability across the North of England.

The North is the right place to do this because of its high-quality care services and its track record of innovation. The economic impact of COVID-19 will be particularly felt in the North due to the pre-existing inequalities which exist in health outcomes and productivity between the North and the rest of the country. Providing resources for this proposal would provide an opportunity for the Government to level up public sector R&D investment and support the economic recovery post-COVID.

The North's experience in delivering world-leading health data collaborations through Connected Health Cities is already helping in the fight against COVID-19 through regional connected data systems. These networks have the capability to deliver data-intensive health and care innovation at a larger scale than anything else in the UK through Civic Data Cooperatives. This would provide data-intensive innovation with the potential to grow UK companies and attract inward investment with transformative technologies in diagnostics, therapeutics and digital health.

**Recommendation:** *The Government should utilise the North's health research assets through the NHSA to create a testbed for innovation to support the recovering health service and economy.*

**Recommendation:** *The Government should provide resource to create a standing infrastructure embedded across mental health services in the North of England that provides rapid evaluation of innovative mental health solutions.*

**Recommendation:** *The Government should engage with the NHSA to prioritise how established assets such as the North's diagnostics, therapeutics and digital ecosystem can be used to drive the economic recovery, and in doing so providing additional resilience for the NHS*

**Recommendation:** Invest in Civic Data Cooperatives to build connected health data systems across on 16 million people. This will create a sustainable model of industry engagement embedded with public support - agile and resilient able to respond to public health issues

A key barrier to private sector investment and growth in the North of England is the lack of investment in the public sector and the region's **relatively low productivity**. In the past decade, the imbalances

between the North and rest of the UK, particularly in health, have increased. Between 1965 and 1995, there was no health gap between younger Northerners aged 20-34 years and their counterparts in the rest of the UK but now mortality is 20% higher amongst young people living in the North. In 1995, for those aged 35-44 years, excess mortality in the North was 3%, but increased to 49% in 2015. Unless remediable economic, social and health policies are put in place, these trends will continue into the future and health and productivity will continue to decline in the North thus increasing further regional imbalances.<sup>iv</sup>

Our research found that:

- Improving health could reduce the £4 gap in productivity between the North and the rest of England by 30%. Reducing the number of working age people with limiting long-term health conditions by 10% would decrease rates of economic inactivity by 3 percentage points in the North.
- Decreasing rates of ill health by 1.2% and decreasing mortality rates by 0.7% would reduce the gap in GVA per-head between the North and the rest of England by 10%.
- Increasing the NHS budget by 10% in the Northern Powerhouse will decrease economic inactivity rates by 4.9% and decrease unemployment rates by 22%. A 10% increase in NHS budget in the Northern Powerhouse will increase GVA by 3.6%.

As the Government develops its post-pandemic economic recovery strategy, it should pay particular attention to the importance of health and R&D for productivity in the Northern Powerhouse as a way of attracting greater private sector investment into the region, thus boosting economic growth and creating jobs. Specifically, it should use the upcoming Spending Review and the proposed increase in total R&D spend to address historic inequalities between the North and the South and ensure these are not further exacerbated by the COVID-19 pandemic.

***Recommendation:*** *As the Government develops its post-pandemic economic recovery strategy, it should pay particular attention to the importance of health for productivity in the Northern Powerhouse. Specifically, it should use the upcoming Spending Review and the proposed increase in total R&D spend to address historic inequalities between the North and the South and ensure these are not further exacerbated by the COVID-19 pandemic.*

- ***Is the Industrial Strategy still a relevant and appropriate vehicle through which to deliver post pandemic growth?***
- ***How should regional and local government in England, (including the role of powerhouses, LEPs and growth hubs, mayoralities, and councils) be reformed and better equipped to deliver growth locally?***

The NHTA welcomes the Industrial Strategy as a relevant and appropriate vehicle through which to deliver post pandemic growth, in particular for the North of England and its life science sector. The Life Sciences Industrial Strategy (LSIS) provides a number of key recommendations for Government, including to support the growth of life sciences clusters, such as the NHTA, to promote the UK for research collaboration, partnership and investment.<sup>v</sup> However, the recommendations of the LSIS were not implemented in full by the Government and a number are no longer relevant due to the current pandemic. Sir John Bell is currently working on a refresh of the LSIS and the Government should support this refreshed Strategy by accepting its recommendations and developing a robust implementation plan.

