

Invest 2035: The UK's Modern Industrial Strategy

We thank you for your time spent taking this survey.
Your response has been recorded.

To complete the survey please make sure you have first downloaded and reviewed the PDF, 'Invest 2035: the UK's modern industrial strategy' from [this website](#), or read through the [web-accessible document here](#).

We are grateful for all views. Please answer as many questions as you can but if certain sections are irrelevant, or you feel unable to give an opinion, feel free to leave the answer box blank.

We estimate it will take approximately 30 minutes to complete the full survey (depending on how many sections you complete or are relevant to you). You can save your answers and come back to them at any time.

This is a public consultation that will inform the development of the new Industrial Strategy, the Government's proposed plan to boost investment, growth, and stability. The final Industrial Strategy will be published in Spring 2025, alongside the multi-year Spending Review.

We are asking for your views on our approach, including evidence, analysis, and policy ideas. We welcome input from a range of partners, including businesses, experts, trade unions, local and regional actors, and other interested parties.

The consultation closes at 11:59pm on 24 November 2024.

Download full list of questions

You can download the full list of the questions here: [Consultation questions](#)

Print or save a copy of your responses:

At the end of this questionnaire, you have the chance to either print or save a copy of your response for your records. This option appears after you press 'Submit your response'.

Save and continue option:

You have an option to 'save and continue' your response at any time. If you do that you will be sent a link via

email to allow you to continue your response where you left off.

It's very important you enter your correct email address if you choose to save and continue. If you make a mistake in the email address you won't receive the link you need to complete your response.

Public consultation privacy notice: <https://www.gov.uk/government/publications/public-consultations-privacy-notice/public-consultations-privacy-notice>

Personal Details

What is your name?

What is your email address?

What is your contact number? [Optional]

In what capacity are you replying to this call for evidence?

- Business
- Business association**
- Charity
- Member of the public
- Researcher, academic
- Think Tank
- Trade Union
- Other

What is the name of your business/organisation?

Which sector do you work in?

Are you happy to be contacted directly about your response?

- Yes**
- No

Sector Methodology

The Government has undertaken initial analysis to help determine eight growth driving sectors. Future work will build on this analysis to determine the key subsectors within these broad sectors, using evidence collected from this Green Paper as well as further evidence-gathering and use of wider methodologies.

Please read p.16-20 of the PDF ([or here online](#)) before completing these questions.

Q1. How should the UK government identify the most important subsectors for delivering our objectives?

No comment.

Q2. How should the UK government account for emerging sectors and technologies for which conventional data sources are less appropriate?

No comment.

Q3. How should the UK government incorporate foundational sectors and value chains into this analysis?

No comment.

Sectors

For each of the growth-driving sectors, we set out below how they link to the Industrial Strategy objectives, their strengths, and outline where Government can – in partnership with business and others – go further to support growth.

Please read p.21-26 of the PDF ([or here online](#)) before completing these questions.

Q4. What are the most important subsectors and technologies that the UK government should focus on and why?

No comment.

Q5. What are the UK's strengths and capabilities in these sub sectors?

No comment.

Q6. What are the key enablers and barriers to growth in these sub sectors and how could the UK government address them?

No comment.

Business Environment

The government will work in partnership with businesses, trade unions, mayors, devolved governments, experts, and other stakeholders to help address the biggest challenges to unlocking business investment, focusing on the 8 growth-driving sectors and clusters across the country.

Please read p.27-29 of the PDF ([or here online](#)) before completing this question.

Q7. What are the most significant barriers to investment? Do they vary across the growth-driving sectors? What evidence can you share to illustrate this?

