

# Engaging with Local Industrial Strategies

A SEEC Workshop

# Industrial Strategy: overview

We will create an economy that boosts productivity and earning power throughout the UK:



We will set Grand Challenges to put the UK at the forefront of the industries of the future:

-  **AI & Data Economy**  
We will put the UK at the forefront of the artificial intelligence and data revolution
-  **Future of Mobility**  
We will become a world leader in the way people, goods and services move
-  **Clean Growth**  
We will maximise the advantages for UK industry from the global shift to clean growth
-  **Ageing Society**  
We will harness the power of innovation to help meet the needs of an ageing society

# Key policies include:

## Ideas

- ▶ Raise total research and development (R&D) investment to 2.4 per cent of GDP by 2027
- ▶ Increase the rate of R&D tax credit to 12 per cent
- ▶ Invest £725m in new Industrial Strategy Challenge Fund programmes to capture the value of innovation

## People

- ▶ Establish a technical education system that rivals the best in the world to stand alongside our world-class higher education system
- ▶ Invest an additional £406m in maths, digital and technical education, helping to address the shortage of science, technology, engineering and maths (STEM) skills
- ▶ Create a new National Retraining Scheme that supports people to re-skill, beginning with a £64m investment for digital and construction training

## Infrastructure

- ▶ Increase the National Productivity Investment Fund to £31bn, supporting investments in transport, housing and digital infrastructure
- ▶ Support electric vehicles through £400m charging infrastructure investment and an extra £100m to extend the plug-in car grant
- ▶ Boost our digital infrastructure with over £1bn of public investment, including £176m for 5G and £200m for local areas to encourage roll out of full-fibre networks

## Business Environment

- ▶ Launch and roll-out Sector Deals - partnerships between government and industry aiming to increase sector productivity. The first Sector Deals are in life sciences, construction, artificial intelligence and the automotive sector
- ▶ Drive over £20bn of investment in innovative and high potential businesses, including through establishing a new £2.5bn Investment Fund, incubated in the British Business Bank
- ▶ Launch a review of the actions that could be most effective in improving the productivity and growth of small and medium-sized businesses, including how to address what has been called the 'long tail' of lower productivity firms

## Places

- ▶ Agree Local Industrial Strategies that build on local strengths and deliver on economic opportunities
- ▶ Create a new Transforming Cities fund that will provide £1.7bn for intra-city transport. This will fund projects that drive productivity by improving connections within city regions
- ▶ Provide £42m to pilot a Teacher Development Premium. This will test the impact of a £1000 budget for high-quality professional development for teachers working in areas that have fallen behind

# Partnership and place

- “the industrial strategy is a partnership with business, workers, universities and colleges, local government...”
- “..enthusiasm for increased local decision. The role for communities throughout the country in driving productivity is a major component of our industrial strategies.”
- “..new ways of working between national and local leaders in both the public and private sectors;
- Flexibility below the regional or LEP level “to support economic innovation in economic clusters....or small towns and their rural hinterlands.”

# Local industrial strategies (i)

- Identify priorities to improve skills, increase innovation and enhance infrastructure and business growth;
- Guide the use of local funding streams and any spending from national schemes;
- Identify local strengths and challenges, future opportunities and action needed to boost productivity;
- Different policies for different places: housing supply or transport connections or skills shortages.
- First local industrial strategies agreed by March 2019

# Local industrial strategies (ii)

- Led by a mayoral combined authority or the Local Enterprise Partnership;
- Require strong public and private leadership;
- Universities, colleges and other local institutions will be key.

## **Also**

- Review of overlapping LEP geographies;
- Reference to importance of wider geographies – eg Midlands engine;
- Establishment of Skills Advisory Panels
- A portfolio of “High Potential Opportunity” areas – places and clusters.

# Questions

- 1. How can local industrial strategies support the case for South East investment needs and provide a counter-balance to the Northern Powerhouse and Midland Engine brands?**
- 2. How can councils deliver a powerful place dimension to local industrial strategies?**
- 3. What are your local examples of good practice in how LEPs, councils and other partners work together to enable growth in your area?**
- 4. How can LEPs, councils and other partners collaborate across areas that are wider than existing LEP geographies?**
- 5. How can councils and LEPs share their respective pools of intelligence and leadership experience?**