

# Healthcare innovation at Birmingham

*Summer 2020*

## Executive summary

- + The West Midlands has the second largest cluster of healthcare technologies SMEs in the country. Government investment is needed to support businesses to rapidly innovate and translate ideas to the clinic, creating new jobs and improving health.
- + We are seeking government investment for two projects, which together would increase GVA by £500 million and safeguard or create over 3,000 jobs. The development of the Birmingham life sciences park, will deliver the infrastructure and space for businesses to innovate and grow. The Resilience in Supply Chains for Med Tech Manufacturing (ReSCue) project would support manufacturing businesses and supply chains to diversify, scale-up and increase their resilience.

## Background

The West Midlands is already a major hub for life sciences, with around 22,000 jobs in a sector comprising more than 600 companies. Our region's large and diverse population makes us the ideal environment for running clinical trials and tackling pressing healthcare challenges.

Building on our region's existing strengths in life sciences, we have submitted proposals to HM Treasury for two major shovel-ready projects that together would deliver 3,000 jobs and around £500 million GVA. These projects have the backing of the Mayor of the West Midlands and other civic leaders and were included in the Mayor's formal representation to government: [Kickstarting the West Midlands Economy: Our Investment Case](#) (pp.10-11).

## Birmingham life sciences park

In recent years, members of the Birmingham Health Partners (BHP) alliance have been developing plans for a Birmingham life sciences park. This new

initiative would support the rapid translation of vital research into emerging healthcare treatments and technologies, and enable patients to benefit sooner. The development of the park will provide >700,000ft<sup>2</sup> of space for businesses to co-locate at the heart of a vibrant health campus, enabling rapid knowledge exchange between industry, researchers and clinicians, giving local businesses a competitive advantage and stimulating job creation.

As plans for the development and construction gather pace, we have consulted with a number of industry bodies – including the Association for the British Pharmaceutical Industry, Academic Health Sciences Network, Association of British HealthTech Industries and our partners – with regard to the name and branding of the site and have concluded on Birmingham Health Innovation Campus (BHIC).

Last autumn, we announced a partnership with the Association of British Pharmaceutical Industry with the aim of making Birmingham a leader in the development of precision therapies tailored to patients based on genetic, environmental, and lifestyle factors. In March, BHIC was designated a Life Sciences Opportunity Zone. As one of only six locations in the England and the only one outside the south east, this status demonstrates the potential to attract significant inward investment.

We are now seeking an initial public investment of £60 million to develop the core innovation facilities on the park – the Precision Health Technologies Accelerator (PHTA). This will provide the critical advanced facilities, including clean rooms and advanced diagnostic and genetic laboratories critical for identifying and tackling disease, and the development of new advanced medical technologies and therapies, as well as infrastructure for co-creation, incubation and grow-on space dedicated to health technology businesses.

Project benefits:

- + Increase GVA by £400 million.



- + Safeguard or create 1,600 jobs.
- + Engage with 500 companies in innovation.
- + Raise R&D industry investment by up to £100 million
- + Immediately leverage £45 million of private sector capital investment and catalyse future private investment of £200 million for >700,000ft<sup>2</sup> of space for new healthtech businesses.
- + Provide infrastructure for long-term growth and inward investment to rapidly develop innovative health technologies and scale for global markets.

Government funding will be critical in enabling this project to proceed. Our private developer partner is fully engaged and ready to go and planning proposals are being prepared for submission over the summer. Subject to successful planning, partnership agreements and government funding, work could start in early 2021 for completion in early 2023.

### Resilience in Supply Chains for Med Tech Manufacturing (ReSCue)

The COVID-19 crisis has highlighted major challenges concerning medical equipment supplies, supply chain issues and the need for more rapid innovation and regional resilience. Since the traditional manufacturing sectors are predicting major job losses, there is also an urgent need for regional sector diversification.

To deliver transformational national capacity and capability, driven by repositioning and integrating regional excellence, we have assembled a cross-sector West Midlands consortium involving industry, NHS, academia, charity and policy stakeholders. This initiative will bring together emerging technologies with supply chains from critical sectors of the local economy

(e.g. manufacturing, automotive) to enable them to rapidly pivot into healthcare. By leveraging proven manufacturing adaptability with embedded healthcare sector expertise, we can deliver cross-sector economic recovery, 'system shock' resilience and future global market growth.

We are therefore seeking a £54 million investment from government to enable the ReSCue project to proceed.

The investment would be used to rapidly pivot, create and scale health market entrants through an integrated cluster. This will provide businesses with access to a portfolio of technical assistance, infrastructure and training through tailored packages developed through a network of business support personnel.

Project benefits:

- + Increase GVA by £80m over 4 years.
- + Create around 1,500 jobs.
- + Enable our companies to respond to the challenges that have been exposed by COVID-19 and improve supply chain resilience.
- + Respond to new markets, regulation, supply chains and procurement.
- + Adapt through the integration of new technologies (e.g. digital) and innovations from outside the sector (e.g. manufacturing, advanced materials).

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