There are a number of significant barriers that affect all growth-driving sectors of the economy and not just the eight that the government has pre-identified as growth-driving sectors which will be prioritised across services and manufacturing for the purpose of this proposed Industrial Strategy and consultation. Uncertainty is probably the most common characteristic that drives all of them. From the point of view of agriculture, and English and Welsh wine in particular, uncertainty in the UK's planning regime, workforce uncertainty because of restrictions on overseas workers and uncertainty surrounding the skills and education of British workers created by a lack of Government co-financing are three significant barriers to investment. But these are also three areas affecting investment in UK agriculture which cross over into the identified eight growth-driving sectors. Planning uncertainty, workforce uncertainty and uncertainty around the financing of education (for example, apprenticeships, training and CPD but not just these) affects each of 'growth-driving sectors' and are a hinderance on investment. We would also suggest that the proposed changes to Inheritance Tax, in particular Business Property Relief, also now represents a significant barrier to investment and innovation and will have a noticeable knock-on impact, from an ancillary services point of view, on: • Advanced Manufacturing • Clean Energy Industries • Financial Services • Life Sciences, and • Professional and Business Services. Investment increases the value of one's business. Increased value makes it more likely that a business will cross the IHT threshold, or if already over it increases the size of its tax liabilities. This is already making businesses reassess further investment /the size of planned investment in their operations.

Business Environment - People and Skills

The people that create and work in businesses will be central to the success of the growth-driving sectors and clusters, supporting the Government's Growth, Opportunity, and Clean Energy Missions in particular.

Please read p.29-31 of the PDF ([or here online](#)) before completing these questions.

Q8. Where you identified barriers in response to Question 7 which relate to people and skills (including issues such as delivery of employment support, careers, and skills provision), what UK government policy solutions could best address these?

The best policy solution to address barriers regarding employment support, careers, and skills provision is increased co-financing of education, apprenticeships, up-skilling and CPD. We do not expect the Government to finance these outright. But co-financing (in the form of grants, funding of courses (both in-person and online) and of educational / upskilling institutions) shows commitment and provides certainty which can then be leveraged to generate further private sector investment in these areas to the benefit of all UK workers. We need to ensure that the UK workforce is trained with the skills (including ancillary skills) to enable it, and businesses, to take advantage of /spur growth across all sectors over the next four years and afterwards. This requires the Government to:

- continue funding all education and training support committed to by the previous Government
- identify new routes to educate and up-skilling the UK's workforce and to provide funding for them
- tailor courses to meet the disparate demands of micro, small, medium, and large businesses across the economy
- reform visa access to ensure that more skilled and experienced overseas workers can come to the country so that UK workers can learn from them.

In addition it would be appropriate to enhance cooperation and coordination between Government, local Councils, education providers to identify the specialist needs required to service the growth-driving, and other sectors, including agriculture. This is a key to creating a pool of home-grown, geographically dispersed, skilled employees can help ensure the UK continues to be competitive. It would also be appropriate to reform the Apprenticeship Levy to offer greater flexibility to employers and employees over training. It should be reformed to enable funding be used for other forms of training and to change its operation to offer greater flexibility to employers and employees.

Q9. What more could be done to achieve a step change in employer investment in training in the growth-driving sectors?

Stop making it more and more expensive to do business... this should be obvious? The recent budget has seen proposed:

- increases and changes to employer National Insurance contributions
- increases to minimum wages
- changes to business rates relief on retail, hospitality and leisure.
- changes to Inheritance Tax (IHT), and
- coupled to this the oncoming costs of EPR that larger businesses face

The response of many companies to these changes across the board is going to be (and we are basing this on testimony from members) that they will be putting any thought of expansion on hold and working out how they are going to pay these NICs, wages, and taxes over the coming years.

Business Environment - Innovation

Accelerating the rate of innovation and increasing the adoption and diffusion of those ideas, technologies, and processes is an essential step for growing the productivity of our growth-driving sectors.

Please read p.31-33 of the PDF ([or here online](#)) before completing these questions.

Q10. Where you identified barriers in response to Question 7 which relate to RDI and technology adoption and diffusion, what UK government policy solutions could best address these?

No comment.

Q11. What are the barriers to R&D commercialisation that the UK government should be considering?

No comment.

Business Environment - Data

Data fuels modern business, both as users and producers. There is a huge opportunity for the UK to use its data more strategically, driving innovation and economic growth, including in the growth-driving sectors.

Please read p.33-34 of the PDF ([or here online](#)) before completing these questions.

Q12. How can the UK government best use data to support the delivery of the Industrial Strategy?

