



HM Government



Building our
#IndustrialStrategy



**Industrial Strategy
Consultation Workshop**

23rd March 2017
NAA Industrial Strategy Consultation Workshop
– shaping the future industrial strategy together

Industrial Strategy Consultation Workshop

– 10 pillars underpin the Industrial Strategy



Investing in science, research and innovation

We will become a more innovative economy and do more to commercialise our world leading science base, developing technologies and driving growth throughout the UK.



Developing skills

We will build a proper system of technical education, and boost key skills in science, technology, engineering, maths and digital proficiency to ensure people have the right skills employers need now and in the future



Upgrading infrastructure

We will upgrade our digital, energy, transport, water and flood defence infrastructure, and join up central government investment and local growth priorities more effectively.



Supporting businesses to start and grow

We will support businesses and entrepreneurs across the UK, to ensure they can access finance and wider support to grow; and have the right conditions for companies to invest long term.



Improving procurement

We will ensure public procurement drives innovative new products and services, strengthens skills, develops UK supply chains and increases competition by creating more opportunities for SMEs.



Encouraging trade and inward investment

We will make Britain a global leader in free trade, including promoting and supporting UK exports, building future trading relations and creating a more active approach to winning major overseas contracts.



Delivering affordable energy and clean growth

We will keep energy costs down for businesses, build the energy infrastructure we need for new technologies, and secure the economic benefits of our move towards a low-carbon economy.



Cultivating world-leading sectors

We will build on our areas of global excellence and help new sectors to flourish, supporting businesses to take the lead in transforming and upgrading their industries through sector deals.



Driving growth across the whole country

We will build on local strengths and address factors that prevent areas from reaching their full potential, by investing in key infrastructure projects increasing skill levels and backing local expertise.



Creating the right institutions to bring together sectors and places

We will create strong structures and institutions to support people, industries and places to maximise local strengths, including reviewing the location of government bodies and cultural institutions.

Fundamental consultation questions about the Industrial Strategy



- Does this document identify the right areas of focus: extending our strengths; closing the gaps; and making the UK one of the most competitive places to start or grow a business?
- Are the 10 pillars suggested the right ones to tackle low productivity and unbalanced growth? If not, which areas are missing?
- Are the right central government and local institutions in place to deliver an effective industrial strategy? If not, how should they be reformed? Are the types of measures to strengthen local institutions set out here the right ones?
- Are there important lessons we can learn from the industrial policies of other countries which are not reflected in these 10 pillars?



1. Investing in Science, Research and Innovation Consultation Questions for Discussion

- What should be the priority areas for science, research and innovation investment?
- Which challenge areas should the Industrial Challenge Strategy Fund focus on to drive maximum economic impact?
- What else can the UK do to create an environment that supports the commercialisation of ideas?
- How can we best support the next generation of research leaders and entrepreneurs?
- How can we best support research and innovation strengths in local areas?



2. Developing Skills Consultation Questions for Discussion

- What more can we do to improve basic skills? How can we make a success of the new transition year? Should we change the way that those resitting basic qualifications study, to focus more on basic skills excellence?
- Do you agree with the different elements of the vision for the new technical education system set out here? Are there further lessons we can learn from other countries systems?
- How can we make the application process for further education colleges and apprenticeships clearer and simpler, drawing lessons from the higher education sector?
- What skills shortages do we have or expect to have, in particular sectors or local areas, and how can we link the skills needs of industry to skills provision by educational institutions in local areas?
- How can we enable and encourage people to retrain and upskill throughout their working lives, particularly in places where industries are changing or declining? Are there particular sectors where this could be appropriate?



3. Upgrading Infrastructure Consultation Questions for Discussion

- Are there further actions we could take to support private investment in infrastructure?
- How can local infrastructure needs be incorporated within national UK infrastructure policy most effectively?
- What further actions can we take to improve the performance of infrastructure towards international benchmarks? How can government work with industry to ensure we have the skills and supply chain needed to deliver strategic infrastructure in the UK?



4. Supporting businesses to start & grow Consultation Questions for Discussion

- What are the most important causes of lower rates of fixed capital investment in the UK compared to other countries, and how can this be addressed?
- What are the most important factors which constrain quoted companies and fund managers from making longer term investment decisions, and how can we best address these factors?
- Given public sector investment already accounts for a large share of equity deals in some regions, how can we best catalyse uptake of equity capital outside the South East?
- How can we drive the adoption of new funding opportunities like crowdfunding across the country?
- What are the barriers faced by those businesses that have the potential to scale-up and achieve greater growth, and how can we address these barriers? Where are there outstanding examples of business networks for fast growing firms which we could learn from or spread?



5. Improving procurement Consultation Questions for Discussion

- Are there further steps that the government can take to support innovation through public procurement?
- What further steps can be taken to use public procurement to drive the industrial strategy in areas where government is the main client, such as healthcare and defence? Do we have the right institutions and policies in place in these sectors to exploit government's purchasing power to drive economic growth?



6. Encouraging trade and inward investment Consultation Questions for Discussion

- What can the government do improve our support for firms wanting to start exporting? What can the government do to improve support for firms in increasing their exports?
- What can we learn from other countries to improve our support for inward investment and how we measure its success? Should we put more emphasis on measuring the impact of Foreign Direct Investment (FDI) on growth?



7. Delivering affordable energy & clean growth Consultation Questions for Discussion

- What are the most important steps the government should take to limit energy costs over the long-term?
- How can we move towards a position in which energy is supplied by competitive markets without the requirement for on-going subsidy?
- How can government, business and researchers work together to develop the competitive opportunities from innovation in energy and our existing industrial strengths?
- How can government support businesses in realising cost savings through greater resource and energy efficiency?



8. Encouraging trade and inward investment Consultation Questions for Discussion

- How can the government and industry help sectors come together to identify the opportunities for a 'sector deal' to address - especially where industries are fragmented or not well defined?
- How can the government ensure that 'sector deals' promote competition and incorporate the interests of new entrants?
- How can the government and industry collaborate to enable growth in new sectors of the future that emerge around new technologies and new business models?



9. Driving growth across the whole country Consultation Questions for Discussion

- Do you agree the principles set out in this section are the right ones? If not what is missing?
- What are the most important new approaches to raising skill levels in areas where they are lower? Where could investments in connectivity or innovation do most to help drive growth across the country?



10. Creating the right local institutions Consultation Questions for Discussion

- Recognising the need for local initiative and leadership, how should we best work with local areas to create and strengthen key local institutions?
- What are the most important institutions which we need to upgrade or support to back growth in particular areas?
- Are there institutions missing in certain areas which we could help create or strengthen to support local growth?