***Recommendation:*** *The Government should support the Life Sciences Industrial Strategy refresh and, in particular, should explore how life sciences clusters and the organisations that support them can be used to drive economic growth post pandemic.*

The Northern Powerhouse strategy, published in 2016, provided a number of commitments for how the Government would work with local stakeholder to address barriers to productivity in the region.<sup>vi</sup> The NHTA welcomed the strategy and has worked with the Government to support its development. Last year, a refresh of the strategy was promised by the Government but has yet to come to fruition.<sup>vii</sup> The Northern Powerhouse strategy refresh, and the promised Devolution White Paper<sup>viii</sup>, provides further opportunities for the Government to demonstrate its commitment to the North of England by supporting the region through investment in health spending and R&D, and levelling up the country.

**Recommendation:** *The Government should utilise the Northern Powerhouse Strategy refresh, and Devolution White Paper to deliver investment in health and R&D spending in the North.*

The Government should also continue to commit to Local Enterprise Partnerships (LEPs) as effective vehicles for delivering economic growth locally. As recommended by the House of Commons Public Accounts Committee in 2019, the Ministry of Housing, Communities and Local Government should support LEPs to develop robust local industrial strategies based on the economic need of their area.<sup>ix</sup> For example, Greater Manchester's Local Industrial Strategy, published in June 2019, provides a robust plan for increasing the region's productivity.<sup>x</sup> Above these organisations, the Government should also work in collaboration with expert cluster organisations such as the N8 Partnership, the NHTA and Transport for the North to help identify pan-regional opportunities for growth.

**Recommendation:** *The Ministry of Housing, Communities and Local Government should support LEPs to develop robust local industrial strategies based on the economic need of their area.*

**Recommendation:** *The Government should also work in collaboration with expert cluster organisations such as the N8 Partnership, the NHTA, Northern Powerhouse Partnership and Transport for the North to help identify pan-regional opportunities for growth.*

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<sup>i</sup> Care Quality Commission (2020), 'Second Outstanding rating for North East Trust'. Available at: <https://www.cqc.org.uk/news/releases/second-outstanding-rating-north-east-trust> [Accessed: July 2020].

<sup>ii</sup> Office for Life Sciences (2018). Life Sciences Sector Deal 2, 2018. Available at: <https://www.gov.uk/government/publications/life-sciences-sector-deal/life-sciences-sector-deal-2-2018>. [Accessed: July 2020].

<sup>iii</sup> Williams, S. et al (2020), 'Public perceptions and experiences of social distancing and social isolation during the COVID-19 pandemic: A UK-based focus group study.' Available at: <https://www.medrxiv.org/content/10.1101/2020.04.10.20061267v1>. [Accessed: July 2020].

<sup>iv</sup> Bamba, Munford, Brown et al (2018), 'Health for Wealth: Building a Healthier Northern Powerhouse for UK Productivity'. Available at: <https://www.thenhsa.co.uk/app/uploads/2018/11/NHTA-REPORT-FINAL.pdf>. [Accessed: July 2020].

<sup>v</sup> Bell, J. (2017), 'Life Sciences Industrial Strategy'. Available at: [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/650447/LifeSciencesIndustrialStrategy\\_acc2.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/650447/LifeSciencesIndustrialStrategy_acc2.pdf). [Accessed: July 2020].

<sup>vi</sup> HM Government. (2016), 'Northern Powerhouse strategy'. Available at: [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/571562/NPH\\_strategy\\_web.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/571562/NPH_strategy_web.pdf). [Accessed: July 2020].

<sup>vii</sup> Parliament. (2019), 'Productivity: North of England: Written question'. Available at: <https://www.parliament.uk/business/publications/written-questions-answers-statements/written-question/Commons/2019-07-01/271528/>. [Accessed: July 2020].

<sup>viii</sup> 10 Downing Street. (2019), 'The Queen's Speech 2019'. Available at: [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/853886/Queens\\_Speech\\_December\\_2019\\_-\\_background\\_briefing\\_notes.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/853886/Queens_Speech_December_2019_-_background_briefing_notes.pdf). [Accessed: July 2020].

<sup>ix</sup> House of Commons Committee of Public Accounts. (2019), 'Local Enterprise Partnerships: progress review'. Available at: <https://publications.parliament.uk/pa/cm201719/cmselect/cmpublic/1754/1754.pdf>. [Accessed: July 2020].

<sup>x</sup> HM Government. (2019), 'Greater Manchester Local Industrial Strategy'. Available at: [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/808579/greater-manchester-local-industrial-strategy-single-page.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/808579/greater-manchester-local-industrial-strategy-single-page.pdf). [Accessed: July 2020].