The government can best use data to support the delivery of its Industrial Strategy if it ensures that the data that is being collected is correct and relevant data that businesses, regardless of the sector, can use. Data, which isn't relevant or targeted to the needs of a particular sector is not as helpful as it could be.

Q13. What challenges or barriers to sharing or accessing data could the UK government remove to help improve business operations and decision making?

Following on from our answer to question 12., before the government considers how it might better share or enable access to data it needs to ensure that the data that is being collected is correct and relevant data that businesses, regardless of the sector, can use. An example would be export data. Using our sector as a case in point (because if this is happening to us then it is also happening to other sectors across the economy) English and Welsh wine has a significant issue when it comes to accessing accurate, relevant and up to date, export data. This is vital information which would allow our members to better understand and target key markets, but which they /we currently do not have access to because the export data currently available makes no distinction between domestically produced exports and imports into the UK that are then re-exported. Given that the UK economy is a hub economy whereby third country imports are in many instances re-exported (although on nothing like the scale that this was the case pre-Brexit) this is a scenario that would not be unique to just English and Welsh wine. We have engaged with the 'Excise Movement and Control System' (EMCS) certificate system to see if that might provide accurate data of this kind of data but it is not and even if the possibility existed the data would be incomplete as most of exports are not recorded on EMCS under simplifications. We searched for this data in 'UK Trade Statistics', but we could not find it. We subsequently looked to UK Trade Info from HMRC's website which includes trade data and the option for bespoke reporting (by running a report against commodity codes and the country of origin). However, the 'UK Trade Statistics' website is not calibrated to provide this relevant export information. While it is possible to filter a request down to the relevant commodity codes for domestically produced product, the country-of-origin option makes no differentiation between domestically produced and exported products and imported products that are re-exported. By mixing UK information with, non-UK information and not making a distinction between genuine English, Welsh and Scottish Sparkling and Still wines and third country wines which use the UK as a springboard to other markets it is impossible for us to know /understand how much of the wine that is exported out of the country is actually our own domestically produced wine. As previously stated this is the type information which would allow our members to better understand and target key markets. If this is happening to our sector then it is also happening to other sectors across the economy. So to our first point... before considering how it might better share or enable access to data government needs to ensure that the data that is being collected is correct and relevant data that businesses, regardless of the sector, can use. As an aside we believe that this information would also be of genuine benefit to DBT, DEFRA and HMRC to help them understand the actual value of domestic exporting sectors and to evaluate the effectiveness of any spend and advice that government might provide to a sector.

Business Environment - Infrastructure

An effective planning system is a fundamental enabler for business investment in our growth-driving sectors. Growth-driving sectors also require high quality infrastructure and transport connectivity.

Please read p.34-36 of the PDF ([or here online](#)) before completing these questions.

Q14. Where you identified barriers in response to Question 7 which relate to planning, infrastructure, and transport, what UK government policy solutions could best address these in addition to existing reforms? How can this best support regional growth?

The current state of the planning process is a source of immense frustration across the economy. Businesses looking to invest experience a postcode lottery when it comes to planning permission. Planning application seems to depend entirely on the District Council and local variables, such as: • how good/experienced the planning officer is • if he/she is experienced in dealing with the particular sector the business is active in • if changes to the business fall under permitted development • how well planning departments liaise with legal departments on planning decisions There needs to be more consistency in the whole planning process. Planning departments need to be staffed and properly resourced to be able to do their job. Applications from sectors should be allocated to a planning officer(s) who have knowledge of that sector, its business model, and the issues businesses in it face. Get it right and the benefits will accrue for everyone including the local community. Much of what might help grow the government's identified 'growth-driving sectors' would also benefit and help other sectors and rural localities. Nothing epitomises this more than improvement to rural infrastructure, be that physical infrastructure such as transport, energy and water or digital such as communications. Capable and reliable infrastructure is key to the success of any business across all sectors. The UK's infrastructure is falling behind that in other countries with whom we compete. Our local/regional buses and trains, rural road links, connections to the electrical grid, broadband and WiFi availability, mobile telecom connectivity etc. all require upgrading after years of underinvestment. None of this is sector or 'growth-driving sectors' specific. Improve it for one and you go a long way towards improving it for all.

