



# Building our Industrial Strategy

**West Suffolk Joint Growth Steering Group  
28<sup>th</sup> March 2017**



Cities & Local  
Growth Unit



# What is the Industrial Strategy?

- Build an economy that works for everyone.
- Improve living standards and economic growth by increasing productivity and driving growth across the whole country.





# Approach to developing the Industrial Strategy

1. Build on our strengths and extend excellence into the future.
2. Close the gap between Britain's most productive companies, industries, places and people and the rest.
3. Make Britain one of the most competitive places in the world to found or grow a business.
4. A **long-term** approach.
5. focused on the **fundamentals**:
  1. driving up investment in innovation,
  2. infrastructure and business growth
  3. improving the skills that people and businesses have
  4. enabling businesses to scale-up.
  5. Support companies to trade internationally, and maximise the opportunities from exiting the EU.



# Why is this time different?

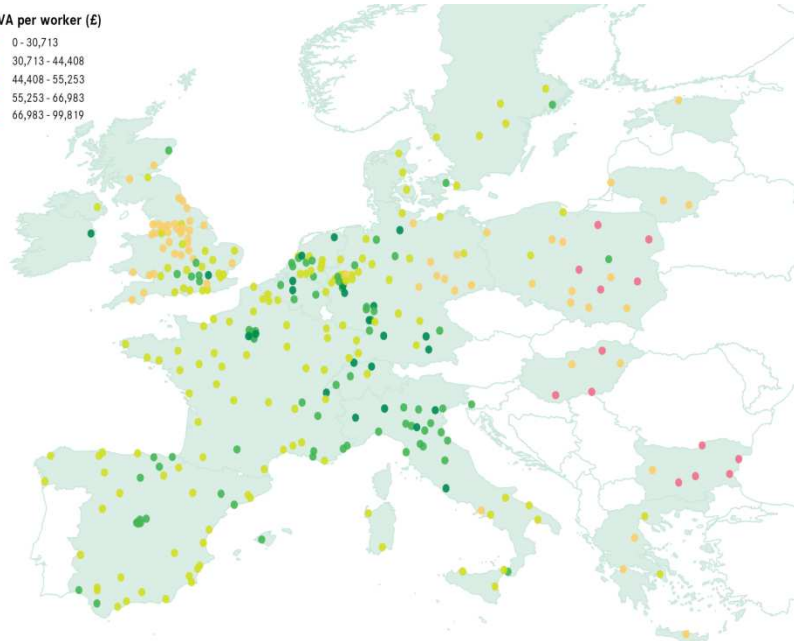
Previous approaches	The new Industrial Strategy
Driven by the Business department	A Cross-Government endeavour
Mostly focused on sectoral policies	Using all levers which can deliver a high productivity, high wage, high skill economy
Focused on incumbent sectors and businesses	Enabling new, disruptive sectors and firms to flourish
Centrally planned and led by Whitehall	Co-created – learning from the best ideas across the country through open, collaborative dialogue
Place less of a priority	Place a key theme



# Spreading growth across the country: the challenge

GVA per worker (£)

- 0 - 30,713
- 30,713 - 44,408
- 44,408 - 55,253
- 55,253 - 66,983
- 66,983 - 99,819



Only London, Bristol and  
Portsmouth have a higher  
productivity than the UK  
average.

- The productivity of UK regions varies and London is pulling ahead of much of the rest of the country.
- In France and Germany, most large cities out-perform the national average in productivity, innovation and other measures of economic performance.
- Small towns and rural areas see large variations in productivity, wages, standards of living and the life opportunities available to their residents.



# Spreading growth across the country: our approach

*“Our new modern industrial strategy will back the strengths of every area: their great universities; their clusters of dynamic businesses; their fast growing start-ups, so that all parts of our country and all parts of our society see the benefits of growth”*

Theresa May – November 2016

*“Any successful industrial strategy has to be local”*

Greg Clark – September 2016



- In an increasingly globalised economy, **local excellence** matters more than ever.
- Build on **the particular strengths of different places** and grasp the opportunities to enable faster growth in each of them.
- Explore **further devolution** deals for our largest cities



# The 10 pillars

				
<b>Investing in Science, Research and Innovation</b>	<b>Developing Skills</b>	<b>Upgrading Infrastructure</b>	<b>Supporting Businesses to Start and Grow</b>	<b>Improving Procurement</b>
				
