

02 Jun 2023 | News

The People Who Will Shape The UK's New Drug Pricing Scheme

by **Leela Barham**

With talks on the next UK voluntary pricing scheme now well under way, the *Pink Sheet* looks at the industry and government negotiators who will be thrashing out the details in the coming months.

The pharma industry team that is negotiating the new UK voluntary drug pricing scheme with the government includes senior executives from four major pharma firms, Amgen, AstraZeneca, GSK and Sanofi, and two representatives of the pharmaceutical industry association, the ABPI: its executive director, David Watson, and Chris Brown, who is lead negotiator for the talks.

On the government side, the negotiating team is led by Robert Kettell, director of commercial medicines negotiation and complex transactions at NHS England (NHSE). NHSE is responsible for specialized services and leads on negotiating commercial deals for drugs for the National Health Service. Kettell will be working alongside Sir Hugh Taylor, who chaired a 2014 review into speeding up access to innovation in the NHS – the Accelerated Access Review. Taylor is the government's chief negotiations advisor.

The participants will be responsible for agreeing a new deal that, if based on the current voluntary pricing scheme (VPAS), could be worth billions of pounds to the government. The current VPAS will end in December 2023. A successor, if agreed, will be implemented at the beginning of January 2024.

The Industry Side

According to the ABPI, the industry's negotiating team is made up of:

- Russell Abberley, general manager of Amgen and a member of the ABPI board of directors.
- Tom Keith-Roach, president of AstraZeneca UK.

- Neale Belson, senior vice-president at GSK.
- Jessamy Baird, managing director of Sanofi and new vice-president of the ABPI.
- Chris Brown, lead negotiator for the ABPI.
- David Watson, executive director of the ABPI.

Watson has a dual role, being on both the negotiating team and the ABPI governance board.

Rienow is managing director and country president for Pfizer in the UK and has been based in the UK since 2015. She also brings international experience from holding posts with Pfizer, with responsibilities across the US, Asia and Europe. Rienow previously served as vice-president and co-chair of the ABPI's vaccine group.

One of Rienow's three priorities is agreeing a successor to the VPAS. The aim is to "return the UK to internationally competitive payment rates and deliver a sustainable approach to medicines provision," according to the ABPI.

Rienow and Sanofi's Baird formally took up their roles of president and vice-president at the ABPI on 25 May.

Abberley and Baird have both publicly criticized the current deal. In December 2022, Abberley called for the UK to "recalibrate," while Baird pointed to a "deteriorating commercial environment in the UK." She also called for the government to "work with industry to create a new VPAS scheme that restores UK competitiveness in the world, unleashes growth and improves patient outcomes."

Range Of Industry Experience

The industry negotiating team and the ABPI governance board representatives are a mix of old hands and those new to the role of negotiating.

Both Torbett and Watson were "closely involved in the negotiations" on the current scheme, according to the ABPI. Brown also brings experience from past schemes, having held a post at the Treasury in 2008, with some involvement, although at a distance, in negotiations that year.

Abberley has been based in the UK since 2014 and will have experience of life under VPAS. Similarly, Keith-Roach has been based in the UK for more than 10 years. While Baird has been UK based throughout her career, she has held roles in health technology assessment across the world and has held non-executive and board level roles in the NHS too.

Belson came to the UK for the GSK role in 2020, so will also have experience of VPAS. He will also be able to bring international insights, having worked in Denmark and the Netherlands for GSK before relocating to the UK.

The Government Team

On the government side of the table, Robert Kettell brings direct experience from agreeing the current voluntary deal as well as commercial savvy from agreements struck with individual companies since taking up his post at NHSE.

NHSE told the Pink Sheet that “Rob Kettell is the lead negotiator from NHS England on the VPAS successor, working alongside Sir Hugh Taylor as chief advisor from the Department of Health and Social Care.”

Kettell is leading a cross-agency team that is currently negotiating with the ABPI on behalf of the government.

The team is likely to include representatives from the Department of Health and Social Care (DHSC), although the department declined to give further details beyond confirming Kettell’s role.

Representatives from other agencies including the government’s Cabinet Office and the health technology assessment (HTA) body NICE are also likely to be involved if the negotiating approach taken on the current deal is being applied to talks on the successor scheme.

Experienced Negotiator

Kettell has direct experience of negotiating the UK’s pricing scheme, having led the government negotiating team on the 2019 VPAS. He was involved when in post as deputy director of medicines pricing and supply at the DHSC. This time he wears an NHSE hat.

It’s unclear whether Kettell will want to see the current deal continue broadly in its current shape or whether there is an openness to more radical change.

Kettell has held his current post at NHSE for close to 18 months, providing a direct line of sight to various commercial agreements agreed between NHSE and individual companies. All of these will also have been secured within the framework of the 2019 VPAS, including NHSE’s commercial framework for new medicines. The framework was a commitment delivered under the current deal, and it is possible that an update to that could be on the cards.

Seeking Savings?

Treasury experience is also on Kettell’s CV, having held a role as senior policy advisor for health

spending at the Treasury from 2012 to 2014.

With the current VPAS predicted to lead to payments from companies of around £7bn (\$8.65bn) by the time it ends in December 2023, it is likely that the Treasury will continue to take a keen interest in the deal.

Health minister Will Quince signaled a desire for more savings when the talks started on 4 May. He said: “These negotiations will ensure a new scheme continues to deliver value for money by providing significant savings for our health services, securing access to innovative lifesaving drugs for NHS patients, and helping to reduce waiting times – one of the prime minister’s five priorities.”

Quince added: “It’s vitally important that the successor to the current scheme delivers for the taxpayer, patients, the NHS, and life sciences.”

New Advisory Role

Sir Hugh Taylor, in his role as chief negotiations advisor for a successor for VPAS, is overseeing the talks. The *Pink Sheet* understands that the role is a first for government-industry negotiations.

When appointed, Taylor said: “Constructive negotiations for the future VPAS scheme are an essential part of reaching an agreement that benefits all involved and encourages the pharmaceutical sector to continue investing in the UK, while also making sure people get access to the best medicines.”

The chief advisor will be drawing upon a range of experience, including being chair of Guy’s and St Thomas’ NHS Foundation Trust for over 10 years. Taylor also chaired the Accelerated Access Review, which began in 2014 and published its final report in October 2016. The review set out to make it easier for NHS patients to access innovative medicines and other technologies.

Taylor will be bringing insights from the review into the negotiations. The DHSC has already set out its desire for a new deal that can secure “rapid access to new clinically and cost-effective medicines through streamlined approvals and better commercial and funding arrangements which reward innovation.”

NICE & The Devolved Nations

A NICE spokesperson confirmed that the HTA body has had input into the current negotiations. “NICE is not a VPAS signatory but has worked closely with DHSC and NHS England to ensure that NICE policy positions are reflected in the negotiations.”

That’s likely to signal that commitments for NICE will feature in a new deal, just as they have in

the past.

Kettell, Taylor and the team working with them will have responsibility for securing a deal that works across the wholes of the UK. “The UK government is responsible for negotiating arrangements for a successor to the current Voluntary Pricing and Access Scheme (VPAS) for branded medicines on behalf of all four UK nations,” said a spokesperson from the Welsh government.

“Though there are none in the negotiating team, Welsh government officials are closely involved in providing input into the negotiations, to ensure a successful outcome for both the UK and Wales.”