

INDUSTRIAL STRATEGY PROGRESS TRACKER

Last updated:
September 2026



BACKGROUND

Make UK has consistently argued that the Industrial Strategy must be underpinned by clear, measurable success indicators.

We have proposed an ambitious target: increasing manufacturing's share of UK GDP from 10% to 15% within a growing economy. Achieving this would add £142 billion to GDP, boost Exchequer revenues, and drive significant long-term domestic and foreign investment.

The Industrial Strategy should also be the foundation of any wider plan for reindustrialisation. Reindustrialisation is not a separate objective. It will only be achieved if the commitments set out in the Strategy are fully delivered, with businesses seeing tangible improvements in competitiveness, investment, productivity, skills and energy costs.

To achieve this, the Strategy needs robust indicators, such as job creation, investment levels, productivity gains and innovation outputs, so Government can track progress against its objectives.

Alongside supporting Government in delivering these KPIs, we are monitoring progress internally against the 29 policy wins secured through the Industrial Strategy.

Our tracker highlights where implementation is on track, where progress is being made, where delivery needs to accelerate, and where significant concerns remain.

The Government's Industrial Strategy is the result of years of campaigning by Make UK and our members.

From energy costs and skills to finance, innovation and defence, manufacturers helped shape many of the commitments now in place. The challenge now is ensuring delivery matches ambition.

Any successful plan to reindustrialise the UK must build on and strengthen the Industrial Strategy, translating commitments into higher investment, stronger industrial capability and sustainable economic growth.

SEPTEMBER 2026 UPDATE

Fifteen months on from the launch of the Industrial Strategy, the Government has reaffirmed its commitment to reindustrialisation, with further progress on grid connections, skills and major investment.

However, delivery continues to lag behind ambition. Manufacturers still face high energy costs, workforce shortages and weak business confidence, with many yet to see a meaningful impact on day-to-day operations.

As the Strategy enters its second year, success will depend less on new announcements and more on implementation, turning existing commitments into lower costs, stronger investment and improved productivity across manufacturing.

LABOUR MARKET & SKILLS

Implemented 

Moderate progress 

Limited progress 

Critical concern 

Policy	Progress	RAG Rating
Skills England to review apprenticeship funding bands, to reflect delivery	Skills Minister commissioned Skills England to identify funding bands for review in July 2026, with a priority attached to standards where additional funding would lead to stronger entry routes for young people. The current £27,000 maximum funding band is unlikely to be increased.	
Potential sector-wide Skills Passport & other initiatives proposed by Make UK’s Skills Commission	Skills England consulted on skills passports in April 2026 – there has been no further detail about potential rollout.	
Growth and Skills Levy to fund short courses for Advanced Manufacturing from April 2026	The first apprenticeship units were introduced from April 2026, including a number in key areas of engineering and manufacturing such as batteries, welding, fitting and assembly The initial units have been focused on lower-level technical skills. Skills England and DWP are working on a second phase of apprenticeship units – timeline for development and introduction of these is unknown.	
Government sponsorship of an Equality Charter, with a Make UK-led taskforce, co-created by industry to support greater inclusivity	Make UK continues to progress the Equality Taskforce, informed by new evidence on women’s participation in manufacturing. However, formal government sponsorship of an Equality Charter, including funding, governance and a clear rollout plan, has yet to be confirmed.	