<b>Trade and Inward Investment</b>	<b>Affordable Energy and Clean Growth</b>	<b>Cultivating Sectors</b>	<b>Driving Growth Across the Country</b>	<b>Institutions: Linking Sectors &amp; Places</b>

# Developing Skills

## The Challenge

- Literacy and numeracy levels
- Shortage of highly-skilled technicians below graduate level
- Shortage of skills in sectors that depend on STEM subjects
- Shortages of skills in some sectors and in parts of the country

## Early Actions

- Create a proper system of **technical education**, to benefit those that do not choose university and provide better options for those already in the workforce.
- £170m to create **Institutes of Technology** to deliver higher technical education in STEM subjects
- Publish a **careers strategy**
- Extend the **specialist maths school model**
- Take actions to address **differences in skill levels** between areas



# Supporting Businesses to Start and Grow

## Our Approach

Drive business growth & productivity, improving access to finance for companies looking to scale up

Identify and support potential high-growth businesses, forging effective peer to peer networks and providing more targeted leadership and management advice

Incentivise investors to take a long-term approach to investment

## Early Actions

**£400m for the British Business Bank** to unlock £1bn of equity funding, in later stage venture capital

**£13m for the Productivity Council**, provide leadership and business advice to raise productivity

**Review into entrepreneurship**, led by Chief Entrepreneurial Advisor to take stock of the business support currently available and consider international best practice

The Minister for Small Business will take on a new role of Scale-Up Champion, overseeing **a Task Force to support high growth scale-up businesses** to build peer to peer business networks to improve productivity

# Cultivating World Leading Sectors

## Our Approach

- Challenge all sectors in the economy to upgrade through **sector deals**
- Support emerging sectors and innovative businesses through the **Challenger Business Programme** which works with businesses which are applying new technologies, innovative products and services, and transformational business models


## Early Actions

- A number of individuals and sectors want to develop proposals for early **sector deals**.
- The Government is prepared to work with any sector that can organise behind strong leadership to address shared challenges and opportunities.



- Responses to be sent to
  - <https://beisgovuk.citizenspace.com/strategy/industrial-strategy>
  - [industrial.strategy@beis.gov.uk](mailto:industrial.strategy@beis.gov.uk)
- **Deadline 17 April 2017 (13<sup>th</sup> April)**
- **Next steps**

# Proposed approach to Response:

- Suffolk response and a West Suffolk separate response
  - From Suffolk (Growth Board) incorporating views of: business, education providers, public sector and key organisations (Chamber, LEPs)
  - Complementary to individual organisational responses
  - Building on a good foundation:
    - NALEP review of strategic economic plan
    - City Deal, Local Growth Fund, major projects
    - Content of devolution draft deal
    - SPIF
  - Evidence based submission that demonstrates Suffolk's economic assets and ambition & sets framework for areas of future work with Government and any related deals
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# Suffolk Content

Highlight key, inter-related themes (rather than answering every question):


## *Place; Scale; Interventions; and Institutions*

- Place
  - Critical context to ensuring we build the right skills, infrastructure etc. for growth
  - More coherent/less fragmented investment
  - Key sectors (Agri-tech; ICT; Energy) and possibility of sector deals
- Scale
  - Identifying what could be scaled up and how
  - Working across sectors and with Government to maximise scale

# Suffolk Content

- Interventions
  - Longer term decision making
  - Certainty
  - Place based and focussed on evidence of what will work
- Institutions
  - Better join up/coherence in policy (e.g: National Infrastructure Commission & Local Growth Fund)
  - Greater local autonomy – understanding of place, how local economy contributes nationally/internationally and delivering inclusive growth (symbiosis between growth and wellbeing)
  - How to better use public sector leverage but also know when to ‘get out of the way’

# West Suffolk Content

- Build upon the Suffolk Response
  - Focus on the uniqueness of WS
  - Relationship and influence of Cambridge
  - Key sectors and specialisms e.g. Newmarket
  - Focus on Place
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# West Suffolk Response

- To be agreed by Portfolio Holders
- Draft for circulation
- Response prepared by 13<sup>th</sup> April because of Easter
- Beginning of further work







# The 10 pillars

				
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Forest Heath & St Edmundsbury councils

**West Suffolk**

working together

# Questions?

