MAKE UK INDUSTRIAL STRATEGY – COMMENTARY

Make UK has led the campaign for a new industrial strategy for many years, and on Monday 23 June 2025, a new 10-year Industrial Strategy was published. In this document, you will find:

- Make UK policy wins
- Make UK media coverage and media statements
- Headlines from the Industrial Strategy and relevant Sector Plans and Make UK's commentary
- Make UK references within the Industrial Strategy

MAKE UK POLICY WINS

Industrial Strategy	• The creation of a permanent Industrial Strategy Council and accompanying success metrics. • A commitment to work closely with key partners, such as Make UK (name-checked), to make the Industrial Strategy a success.
Energy and Net Zero	• A new British Industrial Competitiveness Scheme from 2027 to reduce electricity costs by c.£35-40/MWh for specific manufacturing industries. • An increase in support for the most energy-intensive industries eligible for the British Industry Supercharger package, with an uplift of the Network Charging Compensation (NCC) scheme from 60% to 90%. • Acceleration of grid connections for major investment projects through a new 'Connections Accelerator Service' to begin operating late 2025.
Skills	• Skills England to review funding bands (Make UK name-checked). • Potential sector-wide Skills Passport and other initiatives set out in the recent Make UK Skills Commission • Funding of short courses directly from the Growth and Skills Levy, specifically to support Advanced Manufacturing from April 2026. • New investment of over £100 million over three years to support engineering skills in England. • Government sponsorship of an Equality Charter, with a Make UK-led taskforce, co-created by industry to support greater inclusivity.

	• Temporarily exempting (engineering) occupations crucial to the delivery of the Industrial Strategy from the planned increase to the threshold for the Skilled Worker visa.
Trade	• Implementation of the six key recommendations from the Harrington Review on FDI and investment. • Commitment to strengthened UK-EU economic relations and the linking of the UK Emissions Trading Scheme and EU Emissions Trading System. • A new Security and Defence Partnership and commitments to work towards an agreement on Sanitary and Phytosanitary (SPS) measures to reduce barriers between GB and NI. • Confirmation that Government will explore ways to make it easier for British professionals to move temporarily between the UK, EU, and other international partners. • Announcement of upcoming legislation to increase the maximum size of UK Export Finance's financial portfolio.
Funding and Access to Finance	• Up to £4.3 billion in funding for the Advanced Manufacturing sector, including up to £2.8 billion in R&D funding. • More support for scale-ups, with £4 billion of additional capital funding for the British Business Bank.
Tax	• The full expensing capital allowance to remain in place in the long-term.
Digital Adoption	• Expansion of the Made Smarter Adoption programme for SMEs and initial funding of £40 million for a new network for Robotics Adoption Hubs across the UK.
Infrastructure	• £24 billion investment to fix potholes on motorways and £15.6 billion investments in local transport projects (East-West connections).
Defence	• Clear backing for UK based businesses and in particular, SMEs and mid-tiers - including through the new SME Support Centre. • Increase to SME direct and indirect spending by £2.5 billion by 2028, including boosting direct spending by 50%. • Tacking the defence skills gap with new Defence Technical Excellence Colleges, a

	commitment to provide new funding for defence related skills, and investment in university facilities to increase places for defence skills.
Regulation	• A "root-and-branch reform" of the regulatory system, aiming to reduce administrative costs of regulation by 25% by the end of the Parliament.
Devolution	• More support and funding for the devolved nations and English mayoral areas, including a new local growth fund and a strategic sites accelerator. • A review of grant award programmes to consider barriers to business. • The integration of the Industrial Strategy into Local Growth Plans.

MAKE UK MEDIA COVERAGE AND REACTION

- Lower energy costs part of government's 10-year plan for industry - BBC News
- Energy prices cut for business as part of UK industrial strategy | FT
- UK to cut green levies on businesses in bid to reduce energy costs and boost manufacturing | The Guardian
- Cheaper energy will be key for Labour’s industrial strategy | The Times
- Starmer puts skills training at heart of industrial strategy | Daily Mail
- Starmer puts skills training at heart of industrial strategy plan | The Independent
- Director of Policy on BBC News Channel
- Chief Economist on Wake Up to Money, BBC Radio 5 Live
- Lord Harrington, Sky News Business Live

Commenting on the publication of the Industrial Strategy, Stephen Phipson, CEO of Make UK, said:

“Today is one of the most important days for British industry in a generation. In launching the modern industrial strategy white paper, Jonathan Reynolds has demonstrated the Government’s commitment to honour its promises and tackle the major structural problems that have blighted UK manufacturing for so long and we congratulate him for doing so.