LABOUR MARKET & SKILLS

Implemented 

Moderate progress 

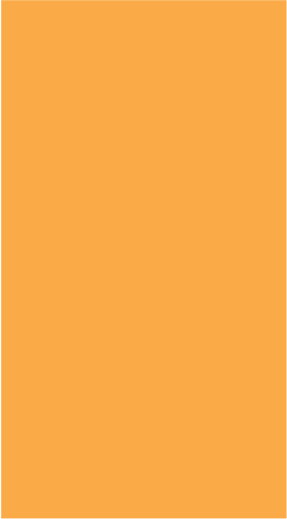
Limited progress 

Critical concern 

Policy	Progress	RAG Rating
£100m investment in engineering skills over the next three years	This has been superseded by the funding commitment in the post-16 Skills White paper: • An engineering package worth £182 million across four years, addressing engineering skills shortages that are critical to growth in priority sectors. Alongside Technical Excellence Colleges in a range of priority sectors, it includes: £47 million to fund engineering skills for adults. £2 million to increase the number of engineering T Levels offered. £8 million capital funding to invest in clean energy engineering courses at levels 4 and 5 in higher education providers. Advanced Manufacturing TECs in England have now been confirmed. No further update on funding beyond previously announced allocations	
Temporarily exempting (engineering) occupations from the planned increase to the threshold for the Skilled Worker visa, to protect industrial strategy delivery	The MAC has recommended that six key advanced manufacturing occupations – welding trades, sheet metal workers, electrical and electronics technicians, engineering technicians, planning, process and production technicians, and metal machining setters and setter-operators – are included on the Temporary Shortage List. If the Home Office accepts the recommendations, manufacturers will be able to recruit for these job roles from overseas for at least the next 18 months. We expect the Home Office to make a decision before the end of 2026. We are still awaiting the outcome of the consultation on settlement/indefinite leave to remain.	

ACCESS TO FINANCE



Policy	Progress	RAG Rating
More support for scale-ups, with £4 billion of additional capital funding for the British Business Bank	The Government-owned British Business Bank (BBB) has made its largest direct investment to date, committing £25 million to Kraken Technologies, alongside £50 million each into two venture capital funds - Epidarex Capital (life sciences) and IQ Capital (deep tech) - as part of a wider £100 million package. These investments are enabled by new flexibilities in the Bank's mandate, allowing larger, higher-risk equity stakes in strategically important UK scale-ups. Further details and timelines for the two £50 million funds are still awaited. BBB is also scaling up activity ahead of deploying £4 billion of Industrial Strategy Growth Capital, with a focus on larger deals, priority sectors and increased private sector co-investment. While early activity is encouraging, the majority of the £4bn is yet to be deployed and further clarity is needed on pace, sector focus and regional reach.	
Up to £4.3bn in funding for the Advanced Manufacturing sector, including up to £2.8 billion in R&D funding	The £4.3bn does not represent new money announced since the Industrial Strategy. It aggregates previously announced and ongoing programmes under an advanced manufacturing banner.	
A review of grant award programmes to consider barriers to business	DBT and HMT have committed to reviewing business-facing grant award programmes to address barriers faced by firms, including SMEs and supply chains. However, no findings or reforms have yet been published, with further detail expected in the first annual Industrial Strategy update.	

Policy	Progress	RAG Rating
A new British Industrial Competitiveness Scheme from 2027 to reduce electricity costs by c.£35-40/MWh for specific manufacturing industries	Government has finalised and slightly expanded the design of the BICS, confirming electricity cost reductions of around £35-40/MWh for eligible manufacturers from April 2027, with a one-off compensatory payment in 2027 to reflect delayed implementation. Applications for the scheme are now open. However, eligibility is based on relatively crude SIC code criteria, meaning many advanced manufacturing businesses facing high electricity costs are unlikely to qualify for support. While this recognises the scale of the UK's industrial energy cost challenge and represents a significant policy win, manufacturers continue to face internationally uncompetitive electricity prices today. The delayed implementation means many businesses will see no immediate relief from energy cost pressures, while eligibility restrictions limit the scheme's reach across the wider manufacturing base.	
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%	Government has confirmed an uplift to the Network Charging Compensation (NCC) scheme from 60% to 90% for eligible energy-intensive industries, with the change legislated and effective from 1 April 2026. Government has also committed to extending NCC application windows from one month to two, improving accessibility for businesses. While this provides meaningful additional support for the most energy intensive industries, relief remains limited to a small number of sectors and does not address broader manufacturing energy costs.	

ENERGY

- Implemented 
- Moderate progress 
- Limited progress 
- Critical concern 

Policy	Progress	RAG Rating
	The uplift to the NCC scheme represents a significant policy win for the most energy intensive industries and demonstrates that targeted energy cost relief can be delivered where Government prioritises industrial competitiveness. However, most manufacturers remain outside the scheme and continue to face internationally uncompetitive electricity costs.	

