

Cross-Party Group on Life Sciences

30 May 2023 17.45 – 19.20

Present

MSPs

Graham Simpson MSP

Michael Marra MSP

Ivan McKee MSP

Invited Guests

Professor Dame Anna Dominiczak, Chief Scientist (Health), Scottish Government

Professor Mairi Spowage and Adam McGeoch, Fraser of Allander Institute,
Strathclyde University

Professor Sir Mike Ferguson, School of Life Sciences, University of Dundee

Non-MSP Group Members

Alison McIntosh, SULSA

Andrew Howie, Scottish Enterprise

Andrew Tobin, Glasgow University

Angela Thomas, FPM

Brian Forbes, Astrazeneca

Claire Headspeath, ABPI

Danielle Frewin, AbbVie

David Newby, Edinburgh Clinical Research Facility

Dionne Mackison, Scottish Government

Dr Phil Jones, Bio ascent

Ewan Morrison, Scottish Government

Fiona Nicolson, Burness Paull

George Davidson, GSK

Greg Stevenson, Janssen

Heather Rankine, Exact Sciences

Jacqui Young, Roche

John Macgill, Ettrickburn

Julie Brittenden, Glasgow University

Karen Facey, Edinburgh University

Laura Hyndman, Edinburgh University

Leigh Mair, InnoScot Health

Lindsay Cameron, Daiichi Sankyo
Lindsay McClure, NHS National Services Scotland
Lorna May, Eli Lilly
MairiClaire Macpherson, Pfizer
Marcus Harrison, Edinburgh University
Mark Cook, Medtronics
Mark Wilkinson, The Data Lab
Mia Burleigh, University of the West of Scotland
Neil Macdonald, MSD
Neil Smart, NHS
Nicolas Peyret, Scottish Government
Philip Jones, BioAscent
Professor Angela Thomas,
Richard Lockhart, Burness Paull
Richard Mole, Moredun Research Institute
Steve Brown, Roche
Steve Kerr, Department for Business and Trade
Steven Burke, Pharmaceutical Product Development (PPD)

Apologies

Kenneth Gibson MSP
Miles Briggs MSP
Fulton McGregor MSP

Opening, Welcome and Introductions

Graham Simpson MSP welcomed everyone to the meeting and gave apologies from Kenneth Gibson MSP, the Convener.

Agenda item 1

Minutes of the previous meeting (February 21st, 2023)

The minutes of the previous meeting were accepted by the Group, proposed by Michael Marra MSP, and seconded by Ivan McKee MSP.

Agenda item 2

AGM

Graham Simpson MSP told the meeting that 10 MSPs are now supporting the CPG. As one of the office bearer nominee MSPs, he handed over to the Secretariat to run the first part of the AGM.

MSP supporters of the Cross-Party Group on Life Sciences are:

- Kenneth Gibson MSP
- Graham Simpson MSP
- Miles Briggs MSP
- Craig Hoy MSP
- Michael Marra MSP
- Fulton McGregor MSP
- Ivan McKee MSP
- Michelle Thomson MSP
- Sue Webber MSP
- Brian Whittle MSP

George Davidson, Chair of one of ABPI Scotland's main members' committees, thanked Mr Simpson and gave apologies from ABPI Scotland Director Alison Culpan as she and another CPG supporter, Professor Frank Gunn-Moor, were receiving fellowships of the Royal Society of Edinburgh that evening. Mr Davidson thanked all the MSPs and those outside the parliament who support the CPG and welcomed Ivan McKee MSP and Brian Whittle MSP.

Mr Davidson presided over the election of office bearers:

Ivan McKee MSP nominated Kenneth Gibson MSP as Convener, which was seconded by Michael Marra MSP.

Michael Marra MSP nominated Graham Simpson MSP as Vice-Convener, which was seconded by Ivan McKee MSP.

Graham Simpson MSP resumed chairing the meeting. ABPI Scotland was returned as Secretariat for the coming year.

Mr Simpson gave an outline of future meeting plans and invited ideas for speakers at future meetings to be shared with the Secretariat.

Agenda item 3

CSO as an Engine for the Innovation and Entrepreneurship in Scotland

Professor Dame Anna Dominiczak, Chief Scientist (Health) at the Scottish Government

Dame Anna talked about the 50-year history of the Chief Scientist Office (CSO) and the urgent need for the NHS to embrace the opportunity offered by innovation to help it to meet the challenges it currently faces. She added that it is essential for Scotland to embrace the triple helix approach of the NHS, academia and industry working in partnership, saying that, in her experience, there can be no innovation without industry partnership.

Dame Anna presented on the role of the CSO-led regional testbeds/innovation hubs and the infrastructure behind them that brings together expertise, knowledge, data, governance and evaluation. She talked of her hopes to expand the Innovation Fellowship Programme where clinicians in training grades will have the opportunity to take forward innovations working alongside industry partners.

Dame Anna presented on the Once for Scotland approach to innovation adoption: the introduction of the Innovation Design Authority as a governance body and the Accelerated National Innovation Adoption (ANIA) pathway as a systematic approach to evaluation, evidence building and adoption of innovation in NHS Scotland.

The meeting heard that projects already in the pathway are for:

- digital dermatology;
- giving access and patient training support to a closed-loop system for management of type I diabetes;
- theatre scheduling to optimise the delivery of surgical procedures;
- the use of same-day CT and AI in lung cancer diagnostics; and
- digital technology to support type II diabetes patients into remission.

Dame Anna completed her presentation by talking about the potential benefits to patients and the NHS of the use of pharmacogenomics to predict adverse reactions to medication before prescribing them, which an analysis from NHS Greater Glasgow and Clyde suggests could save that Board £85 million over three years.