“Make UK has led the campaign for a new industrial strategy for many years, highlighting the three major challenges that were diminishing our competitiveness, hampering growth and frustrating productivity gains: a skills crisis, crippling energy costs and, an inability to access capital for new British innovators.

“The Government has listened and the Secretary of State has acted decisively with a joined-up strategy which reflects a wider commitment from the Prime Minister and Cabinet alike. The strategy announced today sets out comprehensive and well-funded plans to address all three of these structural failings. Clearly there is much to do as we move towards implementation but, this will send a message across the Country and around the world that Britain is back in business.”

Commenting on the Advanced Manufacturing Sector Plan, Lord Richard Harrington, Make UK Chair said:

“We fully endorse the Government’s ambition to be the best place in the world to start, grow and invest in Advanced Manufacturing and welcome the Sector Plan as the first step to boosting investment in our innovative sector. Today’s Plan sets out how Government will work with industry to help our businesses become more resilience, boost exports and upskill the people it needs for the future. The focus on place-based initiatives through Advanced Manufacturing clusters will ensure that more regions across the country will benefit from the jobs and wealth creation that manufacturers deliver for their region."

On measures to reduce the cost of energy, Ben Fletcher, Chief Operating Officer, said:

"The Government has today listened to Make UK's concerns that industrial energy prices need to be dramatically reduced in line with international competitors. All eyes will now be on the consultation which will set an energy intensity threshold for those companies that will be eligible for these lower rates. With over a quarter of manufacturers saying that electricity costs alone make up 11-25% of their total business costs it's clear that the manufacturers need to be in scope. We will be pushing hard on ensuring that all of the manufacturing sector receives this support and Government moves at pace on the consultation and importantly the implementation."

On skills, Verity Davidge, Director of Policy at Make UK, said:

"We know that the foundation of any successful Industrial Strategy is people. Make UK strongly welcomes the Government's investment into engineering, and its commitment to reducing the skills gap in our sector. In supporting provision for both recruitment and upskilling, this is a promising start to filling the nearly 50,000 existing vacancies in manufacturing.

"Looking ahead, it is critical that Government develops a long-term vision for skills in the sector, ensuring that all contributions made by employers can be used by employers for both the Growth and Skills Levy and the Immigration Skills Charge, and delivering the crucial funding reforms to ensure the training market is equipped and funded to train the next generation of manufacturers."

On measures to improve access to finance, Seamus Nevin, Chief Economist, said:

"Access to external finance is one of the biggest barriers to growth for small and medium-sized enterprises (SMEs). SMEs make up 99% of the UK economy, so this longstanding challenge has significantly held back the UK economy.

"Today the government has taken decisive action. This announcement of new incentives, backed by an additional £7 billion in funding for the British Business Bank, marks a major step forward to support more UK businesses to invest, scale up, and seize new market opportunities — unlocking the full potential of innovative manufacturing companies to transform and grow."

HEADLINES AND MAKE UK COMMENTARY

The Government aims to increase the annual business investment in the manufacturing sector from £21 billion to £39 billion in 2035. See below a summary of the key takeaways for the sector in both the Industrial Strategy and Advanced Manufacturing Sector Plan.

Energy and Net Zero

Commentary

- The Industrial Strategy & Clean Energy Sector Plan have taken huge steps on energy and net zero, demonstrating a strategic and considered long-term vision that places the economic opportunities of net zero as a key driver of growth and how it permeates throughout all the supply chain.

- For manufacturers, we have achieved a massive win on industrial energy prices, indicating that the Government is serious about tackling this major issue for the industry. The measures proposed will bring energy prices closer to European levels and unleash the manufacturers growth potential by increasing competitiveness.

- The Government has announced a new British Industrial Competitiveness Scheme from 2027. We will ensure that coverage is extended to as many manufacturers as possible when eligibility is consulted on shortly.