INFRASTRUCTURE & DIGITALISATION

- Implemented 
- Moderate progress 
- Limited progress 
- Critical concern 

Policy	Progress	RAG Rating
Faster grid connections for major projects via a new Connections Accelerator Service, launching late 2025	Government has launched the Connections Accelerator Service, which became operational in pilot form in December 2025 to support strategically important demand projects facing delays in securing grid connections. The service is being scaled up through 2026, alongside wider reforms to grid connection queue management and prioritisation. While this marks progress in addressing long standing grid connection delays, the impact for manufacturing projects is not yet clear and most businesses continue to face significant connection backlogs.	
£24 billion investment to fix potholes on motorways and £15.6 billion investments in local transport projects (East-West connections)	Government has committed £24bn of capital funding between 2026-27 and 2029-30 to maintain and upgrade motorways and local roads, including tackling potholes and congestion on strategic routes. In parallel, £15.6bn has been allocated through Transport for City Regions settlements to fund long-term local transport projects in mayoral areas, with delivery expected from 2027 onwards. While funding allocations are confirmed, the impact on freight movement, East-West connectivity and access to industrial sites will depend on project selection and delivery by local authorities and National Highways.	

INFRASTRUCTURE & DIGITALISATION

- Implemented 
- Moderate progress 
- Limited progress 
- Critical concern 

Policy	Progress	RAG Rating
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	Following the IS announcement, the Made Smarter programme was further strengthened to include digital internships, £16 million in funding for 2025/26 and a further £99 million for 2026-29, extending SME reach and strengthening grant support. The Government has progressed plans for new Robotics Adoption Hubs, launching a £52 million competition in January 2026 to select around five hubs across the UK. Each will receive at least £2 million per year for four years to provide firms with expert advice, demonstrations and technical support, with hubs expected to be operational in the second half of 2026. The digital internships programme is now underway, while the wider expansion of Made Smarter support and Robotics Adoption Hubs is moving into delivery. These measures represent meaningful progress in supporting manufacturing digitalisation and technology adoption, although the full impact on productivity and business investment will take time to materialise.	

TRADE, TAX & REGULATION

Implemented 

Moderate progress 

Limited progress 

Critical concern 

Policy	Progress	RAG Rating
All six Harrington Review recommendations on FDI to be implemented	1. The Government has set out a clear Business Investment Strategy in the form of the Industrial Strategy. 2. Ensured that investment is prioritised across central government by establishing a new Ministerial Committee, the OfI Board, chaired by the Minister for Investment and with the Chief Secretary to the Treasury and the Prime Minister’s Chief Business Adviser as core members. 3. Expanded the place-based offer to investors through the measures set out in the IS, including the Strategic Sites Accelerator. Government have also developed specific new initiatives to offer the financing and investment expertise of the OfI, NWF, BBB, and UKEF to the devolved governments, Mayors, and local authorities across the UK’s nations and regions. 4. Government have engaged with investors to understand the barriers and challenges to investing in the UK. 5. Given the OfI board stronger tools to compete internationally through a significant expansion of its resources and capability. 6. Developed strategically targeted incentives with timely decision-making timetables.	

TRADE, TAX & REGULATION

Implemented 

Moderate progress 

Limited progress 

Critical concern 

Policy	Progress	RAG Rating
Stronger UK-EU ties, including plans to link UK and EU Emissions Trading Schemes	The UK and EU formally committed in May 2025 to work towards linking the ETS systems, and this remains under discussion. The EU’s 2026 work programme confirms it will explore criteria for linking carbon markets, explicitly noting possible linkage with the UK ETS before 2030. This would allow mutual recognition of allowances and help reduce trade frictions, including interaction with the EU’s Carbon Border Adjustment Mechanism (CBAM). While political commitment has been set out, no formal linking agreement, timetable or implementation details have yet been agreed.	Moderate progress
New Security and Defence Partnership, plus progress on reducing GB–NI Sanitary & Phytosanitary (SPS) trade barriers	Defence: At the UK-EU Summit in May 2025, the UK and EU agreed a new Security and Defence Partnership, establishing a framework for closer cooperation on foreign, security and defence policy. The partnership is designed to support strategic alignment and enable future cooperation, including on defence industrial issues. Following the agreement, the UK sought enhanced access for UK firms to the EU’s Security Action for Europe (SAFE) defence fund. However, negotiations to secure participation on terms going beyond standard third-country rules broke down in November 2025 due to disagreement over financial contributions and access conditions. While the Partnership provides an important foundation for future cooperation, tangible benefits for UK defence manufacturers remain limited.	Limited progress

