

ABHI



THE PLAN FOR HEALTHTECH

ABHI's Manifesto



THE ABHI MANIFESTO

ABHI is the UK's leading industry association for health technology (HealthTech).

Members, including large multinationals and small and medium sized enterprises (SMEs), supply products and services from syringes and wound dressings to in vitro diagnostics, surgical robots, and the delivery of remote care. The sector partners with the health and care system to save and enhance lives.

The potential that HealthTech offers the UK is vast. Newer technologies such as AI, 3D printing and robotics underpin exciting and important developments in prevention, earlier and more accurate diagnosis and precision medicine. More traditional HealthTech continues to enable high-quality, cost effective care for millions of NHS patients every day, and the use of these technologies needs to be optimised if we are to realise operational efficiencies and tackle some of the most pressing challenges facing the NHS, such as the elective backlog.

HealthTech is also a significant contributor to the UK's economic growth. As the largest employer in the broader Life Sciences sector, HealthTech employs 154,000 people in 4,465 companies, with a combined turnover of £34bn.

The industry has enjoyed growth of around 5% in recent years. It is characterised by a very large number of small companies, start-ups, and spinouts, supporting the creation of high-quality jobs and sizeable manufacturing and R&D activity across the UK.

However, data demonstrates that whilst there is significant positivity about the opportunity that HealthTech provides, the reality today is that significant barriers are limiting patient access. In 2023, almost 50% of HealthTech companies removed products from the UK market, two thirds are delaying bringing products to the UK, and 10% say they will soon relocate their existing R&D activity abroad. Increasingly, UK patients are receiving the benefits of HealthTech innovations later than those in other countries.

The UK has the opportunity to become a world leader in the evaluation, development and deployment of HealthTech, but we must do things differently to ensure it is our patients, clinicians and economy that benefit.

Here we present The Plan for HealthTech, a programme of how to deliver better health and wealth for our country.

HEALTHTECH IN THE UK

HealthTech is the largest employer in UK life sciences. 90% of Businesses are SMEs.