- The creation of a new ‘Connections Accelerator Service’ is an important step in helping manufacturers utilise the additional capacity from onsite renewables by selling this back onto grid, which we welcome. We also welcome the intended consultation on Corporate Purchase Power agreements, although note that research to date indicates that uptake of CPPAs may be limited with manufacturers.

- There is some concern over the failure of Government to rule out zonal pricing in its coverage of electricity market reform. We continue to advocate for a reformed national market, as we believe that this is the most effective way of delivering the goals of REMA without creating significant market uncertainty.

- In relation to the Clean Energy Sector Plan, substantial support into ‘frontier industries’ was announced to over £3 billion a year reaching over £30 billion total. The plan also brings together many existing policy strands to provide strategic direction but does not offer much in the way of new policy interventions.

- We await further details on the circular economy roadmap, clean action plan, onshore wind strategy & the clean energy workforce strategy (due summer 2025). We will encourage the Government to maintain their high ambition.

Key Points

- Targeted energy price support as highlighted in the policy wins.
- A new ‘Connections Accelerator Service’ operating by the end of 2025 will provide support connecting to the grid for demand projects, including prioritising those that create high-quality jobs and bring the greatest economic value. This is coupled with greater powers in the Planning and Infrastructure bill to accelerate strategically important projects.
- Call for Evidence on corporate PPAs particularly considering international comparators.
- Continued commitments on market reform including decisions on REMA, implementation of the UK CBAM and linking carbon pricing schemes with the EU. No decisions taken on zonal pricing at this point.
- Building up electricity network supply chains underpinning our electricity infrastructure, including exploring a new Market Demand Guarantee to stimulate domestic production of key electricity network equipment, and support for Ofgem’s new Advanced Procurement Mechanism, which allows Transmission Owners to secure supplier capacity and factory slots earlier in the project.
- Support the shift to low-carbon energy in production of key inputs. This will include a consultation on policy framework for low-carbon industrial products, investment into CCUS and hydrogen & promoting resource efficiency through a new Circular Economy Strategy (to be published later this year).
- A Circular Economy roadmap for Clean Energy Industries to be published in 2026, with the aim to reduce dependence on international supply chains.
- Through the Clean Energies Sector Plan; focus on areas of greatest growth potential focussing on ‘frontier industries’: wind (onshore/offshore), Nuclear Fission, Fusion Energy, CCUS (incl. GGR), hydrogen, and heat pumps + continued support for ‘non-frontier industries’ such as solar, bio-energy, Long Duration Energy Storage, heat networks, and smart tech.
- Commitment to update energy regulations to spur investment certainty in clean energy solutions.
- The National Wealth Fund will invest in capital intensive projects, businesses, and assets, with at least £5.8 billion targeting carbon capture, low carbon hydrogen, gigafactories, ports and green steel over this Parliament.
- A£4 billion British Business Bank Industrial Strategy Growth Capital scale-up and start-up financing package to deploy more capital to target the scale-up gap, including for climate tech.
- The Clean Energy Sector Plan lays out three pillars to break down barriers to investment. Planning, infrastructure & energy prices. This includes many existing policy interventions such as SSEP; revised National Planning Policy Framework; and reforms as part of Clean Power 2030.
- Enhanced support for Clean Energy Industries, UKEF now has up to £13 billion of direct lending available to stimulate overseas demand.
- An Onshore Wind Strategy will be published.

Skills

Commentary

- Altogether, this is a comprehensive plan for skills in manufacturing and engineering. It is welcome that the Government has listened closely to feedback from industry and are taking a holistic, cross-departmental approach.

- The £100 million investment expected over the next 3 years is welcome, however is some way off the £600 million investment that was recently allocated to construction.

- The inclusion of several critical engineering professions on the Temporary Shortage List, demonstrates a commitment to solving the immediate skills challenges within the sector, and it is vital these are maintained.

- Government must build on this momentum to improve and ensure a skilled workforce for manufacturing for the foreseeable future, beginning with the restructuring of the Growth and Skills Levy. This must include ringfencing the Apprenticeship Levy money together with the Immigration Skills Charge.

- Industry has been asked to play its part in continuing to deliver a more inclusive environment, building diversity from factory floor to C Suite under the taskforce led by Make UK.