TRADE, TAX & REGULATION

Implemented 

Moderate progress 

Limited progress 

Critical concern 

Policy	Progress	RAG Rating
	This outcome highlights the limits of current UK-EU defence industrial integration. While the Security and Defence Partnership marks a significant improvement in political and strategic cooperation, it has not yet translated into full access to EU defence financing or procurement mechanisms for UK industry.	
The full expensing capital allowance to remain in place in the long-term	This was recommitted in the Autumn Budget, providing businesses with greater certainty to invest in plant, machinery and productive assets.	
Government to ease short-term mobility for UK professionals working abroad	UK-EU to review/ discuss business mobility for work travel to EU. However, no specific agreement has been reached and businesses continue to face many of the same barriers to short-term mobility across European markets.	
New legislation coming to expand UK Export Finance’s lending capacity	Government has brought forward legislation to expand UK Export Finance’s lending and guarantee capacity by increasing statutory financial limits. The Industry and Exports (Financial Assistance) Bill (2024–26), introduced in November 2025, would raise the cap on the amount of support UKEF can provide, enabling greater use of export finance to support UK businesses operating internationally. While the Bill is progressing through Parliament, the expanded capacity is not yet fully available pending legislative approval.	

TRADE, TAX & REGULATION

Implemented 

Moderate progress 

Limited progress 

Critical concern 

Policy	Progress	RAG Rating
A “root-and-branch reform” of the regulatory system, aiming to reduce administrative costs of regulation by 25% by the end of the Parliament	Government has launched a comprehensive programme of regulatory reform aimed at overhauling the UK’s regulatory system to better support growth and investment. Make UK has been working with DBT and HMT to help pin-point exact regulations to review. Reform work is ongoing, including plans to: • streamline environmental approvals, • consolidate regulators, • cut guidance complexity, • modernise major-project permitting. While the direction of travel is positive, most reforms remain in development and there is not yet clear evidence of a reduction in regulatory costs or administrative burdens for manufacturers.	