£34.3BN
Turnover

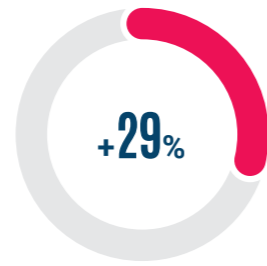


154,000
Employees

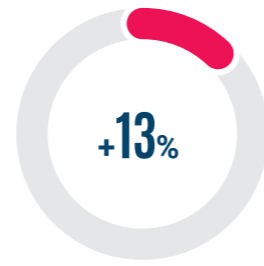


4,465
Businesses

Employment and Businesses 2012 to 2022

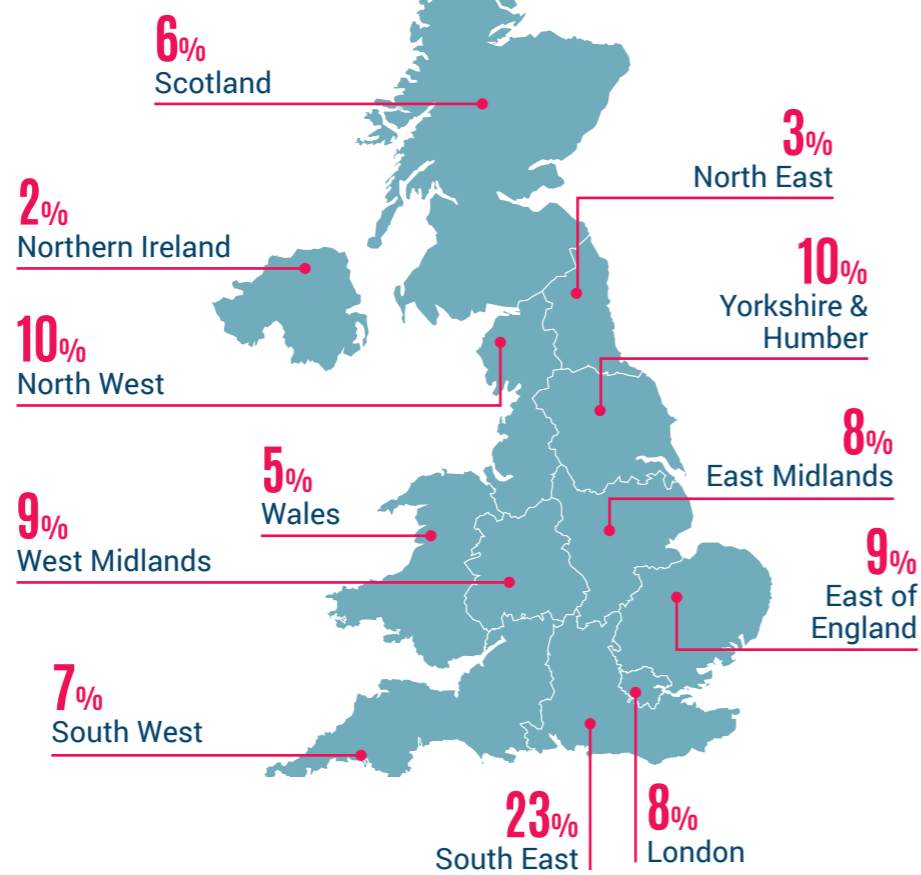


Number of HealthTech Employees



Number of HealthTech Businesses

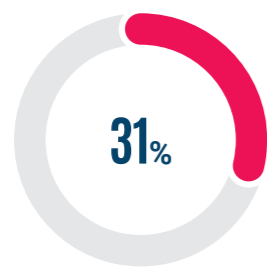
Distribution of Employment Across the UK



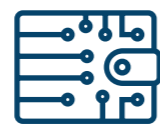
In 2023...

46%

of HealthTech companies removed products from the UK due to insurmountable regulatory challenges



Of their portfolio is at risk



Two thirds of businesses expect to delay the introduction of **innovative HealthTech into the UK.**



10% of HealthTech businesses are now looking to **relocate their R&D department abroad.**

THE PLAN FOR HEALTHTECH

Now is the time to build on the UK's existing strengths and make plans to address the challenges experienced. Companies already rate the UK as highly as anywhere in the world in the willingness of the health system to collaborate with industry. The move to Integrated Care in England, and continued efforts on system wide collaboration within the Devolved Administrations, offer the opportunity to consider the wider determinants of health, joining up previously siloed services and delivering care more effectively and efficiently. The UK has a reputation for pragmatic, effective and enabling regulation, and companies often commend elements of the local skills base, the opportunity presented by AI in a large national health system, and our early-stage research support, recently bolstered by the launch of the new NIHR HealthTech Research Centres.

However, the development of the UK sovereign HealthTech regulatory system has seen significant challenges as uncertainty persists, costs increase, and the UK suffers from a shortage of regulatory skills and resource challenges within the regulator. The adoption of HealthTech by the NHS continues to face significant and persistent barriers, while aggressive and ineffective procurement behaviours are creating a hostile environment for companies. This is now impacting supply resilience and the attractiveness of the UK as a place to develop and distribute HealthTech. Research shows the single greatest thing that could be done to support growth in UK manufacturing would be to create an NHS procurement process that was more easily receptive to HealthTech. Additionally, the capital funding issues within the NHS is limiting its ability to sustainably invest in HealthTech.

Whilst UK policymakers have recognised the importance of data as an enabler of new technology, many practical barriers exist, particularly with the approach to information governance. The UK is well placed to be a world leader in digital HealthTech, but other countries are forging ahead. Finally, the sector also reports a lack of suitable manufacturing and later stage R&D infrastructure, low levels of funding from both private and public sources, and a reduction in sector specific export support.

ABHI is calling on the next Government to deliver the Plan for HealthTech to:

1. Deliver a world leading regulatory system.
2. Professionalise innovation and adoption.
3. Take a longer-term approach to investment in HealthTech.

To enable the delivery of the plan, the Government should appoint a HealthTech Champion, supported by government officials, who would be an advocate for a sector that has specific nuances, and is impacted by multiple government departments, whose aims often conflict. It also needs to be recognised that HealthTech companies have, effectively, only one customer, the NHS. The plan should build on positive elements of existing work (e.g. on regulatory recognition, the creation of Regulatory Science and Innovation Networks, the increased focus on HealthTech's contribution to productivity, NHS England Value & Savings Methodology and the recent announcement of £520m for Life Sciences manufacturing) while committing to delivering the recommendations here.



A PROGRAMME FOR GOVERNMENT

The challenges described in this manifesto are not new, and the solutions cannot be delivered by the Government alone. ABHI has developed a programme for the next Government to achieve these objectives by working in collaboration with the HealthTech ecosystem.