Key Points

- Working with devolved authorities and Mayoral Strategic Authorities to align skills and employment support to strategic economic priorities, including the IS-8 and AI (for context, education is devolved).
- Funding uplifts for priority 16-19 courses that support key IS sectors, as well as increased funding for facilities via the Skills Mission Fund.
- Alongside previously announced reforms to the Levy, short courses will be funded directly from April 2026 from the Levy, specifically to support Advanced Manufacturing.
- Lifelong learning entitlement to be rolled out in January 2027, with modular courses for approval to support progression into the IS-8.
- £1.2 billion of additional investment in skills per year by 2028-29, alongside further support from measures outlined in the Immigration White Paper.
- New engineering and defence education package, with £100 million investment over three years to support engineering skills in England.
- Clear commitment to review apprenticeship funding bands and investment into new Technical Excellence Colleges for engineering.
- Agreeing Workforce Strategies for sectors facing shortages linked to skills, training and conditions in the UK.

- Reform to Jobseeker support to help more people start and remain in the IS-8
- Temporarily exempt occupations crucial to the delivery of the Industrial Strategy from the planned increase to the threshold for the Skilled Worker visa (welders, laboratory, computer-aided design (CAD), IT, and engineering technicians, and data analysts).
- Supporting relocation of top talent through the Global Talent Taskforce.

Advanced Manufacturing Plan

- A new targeted Upskilling and Reskilling programme, and a pilot Recruitment and Workforce Transition programme.
- Sponsorship of an Equality Charter, with a Make UK-led taskforce, co-created by industry to support greater inclusivity targeting 35% representation of women in the sector by 2035.
- Further promotion of National Manufacturing Day and use of a locally embedded Jobs and Careers Service.
- Pursuit of industry-led solutions including recommendations for a potential sector-wide Skills Passport and other initiatives set out in the recent Make UK Skills Commission.
- A pilot Approaches to Recruitment programme, which aims to address persistent vacancies and support those not well served by traditional recruitment approaches.
- Sub-sector specific initiatives:
  - Space Education and Future Workforce Programme.
  - Additional funding to Formula Student AI, which supports university students to develop technical skills for automotive.

Clean Energy Industries Sector Plan

- Industry-led Energy Skills Passport and regional skills pilots.
- Boosting skills collaboration by working with electricity network operators, Ofgem and the supply chain to identify actions as part of an industry growth plan, that highlights the critical role of skills in the supply chain.
- Supporting the development of a Hydrogen & CCUS Skills Curriculum, while building a robust network of provider expertise to support workforce development and drive sector growth, with government committing seed funding.
- Extending the Heat Training Grant which subsidises training for both heat pumps and heat networks.

Digital and Technologies Sector Plan

- Retention incentives in the Further Education workforce for critical subjects such as computing, engineering, electronics and maths.
- New industry-led Digital Skills Council and the Digital and Technology Task and Finish Group of the Independent Curriculum Review.

- Growing domestic technology talent and creating high-quality jobs in underserved areas through further CyberFirst bursaries from the TechFirst programme.
- Skills action plan that includes quantum.

Trade

With the Trade Strategy expected later this week, the Industrial Strategy only included high-level commitments on Trade (below). We will add further commentary following the Trade Strategy publication.

Key Points

- Strengthen UK-EU economic relations, as set out at the May 2025 Leaders' Summit, including a new Security and Defence Partnership.
- Commitments to work towards an agreement on Sanitary and Phytosanitary (SPS) measures.
- Linking the UK Emissions Trading Scheme and EU Emissions Trading System
- and support for services trade, including on business mobility and the recognition of professional qualifications.
- Pursue a wide variety of partnership models to support the IS-8.
- Bringing forward legislation to increase the maximum size of UK Export Finance's financial portfolio.
- A set of pilots to accelerate the adoption of Electronic Trade Documents (ETDs).
- New support, set out in the Trade Strategy, for UK regulators, expert bodies and our overseas trade teams to open up and shape priority growth markets.
- Directing our overseas export and investment officials and diplomats in major markets to prioritise the IS-8.
- UK Export Finance's (UKEF) launch of a new loan guarantee scheme for domestic suppliers selling critical minerals products to UK exporters. Over the next six months, DBT and UKEF will also scope whether there is an economic case for broadening UKEF's product for critical minerals to cover a wider range of strategic supply.

