

**HEALTH INNOVATION PARTNERSHIP
NEWS RELEASE**

Edinburgh, 9 October 2013

SWINNEY WELCOMES LIFE SCIENCES GROWTH AND PRAISES NEW BUSINESS - NHS PARTNERSHIP

John Swinney MSP, Cabinet Secretary for Finance, Employment and Sustainable Growth, last night welcomed new figures showing strong growth in Scotland's life sciences sector, and praised the involvement of the sector in the Scottish Government's Health Innovation Partnership with the NHS in Scotland.

Following his address to a 300-strong business audience at the Scottish Life Sciences Association's annual dinner last night in Edinburgh, Mr Swinney said:-

"Life sciences is a growth sector of the Scottish economy. Its gross value added was up 9 per cent in 2011 against 2010, while employment grew by 18 per cent in the same period – a fantastic performance given the prevailing economic circumstances 2 years ago.

"We want Scotland to be a world-leading centre for innovation in health through closer partnership working between the life sciences sector and the NHS. Last summer, we published a Statement of Intent for that partnership, and we are now delivering on this through our Health Innovation Partnership, bringing together the NHS and Scottish life sciences companies to identify next generation technologies to address our future healthcare needs.

"Not only will the NHS act as a potential customer for new products, but it will also act as an expert partner, helping companies to develop and test their ideas resulting in a win-win situation.

"We are grateful to the SLA for hosting the Health Innovation Partnership, and providing its Industry Liaison team. Having such strong private sector support for what we want to do is a great example of partnership in action. In only 6 months, the SLA have already supported 25 companies to establish in depth links with NHS clinicians through the Health Innovation Partnership.

"These companies are already benefiting from working more closely with NHSScotland on meeting clinical needs for innovative technology in a cost effective manner. We are keen to see more companies benefit from the service, supporting both our health and wealth agendas in Scotland."

Scott Johnstone, Chief Executive of the SLA, said:-

"We are delighted to be working so closely with the Scottish Government and NHSScotland on behalf of the entire life sciences community in Scotland to deliver the industry liaison role for the Health Innovation Partnership. The project is progressing well, but there is still a huge amount to do to ensure that the NHS fulfils its enormous potential as a partner for innovative healthcare product development here in Scotland, which will help to grow the Scottish economy as well as providing better healthcare solutions."

Ends

16 May 2013

Editors' Note

Background to life sciences growth statistics

1. **The GVA growth figures** are from the Scottish Annual Business Statistics 2011 published recently by the UK Office of National Statistics - see page 8 at <http://www.scotland.gov.uk/Resource/0043/00432251.pdf>. The following is an extract:-

- In 2011, GVA in the life sciences sector in Scotland amounted to £960 million, up 9% on 2010. Life sciences sector GVA is now above the level seen in 2008, at the start of the recession;
- The life sciences sector GVA increase experienced between 2010 and 2011 is largely attributable to a rise in GVA within the research and development part of the sector. In 2011, GVA in the “research and experimental development on natural sciences/engineering” sector in Scotland amounted to £477 million, up 46% on 2010.
- However, GVA in the pharmaceuticals sector declined between 2010 and 2011. In 2011, GVA in the pharmaceuticals sector in Scotland amounted to £362 million, down 14% on 2010.

2. **The employment growth figures** are from the Scottish Government database of economic statistics for the 6 private sector dominated growth sectors as defined in its Government Economic Strategy. These 6 sectors are food and drink, financial and business services, energy including renewables, sustainable tourism, creative industries and life sciences. The database is available here <http://www.scotland.gov.uk/Topics/Statistics/Browse/Business/Publications/GrowthSectors/Database>. In January, the Scottish Government updated this database to show employment growth for these 6 key sectors over the period 2010 – 2011. The following is a summary of the data:-

Sector	Employment in	2010	2011	Change	% change
Food and Drink		117,500	117,700	+200	+0.2%
Financial and Business Services		206,900	207,500	+600	+0.3%
Energy (inc renewable energy)		65,300	64,800	-500	-0.8%
Sustainable Tourism		183,400	185,900	+2,500	+1.4%
Creative Industries		71,900	64,100	-7,800	-10.9%
Life Sciences		14,600	17,300	+2,600	+18.1%
All		659,700	657,200	-2,400	-0.4%

Source: Scottish Government

Background Note on Health Innovation Partnership

3. The Scottish Government’s strategic vision for NHSScotland is that by 2020, everyone will be able to live longer healthier lives at home, or in a homely setting, and that whatever the setting, care will be provided to the highest standards of quality and safety. That vision is contained within a Scottish Government Route Map (<http://www.scotland.gov.uk/Resource/0042/00423188.pdf>) which sets out how it will be turned into reality by 2020

4. The Route Map describes 12 priority areas for action by the NHS. One, on innovation, is to increase NHSScotland investment in new innovations which both increase quality of care and reduce costs, and simultaneously provide growth in the Scottish economy.

5. That action to increase NHSScotland investment in innovation sits within the context of a Scottish Government Statement of Intent “Health and Wealth in Scotland: a Statement of Intent for Innovation in Health” <http://www.scotland.gov.uk/Resource/0039/00396711.pdf> published in June 2012, which is a bridge between the Health Route Map and the Life Sciences Strategy for Scotland. <http://www.lifesciencesscotland.com/media/14388/lss-strategy-2011.pdf>. Healthcare innovation is at the heart of the Statement: the invention, development, production and use of products, medicines, therapeutics, approaches and supporting services which will create the opportunity to make major improvements to health and healthcare. The Statement sets out a number of actions, including the setting up of a Health Innovation Partnership (Medical Technologies) or HIP (MT) to foster partnership between the medical technologies sector in Scotland and NHSScotland to mutual benefit.

6. The HIP (MT) was set up by the Scottish Government in April 2013 to help NHSScotland to work more closely with the medical technology and other sectors in order to improve its utilisation of innovative healthcare solutions using modern technologies. It was designed to strengthen the partnership between the life sciences sector in Scotland and NHSScotland to the mutual benefit of both parties. The industry liaison service of the HIP (MT) is being delivered under a pro bono contract between the Scottish Government and the Scottish Lifesciences Association (SLA), which is also providing accommodation for the HIP. This provides access good access to the NHS for life sciences companies in Scotland whether or not they are SLA members. Thus far, the HIP (MT) has engaged with 25 companies who wish to take advantage of access to NHS expertise in providing them with expert views on their technology proposals, and also helping them to assess NHS needs for innovative technology.

7. For more information contact

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