A. To build a world leading regulatory system, the next Government should:



Immediately work with relevant government departments and arm's length bodies, including the regulator, and patient and clinical groups to:

1. Resource and implement a model of regulation that enhances patient safety, patient access and attracts innovation by:
 - i. Recognising the approvals of HealthTech from jurisdictions such as the US and EU.
 - ii. Developing a swift and effective process for innovation, such as that outlined in the Software as a Medical Device Roadmap.
 - iii. Shifting the focus of UK regulatory resource towards post-marketing surveillance to support innovation.
 - iv. Developing innovative approaches to regulation, such as Outcomes Based Cooperative Regulation (OBCR).

B. To professionalise innovation and adoption, the next government should:



Immediately work with NHS England and the operational NHS to:

2. Provide the resource and mechanisms to ensure innovation is managed and measured, in part through the CQC well-led framework, appoint Board level Chief Innovation Officers in all NHS organisations and protect time for innovation within clinical timetables while enabling joint posts to allow NHS clinicians to work in industry.

Within the next five years, work with NHS England and the operational NHS to:

3. Review existing adoption processes to effectively assess value, minimise duplication and unwarranted variation, and move towards a 'passport' model across the NHS that will allow proven solutions to be easily disseminated at pace and scale.
4. Build on the UK's strength in early-stage research and provide equally as effective mechanisms for supporting development and adoption through mechanisms such as the Health Innovation Networks and the NHS AI Lab.



C. To take a longer-term approach to investment in HealthTech, the next government should:

Immediately work with relevant government departments, arm's length bodies and the NHS to:

5. Overcome the capital backlog in the NHS by reforming the capital departmental expenditure limit (CDEL) for the Department of Health and Social Care, provide a longer term capital outlook to allow for planning and increase the availability of capital, from public and private sources.
6. Bring NHS cash releasing savings targets in line with wider HMG productivity initiatives (from one to five years) to allow for the upfront investment required to implement HealthTech solutions.

Within the next five years, work with relevant government departments, arm's length bodies and the NHS to:

7. Re-prioritise NHS spend devoted to developing a digital enabled system to 5% to meet recommendations made to Government in the Wade Gery review, supporting the development of infrastructure that allows for access to the full depth and diversity of UK health data with a streamlined governance system that preserves privacy and data security, and with commercial terms that are globally competitive.
8. Accelerate the shift required towards early diagnosis through initiatives such as the digitisation of diagnostics services, scaling-up at-home and point-of-care testing, incentivising the development of new service delivery models and widening access to genomic testing.
9. Support UK based HealthTech manufacturing and the UK's health resilience, through specific long-term HealthTech investment incentives that are accessible to companies of all sizes, alongside bespoke physical infrastructure, including shared clean rooms, manufacturing, and sterilisation facilities.
10. Expand the opportunities available to UK firms and deliver a "HealthTech Export Campaign", as part of a long-term, appropriately resourced, export strategy for UK companies, focussed on the most receptive and accessible countries and led by in-market specific HealthTech champions.

OUR COMMITMENT

To enable the Plan to deliver, the HealthTech industry will maintain its drive for innovation to ensure the best possible technologies are offered to UK patients, while being a major driver for productivity in the health and care system, and growth in the UK economy.

We will remain cognisant of the resource challenges that we all face, and not only work to reduce the environmental impact of our products and services, but also look to provide technological solutions to support the NHS to do the same.

As a sector we will operate with transparency and be patient-focused, ensuring partnership in design and delivery of products and services.