Access to Finance

Commentary

- Make UK's research continues to highlight that access to external finance is one of the biggest barriers to growth for small and medium-sized enterprises (SMEs).

- Given that SMEs make up 99% of the UK economy, this longstanding challenge has significantly held back the UK economy and Make UK pushed for this to be a key part of the Industrial Strategy.

- The announcement of new incentives, backed by an additional £7 billion in funding for the British Business Bank, marks a major step forward to support more UK businesses to invest, scale up, and seize new market opportunities.

- We will be working closely with the BBB on its strategy to support the sector.

Key Points

- The British Business Bank (BBB) will receive £25.6bn in support, including £4bn additional funding for the IS-8 sectors.
- Widen the remit of the National Wealth Fund (NWF) to invest in advanced manufacturing.
- Bring forward legislation to expand the size of UK Export Finance portfolio (so they can fund larger/riskier projects).

Key British Business Bank Developments

- To overcome the "valley of death" for scaling businesses, the BBB will use a co-investment model to combine public finance with private finance. This should support bridging the gap of patient capital needs for manufacturing. For example, the £4 billion BBB funding for the IS-8 is expected to crowd in an additional £12 billion in private capital.
- It is likely the BBB will primarily use equity-based solutions (directly and indirectly via funds). These include equity investments worth £40 million-£60 million in "strategically important" and "capital-intensive" businesses.
- BBB and Intellectual Property Office (IPO) will work together to support lending to IP-rich businesses (definition unclear) and encourage IP-backed lending. Government will establish a new working group.
- Greater collaboration between the NWF, BBB, UKEF, UKRI, and Great British Energy through the new Strategic Public Investment Forum, which will consider how best to target and coordinate support on strategic sectors and supply chains.

Tax

- The Corporate Tax Road map commits to the headline corporation tax of 25%.
- Full Expensing Capital Allowances will remain in place.
- Other tax reliefs, such as R&D tax credits and the Patent Box, will remain.

Digital Adoption

Commentary

- Make UK will press for these initiatives to operate as a cohesive and complementing programmes, avoiding fragmented delivery that leave SMEs unsupported. Integrated delivery will be vitally important.

- On training and technology, there is a need and appetite for these courses, but they will require upskilling programmes to precisely match the competencies needed to operate adopted digital and robotic systems, possibly matched with funding.

- Many promised policies still require lengthy consultations, for example on skills and energy relief. We want this to happen as quickly as possible so as not to eat too much into the 10-year Industrial Strategy period.

Key Points

- Made Smarter Adoption to be scaled across wider business sectors, supporting firms with £99m from 2026 for the next three years.
- The launch of a new Robotics Adoption Scheme (RAS) with £40 million in initial funding. This will establish a national network of hands-on Robotics Adoption Hubs.
- Growth and Skills Levy-funded short courses in digital, AI and engineering, working with Skills England to prioritise rollout waves alongside apprenticeships and other training routes.
- An AI Adoption Fund to facilitate the development of cutting-edge AI solutions in high-growth firms across the eight targeted sectors.

Infrastructure

Commentary

- The £725 billion of public investment is substantial and welcome, as are the commitments to funding regional infrastructure projects that will have a positive impact on manufacturing businesses, freight and the supply chain.

Key Points

- At least £725 billion of public investment into infrastructure projects over a 10-year period outlined in a separate infrastructure plan. However, the full pipeline of projects to be funded is yet to be published – we expect this in July.

- The Planning and Infrastructure Bill will reduce planning costs by reducing the number of times a project can be appealed against and increasing local powers for decision-making.
- Increase the use of private finance by accessing pension funds, combing NWF with private investor opportunities and exploring Public Private Partnerships (PPP) where taxpayer value is proven. Notable investments include -
    - **Roads:** £24 billion of funding to National Highways and local authorities to fix potholes and road surfaces.
    - **Rail:** £15.6 billion investments in various public transport systems thought the Transport for City Regions Settlement including the West Yorkshire Metro line, and the Oxford-Cambridge Corridor. HS2 Phase 1 is expected to face delays post 2033 but should still be completed.
    - **Air:** Third runway at Heathrow.