Q & A

In answer to a question about key performance indicators in the assessment of innovation, Dame Anna said the first and most urgent is the impact on waiting lists. She added that she feels there are a lot of opportunities for health economists to undertake longitudinal reviews of the impact of innovations and would encourage people to apply to the NIHR to fund health evaluation studies.

Asked for her views on the recently published Lord O'Shaughnessy report which makes a series of recommendations on clinical trials, Dame Anna said that, while much of the focus was on NHS England, what it says on modernising clinical trials

and using digital platforms for patients, and its recommendations to increase both the number of trials and levels of recruitment, are important for Scotland.

Asked about the greatest challenges in delivering greater access to innovation, Dame Anna said that while finance is important, the real opportunity is to deliver Once for Scotland, with everybody sharing the same ambition and purpose. She added that, rather than innovation being too difficult for an under-pressure NHS, one chief executive had referred to it as bringing oxygen at times of great pressure.

Agenda item 4

A presentation on the findings of the Fraser of Allander report into the economic contribution of the Pharmaceuticals Sector in Scotland.

Professor Mairi Spowage, Director, and Adam McGeoch Economist Fellow, Fraser of Allander Institute, University of Strathclyde

Adam McGeoch, who had led the research, took the meeting through the findings of the fourth assessment by the Institute of the economic impact of the sector in Scotland. Much of the focus was on the SIC 21 measure of manufacturing of pharmaceuticals, as well as analysis of the wider pharmaceuticals sector within the context of the overall life sciences sector, one of Scotland's six growth sectors.

The report focuses on the five National Strategy for Economic Transformation (NSET) programme of action areas: entrepreneurial people and culture; new market opportunities; productive businesses and regions; skilled workforce; and a fairer and more equal society.

Mr McGeoch said that employment by the pharmaceutical sector is dispersed across Scotland and, particularly due to the concentration of activity in North Ayrshire, is important in areas of high deprivation and greater worklessness.

He added that, more widely, the life sciences sector benefits from Scotland having the highest number of students (per head of the population) in higher education studying STEM-related subjects in the UK. The sector continues to offer well-paid jobs, with a median hourly wage of £20.02 in 2022.

Case Study: "Scottish pharma can prosper if work is joined up and supported"

Professor Sir Mike Ferguson, Regius Professor of Life Sciences, University of Dundee

Professor Sir Mike Ferguson said two things in particular are missing in Scotland that could convert innovative start-ups into Scottish unicorns: a fund to support prototypic companies and new businesses to prove they are 'an investable asset'; and, secondly, innovation hubs to provide appropriate accommodation for businesses going through high-growth phases, which are particularly vulnerable to leaving Scotland simply because they can't find appropriate working environments alongside other similar organisations.

Sir Mike illustrated his concerns by focusing on a number of successful high-growth companies created in Dundee that, for a number of reasons, no longer have Scotland as their primary centre of operations.

He suggested that the high level of new spin-outs will remain, pointing to the work of the University of Dundee Drug Discovery Unit supporting the commercialisation of innovative potential new medicines which has led to high-value relationships with international pharmaceutical companies and triggered a number of spin-outs being established, several of which have now been acquired by international investors – with the downside that the later development stages of some medicines are taking place in other countries.

Sir Mike made the case for an Innovation to Investable Asset Fund to allow the preparation of companies to make them investment ready. He suggested Scottish companies need additional help to compete with an inbuilt bias amongst some investors against any innovation not coming out of the southeast of England/'Golden Triangle'.

He said that he believed an annual investment of £5 million to support the best 20 projects a year (out of about 40 put forward by Scottish HEIs in a 12-month cycle) would offer a return of £200 million a year and the creation/retention of 250 high-value Scottish jobs that would be otherwise lost.

Q&A

Asked where this investment should come from, Sir Mike said it needed to be from a public sector organisation such as Scottish Enterprise, which he said is scoping this idea already. He said with £5 million a year, the life sciences intellectual property of Scotland's universities could be 'liberated', ending the current underperformance in commercialisation of innovation out of Scottish universities and companies. He added that there is no lack of potential investors in Scottish life sciences – he and colleagues had met 25 venture capital organisations in the last 24 months. However,

he accepted that the level of engagement by Scotland with UK and international investors, and vice versa, could be improved.

The meeting discussed the lack of executive leadership talent – chief executives and chief financial officers to lead young companies – which is a key consideration for investors. It was suggested that, instead of trying to form a cohort of c-suite leaders in Scotland, the right people recruited outside Scotland could continue to live where they are, travelling only when they needed to. Over time, Scotland could accrete a cadre of c-suite leadership starting in this way as they realise the attractions of Scotland as a place to live and work.

Asked about the steps that Scotland can take to anchor companies in Scotland as they grow, Sir Mike said he felt that a successful company with a happy workforce operating in an attractive environment – within a cluster of similar organisations – was unlikely to leave Scotland. However, he said it is also important that Scotland's biomedical clusters are large and robust enough so that, if one organisation moves away, it does not undermine the whole cluster. Likewise, vibrant clusters themselves will become attractive to 'spin-ins' of companies that were started outside Scotland.

There was a discussion of data sources used by the Fraser of Allander research team and the value of being able to present information on other elements of the life sciences sector as well as pharmaceuticals, and of the life sciences sector as a whole.

The Group agreed to a suggestion by the Deputy Convener that he and the Convener write to the government to seek their thoughts on the creation of a life sciences fund as described by Sir Mike.