

Section A: Scheme Summary

Name of Scheme:	Health Innovation Support
Location of Scheme:	Leeds City Region
PMA Scheme Code:	SIF-WYCA-002
Lead Organisation:	West Yorkshire Combined Authority
Senior Responsible Officer:	Liz Hunter, West Yorkshire Combined Authority
Lead Promoter Contact:	Sarah Bowes, West Yorkshire Combined Authority
Combined Authority Lead/ Programme Manager:	Sarah Bowes, West Yorkshire Combined Authority
Case Officer:	Helen Feltrup, West Yorkshire Combined Authority
Applicable Funding Stream(s) – Grant or Loan:	Single Investment Fund (Combined Authority's 2020-21 gainshare allocation).
Growth Fund Priority Area (if applicable):	Not applicable
Combined Authority approvals to date:	On 9 March 2021, the Combined Authority gave its support “in principle” for this project, (one of three projects, sharing no more than £7 million revenue funding from the Combined Authority’s gainshare to fund the economic recovery) and delegated the approval of the scheme to the Investment Committee.
Forecasted Full Approval Date (Decision Point 4):	8 June 2021 (Please note – the scheme is seeking point 2 (Strategic Outline Case) and decision point 4 (Full Business Case) approval at the same time so work can commence on activity 5 (Delivery).
Forecasted Completion Date (Decision Point 5):	2024 (exact date is dependent on when the postholder starts)
Total Scheme Cost for the preferred way forward (£):	£0.200 million
WYCA Funding (£):	£0.200 million from the Combined Authority’s gainshare to fund the economic recovery.
Total other public sector investment (£):	£0.00
Total other private sector investment (£):	£0.00
Is this a standalone Project?	Yes

Is this a Programme?	No
Is this Project part of an agreed Programme?	Yes – this project is part of the West Yorkshire Economic Recovery Plan.

A.1	Scheme Description
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This scheme is seeking approval for £0.200 million of revenue funding to fund a dedicated post for three years, to support increased collaboration between stakeholders, innovators, and national and regional facilities in the health technology sector, creating a virtual “healthtech cluster”. The postholder will be employed by the Combined Authority.

The Regional Healthtech Lead post, will provide a dedicated regional healthtech resource, helping to join up partners, working through the Leeds City Region Healthtech Leadership Group, identifying innovation opportunities, and coordinating with partners.

The postholder will have an overview of the whole healthtech innovation process from the discovery of a new health innovation technology, its development and then rolling it out across the region’s health and care systems, for example the NHS and Social Care sector. The job role will focus on getting the new technologies into the health and care system and will work closely with the Integrated Care System, which are partnerships between organisations that meet health and care needs across an area; to identify needs and opportunities for innovation.

The postholder will also develop a pipeline of future investable propositions with partners, and act as coordinator/ leader of health innovation in the region.

A.2	Business Case Summary
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Strategic Case

The COVID-19 pandemic has highlighted the need and desire to tackle health and economic inequalities. Health outcomes and economic performance are linked, and this link forms a central part of the West Yorkshire Economic Recovery Plan, in response to COVID-19. The Health Innovation Support scheme is part of the Plan.

The Combined Authority’s Economic Recovery Plan Health Innovation Proposition, submitted to government, sets out the unparalleled assets that the City Region has, on which to build a recovery based on health tech innovation. The proposition is seeking significant government investment of £60 million, to invest in activities in the region to drive innovation and get new technologies into the health and care systems, for example the NHS and Social Care sector. Investing in this scheme is critical to lay the foundations for any future investment. Health innovation has also been identified as the key priority in the development of the Local Industrial Strategy and Innovation Framework.

Leeds City Region has the opportunity to become the leading healthtech cluster nationally and globally. Other healthtech clusters have been or will be set up elsewhere in the UK. The City Region must act now to use its strengths before other clusters take the lead and investment goes elsewhere.

A range of existing activities and projects are being developed across the region, but without overarching regional coordination or a shared vision for healthtech, the scope of each organisation is unclear organisation plays in discovering a new health innovation technology, developing it, and then getting it used in the region’s health and care system.

The healthtech sector faces post COVID-19 challenges and in the City Region this is more of a challenge because of the number of micro businesses and SMEs which struggle to access finance, expertise, talent and do not know where to go for innovation support. The healthtech sector is complex and getting new products to market is not easy. A unified and collaborative approach is needed by all sectors to overcome the barriers.

This scheme is therefore seeking funding for a dedicated member of staff to bring coordination and leadership for the entire journey; from the discovery of an innovative technology through to it being used in the NHS, care homes and other health and care settings. The postholder will also bring together the local and regional health innovation offer to develop the healthtech cluster, grow the business base and work with partners.

Economic Case

Globally, the healthtech market is forecast to grow to \$613 billion by 2025. This is being driven by factors such as growing and ageing populations, the rise in levels of obesity and chronic illness, technological developments, and an increasing demand for medical devices.

UK turnover in the healthtech sector is also growing fast but strategic intervention and support is needed, strengthened by a more dynamic partnership between the NHS, industry, universities, the third sector and the government.

This scheme will initiate work, which will support longer term ambitions to drive health innovation in the region, as part of the £60 million proposal put to government as part of the West Yorkshire Economic Recovery Plan Health Innovation Proposition. The Combined Authority recognises the opportunities that healthtech presents and investment now, prior to any potential government funding, gives an indication to government of the region's commitment to investing in healthtech.

Commercial Case

Globally, the healthtech market is forecast to grow to \$613 billion by 2025. UK turnover in the healthtech sector is also growing fast but strategic intervention and support is needed, strengthened by a more dynamic partnership between the NHS, industry, universities, the third sector and the government.

Financial Case

The scheme will be funded from the Combined Authority's gainshare to fund the economic recovery.

On 9 March 2021, the Combined Authority gave its support "in principle" for this scheme and two others to share no more than £7 million revenue funding.

The £0.200 million will fund a dedicated resource, within the Combined Authority, for three years.

The three- year period will start on the date the postholder starts working for the Combined Authority.

Management Case

The Regional Healthtech Lead post will be employed by the Combined Authority and subject to the organisation's employment policies. The Combined Authority's Head of Innovation and Digital and Head of Economic Policy will oversee the work and the post holder will report into the Business Innovation and Growth Panel.

Key stakeholders have been identified and are part of the established Leeds City Region Healthtech Leadership Group, which will provide expert input to support the scheme. Responsibility for the Regional Healthtech Lead post and decision-making will lie with the Combined Authority's Business Investment and Growth Panel.

A virtual team of partners, including the Academic and Health Science Network, West Yorkshire Integrated Care System, Leeds Academic Health Partnership, local authorities, and local universities will form a "healthtech cluster."