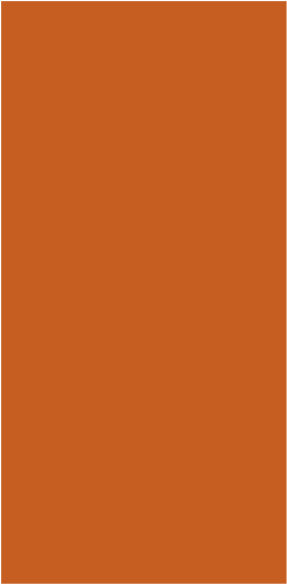
DEFENCE

Implemented 

Moderate progress 

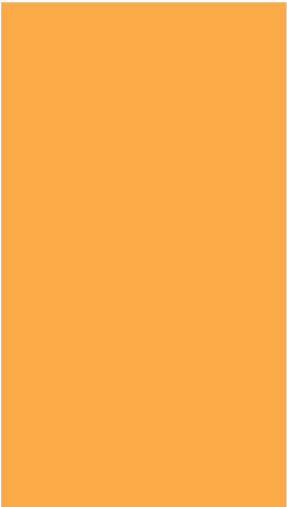
Limited progress 

Critical concern 

Policy	Progress	RAG Rating
Clear backing for UK businesses via a new SME Support Centre	The new Defence Office for Small Business Growth will launch at the end of January 2026, and the new Head of the Office has already been appointed. Make UK Defence have been involved in the design process for the Office from the start and are continuing to support the to launch the Office so that it delivers tangible outcomes for SMEs.	
£2.5bn boost to SME spending by 2028, including a 50% rise in direct spending	The £2.5bn increase in defence spending with SMEs by 2028 is linked to the wider defence investment programme and is intended to be delivered through the Defence Investment Plan. MOD has indicated that further detail on delivery, including a dedicated SME Action Plan, will follow once the Defence Investment Plan is finalised. Make UK Defence are also advocating for SME-Only Contracts to improve opportunities for direct MOD work and increase industry competitiveness, and an SME Shadowing Programme to encourage MOD commercial staff to spend 1-3 days working with an SME. While Government has committed to increasing defence spending with SMEs, delivery plans remain under development and there is currently limited evidence of increased procurement opportunities reaching SMEs.	

DEFENCE

- Implemented 
- Moderate progress 
- Limited progress 
- Critical concern 

Policy	Progress	RAG Rating
New Defence Technical Colleges and funding to tackle the defence skills gap	The Defence Industrial Strategy, published in September 2025, allocated £182 million for a broader Defence Skills Package, including the creation of new DTECs. A £175m cross-government funding package has been allocated to establish 19 Technical Excellence Colleges across England, five of which will specialise in defence, working in partnership with industry and the Ministry of Defence. In addition, further targeted funding has been announced through defence growth deals to support new Defence Technical Excellence Colleges and skills provision in key regions.	

DEVOLUTION

- Implemented 
- Moderate progress 
- Limited progress 
- Critical concern 

Policy	Progress	RAG Rating
More support and funding for the devolved nations and English mayoral areas, including a new local growth fund and a strategic sites accelerator	Government has committed to a ten-year capital settlement from 2026/27 to 2035/36 for selected mayoral city regions in the North and Midlands, providing longer-term certainty over local investment and transport funding. While welcome, the approach remains focused on mayoral areas. Make UK continues to support extending similar long-term funding certainty and growth support to non-mayoral areas through a dedicated Local Growth Fund. Government has also established a £600 million Strategic Sites Accelerator to support the development of major employment and industrial sites through land remediation, grid capacity, transport improvements and planning support. The programme has the potential to accelerate industrial investment, but its success will depend on the pace of implementation and the extent to which sites are brought forward for development.	

INDUSTRIAL STRATEGY GOVERNANCE

Implemented 

Moderate progress 

Limited progress 

Critical concern 

Policy	Progress	RAG Rating
The creation of a permanent Industrial Strategy Council and accompanying success metrics to oversee the Industrial Strategy	The Industrial Strategy Advisory Council is now fully established and operational, with a strengthened 2026 mandate and newly appointed members to broaden its expertise. It has also begun external analytical work, including a research partnership with the University of Manchester. There is now agreed engagement on performance tests and monitoring frameworks to assess progress over the lifetime of the Industrial Strategy. While governance arrangements are firmly in place, the full suite of published, measurable success metrics is still being developed. Make UK and the Council held a joint roundtable on progress in June.	
Government commitment to work closely with Make UK and other key partners to make the Strategy a success	Government worked closely with Make UK on the creation and publication of the Industrial Strategy. Closer work is now needed to oversee the implementation and success of the Strategy.	
Commitment for the Industrial Strategy Advisory Council to be put on a statutory footing.	The Government hasn't committed to a date when legislation will be introduced, therefore this is unlikely to happen until mid-2027 at the absolute earliest.	

Make UK is backing manufacturing – helping our sector to engineer a digital, global and green future. From the First Industrial Revolution to the emergence of the Fourth, the manufacturing sector has been the UK's economic engine and the world's workshop.

The 20,000 manufacturers we represent have created the new technologies of today and are designing the innovations of tomorrow.

By investing in their people, they continue to compete on a global stage, providing the solutions to the world's biggest challenges.

Together, manufacturing is changing, adapting and transforming to meet the future needs of the UK economy. A forward-thinking, bold and versatile sector, manufacturers are engineering their own future.

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