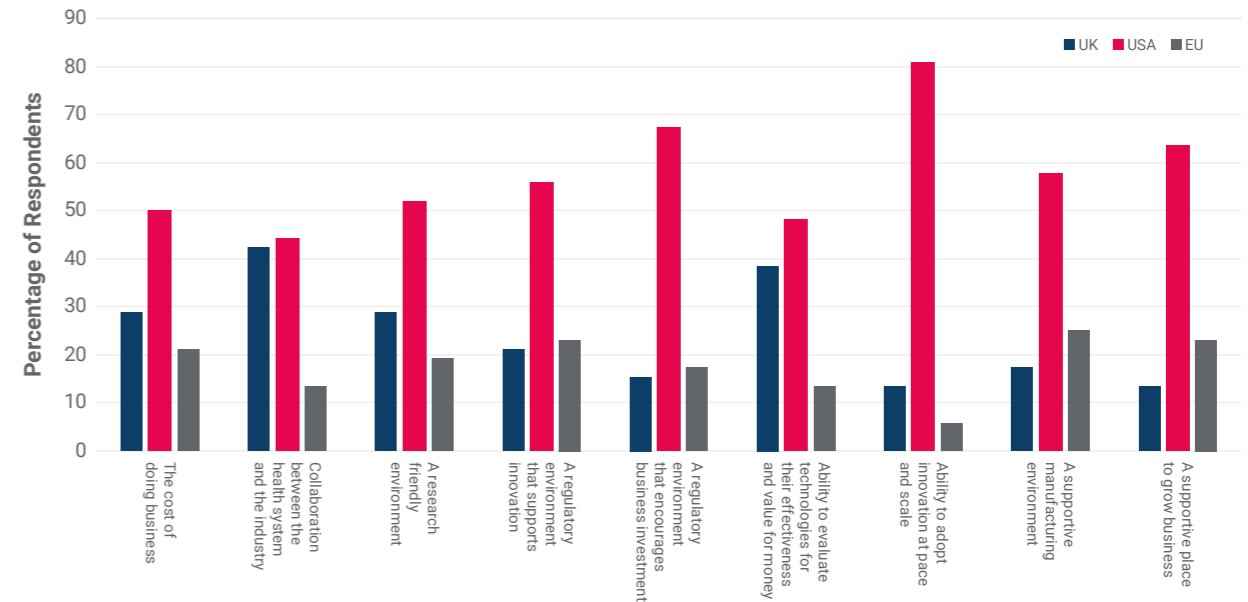
ABHI will be a strategic partner for the UK Government, the health and care system and patients. We will work collaboratively to solve challenges and ensure patients have access to safe and effective care.

We will continue to advocate for the UK as the place in the world for the sector to invest in and play our part to enable the Plan for HealthTech to deliver better health and wealth for our country.



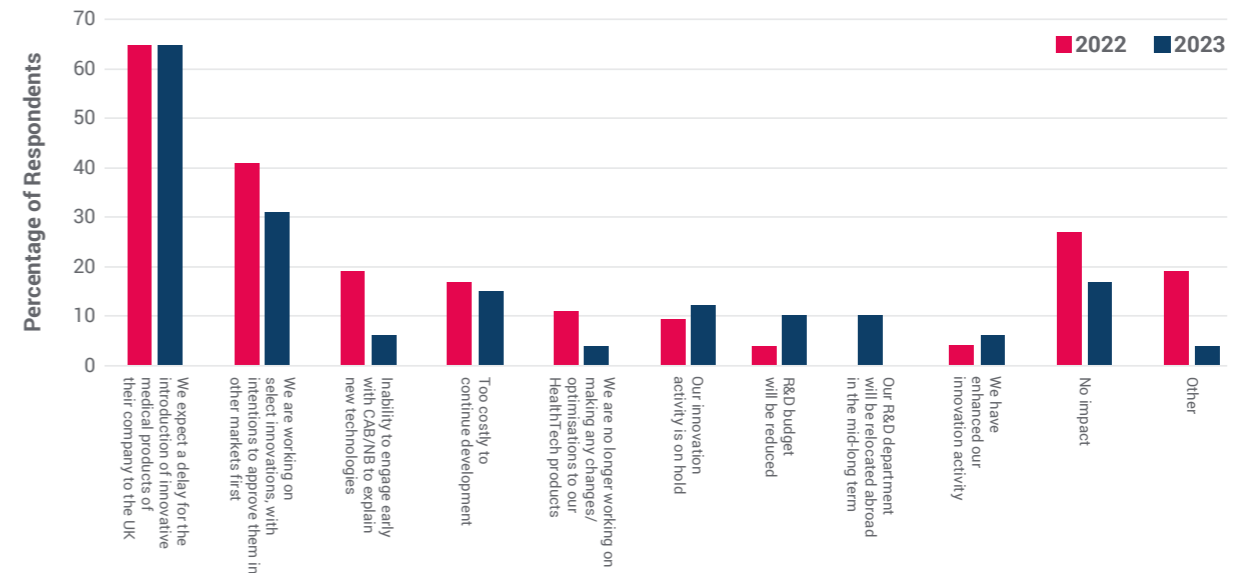
THE PULSE OF THE SECTOR

In 2023 we asked HealthTech companies to rank the most attractive markets against a number of criteria:



We also put this question to companies:

The past seven years has see a period of UK regulatory uncertainty. Has this impacted your innovation activity in the UK in the period since?



HELP DELIVER THE PLAN FOR HEALTHTECH

Are you passionate about shaping the future of healthcare?

We invite all stakeholders to collaborate in delivering the Plan for HealthTech. Your expertise and support are crucial as we strive to implement these vital initiatives. Contact us today to see how you can contribute to this transformative journey.

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