Defence

Commentary

- It is welcome that the MOD has listened regarding the significant untapped potential of the SME defence community which can be an agile and cost-effective engine for both economic growth and innovation in the UK. This is backed by the decisive commitment to boost MOD spending with SMEs directly and across the supply chain by £2.5 billion.

- Further announcements on new Defence Technical Colleges and commitments to bring down energy bills are welcome.

- We await the full publication of the Defence Industrial Strategy in the coming weeks for more details. We want to see:

    - Inward investment into the UK: with a UK Defence Inward Investment Plan to ensure when the MOD buys from abroad, UK business benefits.
    - Defence Technology Institute: mirroring the activities of the Aerospace Technology Institute, where HMG and the private sector jointly invest in manufacturing readiness.
    - More detail on the skills plan: a timeline for standing up Defence Technical Excellence Colleges, priority locations, and the identification of priority skill gaps such as welding and electrical engineers.
    - A reduction in the contractual burden: to ensure SMEs are not forced to wade through hundreds of pages of MOD T&Cs.
    - Improvement to supply chain management: ensuring suppliers are paid on time and within 30 days by buyers, so that SMEs are not waiting months to be paid for their work.

Key Points

- Commitment to spend 2.6% of GDP on defence by 2027. (This rolls in intelligence services to create a bigger number from the 2.5% core defence spending commitment). There is also an “ambition” to spend 3% in the next Parliament.
- The MOD will increase its direct and indirect spending with SMEs per year by £2.5 billion by May 2028 – with £7.5 billion spent annually, and a 50% increase in direct MOD spending with SMEs.
- The upcoming Defence Industrial Strategy (DIS) will:
    - *Back UK-based business:* with a “particular focus on SMEs and non-traditional suppliers” by increasing spending with SMEs by 50%, launching the new SME Support Centre, and fast-tracking planning for defence operational developments considered nationally important Crown Developments.
    - *Reform defence procurement:* by engaging with industry early, ensuring suppliers are rewarded for productivity and risk taking; reducing the burden on potential suppliers; implementing a new segmented procurement model.
    - *Make the UK a defence innovation leader:* by prioritising “frontier industries” such as autonomous systems, combat air, complex weapons, maritime capabilities and directed energy weapons, alongside dual use sub sectors such as AI, cyber, engineering biology, quantum and semiconductors.
    - *Increase defence exports:* by moving defence exports back into the MOD with a new Defence Exports Office, which will report to the National Armaments Director, and develop a new Government-to-Government framework with industry.
- New Defence Growth Deals will be launched in the UK to support localised eco-systems with the highest defence growth potential.
- The UK Government will establish new Defence Technical Excellence Colleges, provide funding for defence related skills and invest in university facilities to increase places for defence skills.
- Establishing UK Defence Innovation (UKDI) and spending at least 10% of the MOD’s equipment budget on acquiring novel technologies, such as drones and AI enabled technology.

Regulation

Commentary

- We are pleased to see the announcement of reform to the regulatory system to reduce administrative costs and introduce KPIs.

- We would like to see the Treasury’s work on regulation stretch further to ensure that all regulation affecting manufacturing businesses is proportionate, simple and enforceable. We would also like to see incidences of regulatory divergence removed.

Key Points

- A "root-and-branch reform" of the regulatory system, aiming to reduce administrative costs of regulation by 25% by the end of the Parliament.
- A new unit within Treasury to "challenge unnecessary regulation" and help to reduce administrative costs.
- Working with regulators to develop time-bound targets to process authorisations and publish their performance against KPIs.
- An updated approach to economic regulation by the end of 2025.

Devolution

Commentary

- We are pleased to see several of our policy asks from our recent devolution report taken on board, including the integration of the IS into Local Growth Plans and a review of how the grants process works for business.

- We would like the Government to go further with English devolution as part of their current reforms to commit to a green paper on devolving fiscal devolution and to replace the previous roles of LEPs and PRPs with specialist business adviser panels.

Key Points

- A new local growth fund, including a 10-year capital settlement from 2026-27 for mayoral regions.
- A new £500 million Mayoral Recyclable Growth Fund for Mayors in the North and Midlands to provide investment for growth projects.
- A new Strategic Sites Accelerator with over £600 million to bring investible sites to market faster.
- £500 million investment through the Local Innovation Partnerships Fund to support innovation.
- Skills England to support employer representative bodies and Mayors to develop Local Skills Improvement Plans through Local Growth Plans.
- A new 'Cluster Champions' programme supported by the British Business Bank, covering Greater Manchester, West Yorkshire, the West Midlands, Liverpool City Region, South Yorkshire, North East, West of England, Glasgow City Region, Cardiff City Region, and Belfast City Region.
- A new national investment partnership framework to help Mayoral Strategic Authorities and other places build their investment capacity and capability.
- Enhance our offer for Industrial Strategy Zones. Freeports across the UK have attracted £6.4 billion of investment to date.5 We are committed to

Freeports as well as Investment Zones but recognise that we must do more to make them a success. As set out in the Action Plan published alongside our Industrial Strategy and developed with the devolved governments, we will enhance all our Industrial Strategy Zones with streamlined planning processes, better-targeted investment promotion, support for accessing concessionary finance, and coordinated support on skills. We are also working with the Northern Ireland Executive to establish an Enhanced Investment Zone in Northern Ireland

Electrification / Electrify Industry

Commentary

- The Industrial Strategy is a crucial start to reducing industrial energy costs and beginning to help up to 80% of industry that is technologically able to electrify, drive efficiencies, modernise processes, and decarbonise their businesses.

- If delivered in full, the Industrial Strategy will be a game-changer for investment and growth, where job creators have struggled with international competitiveness due to globally high energy costs.

Key Points

- Building up electricity network supply chains underpinning our electricity infrastructure, including exploring a new Market Demand Guarantee to stimulate domestic production of key electricity network equipment, and support for Ofgem's new Advanced Procurement Mechanism, which allows Transmission Owners to secure supplier capacity and factory slots earlier in the project development cycle.
- Incentivising investment into CCUS and Hydrogen, ensuring that there are viable pathways for industries like steel, chemicals, and materials to decarbonise. In October 2024, the Government announced up to £21.7 billion of available funding over 25 years to launch the UK's ambitious CCUS industry. The Government is providing increased backing to CCUS by allocating £9.4 billion in capital budget

Other

- The creation of a permanent and independent Industrial Strategy Council, enshrined in law, based in Manchester and with clearly defined duties and functions. It will measure the success of the strategy via six core metrics: business investment, Gross Value Added, productivity growth, trade exports, labour market outcomes (such as employment and wages), and the number of new, large, 'homegrown' businesses.
- A review of grant award programmes to consider barriers to business.

KEY DOCUMENTS

- [The UK's Modern Industrial Strategy]
- [Advanced Manufacturing Sector Plan]
- [Digital and Technologies Sector Plan]
- [Clean Energy Industries Sector Plan]

MAKE UK MENTIONS

Industrial Strategy - GOV.UK
"Skills England will ensure that training and qualifications remain aligned with shifting workforce needs, including looking at funding bands to ensure they reflect delivery **(working with key partners like Make UK).**" *p.68*

Advanced Manufacturing Sector Plan - GOV.UK
"Only 7% of UK manufacturers were well-versed in AI applications, and just 8% had successfully implemented AI and machine learning in their operations." **(references Make UK's 2024 'Future Factories' report)** *p.19*

"However, serious skills shortages hold the manufacturing sector back – with around 49,000 total vacancies. **Make UK**, the national industry body, has estimated that solving the skills gap could contribute up to £6 billion a year to the UK economy." *p.24*

"We will also pursue industry-led solutions including recommendations for a potential sector-wide Skills Passport and other initiatives set out in the recent **Make UK Skills Commission**." *p.24*

"Skills England will ensure that training and qualifications remain aligned with shifting workforce needs, including looking at funding bands to ensure they reflect delivery **(working with key partners like Make UK)**." *p.25*

"Greatly improving diversity in the workforce is critical to attracting and retaining talent in this sector. We will therefore sponsor an Equality Charter, co-created with industry and a dedicated **task force led by Make UK**." *p.26*

Clean Energy Industries Sector Plan - GOV.UK
"Skills England will ensure that training and qualifications remain aligned with shifting workforce needs, including looking at funding bands to ensure they reflect delivery **(working with key partners like Make UK)**." *p.28*

CONTACT DETAILS

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