Q15. How can investment into infrastructure support the Industrial Strategy? What can the UK government do to better support this and facilitate co-investment? How does this differ across infrastructure classes?

No comment.

Business Environment - Energy

Access to cheap and reliable energy is an influential determinant of business competitiveness and an important consideration for internationally mobile investment.

Please read p.36-38 of the PDF ([or here online](#)) before completing these questions.

Q16. What are the barriers to competitive industrial activity and increased electrification, beyond those set out in response to the UK government's recent Call for Evidence on industrial electrification?

No comment.

Q17. What examples of international best practice to support businesses on energy, for example Purchase Power Agreements, would you recommend to increase investment and growth?

No comment.

Business Environment - Competition

Competition and consumer policy, including subsidy control, is an important lever across and beyond the growth-driving sectors.

Please read p.38-40 of the PDF ([or here online](#)) before completing these questions.

Q18. Where you identified barriers in response to Question 7 which relate to competition, what evidence can you share to illustrate their impact and what solutions could best address them?

No comment.

Q19. How can regulatory and competition institutions best drive market dynamism to boost economic activity and growth?

No comment.

Business Environment - Regulation

Regulation can address market failures, create economic certainty, and drive innovation to stimulate growth while protecting consumers and businesses.

Please read p.40-41 of the PDF ([or here online](#)) before completing these questions.

Q20. Do you have suggestions on where regulation can be reformed or introduced to encourage growth and innovation, including addressing any barriers you identified in Question 7?

No comment.

Business Environment - Crowding in Investment

UK firms have access to one of the world's leading financial services sectors. Despite this, as outlined above, the UK has consistently invested less than its international peers, with levels varying depending on firm size, sector, and region.

Please read p.41 of the PDF ([or here online](#)) before completing this question.

Q21. What are the main factors that influence businesses' investment decisions? Do these differ for the growth-driving sectors and based on the nature of the investment (e.g. buildings, machinery & equipment, vehicles, software, RDI, workforce skills) and types of firms (large, small, domestic, international, across different regions)?

No comment.

Business Environment - Mobilising Capital

The UK has a complex landscape of public and private business finance providers and institutions. However, the Government knows from businesses that there is still much to do to improve ease of access to growth capital and scale-up finance in the UK.

Please read p.41-43 of the PDF ([or here online](#)) before completing these questions.

Q22. What are the main barriers faced by companies who are seeking finance to scale up in the UK or by investors who are seeking to deploy capital, and do those barriers vary for the growth-driving sectors? How can addressing these barriers enable more global players in the UK?

No comment.

Q23. The UK government currently seeks to support growth through a range of financial instruments including grants, loans, guarantees and equity. Are there additional instruments of which you have experience in other jurisdictions, which could encourage strategic investment?

No comment.

Business Environment - Trade and International Partnerships

The UK is a proud trading country and among the most open economies in the world. The UK holds strong and constructive partnerships all over the world, built on principles of openness and shared prosperity and a commitment to upholding the international rules-based system.

Please read p.44-47 of the PDF ([or here online](#)) before completing these questions.

Q24. How can international partnerships (government-to-government or government-to-business) support the Industrial Strategy?

No comment.

Q25. Which international markets do you see as the greatest opportunity for the growth-driving sectors and how does it differ by sector?

No comment.

Place

A core objective of the industrial strategy is unleashing the full potential of our cities and regions by attracting investment and creating the best environment for businesses in them to thrive.

Please read p.48-50 of the PDF ([or here online](#)) before completing these questions.

Q26. Do you agree with this characterisation of clusters? Are there any additional characteristics or dimensions of cluster definition and strength we should consider, such as the difference between services clusters and manufacturing clusters?

No comment.

Q27. What public and private sector interventions are needed to make strategic industrial sites 'investment-ready'? How should we determine which sites across the UK are most critical for unlocking this investment?

No comment.

Q28. How should the Industrial Strategy accelerate growth in city regions and clusters of growth sectors across the UK through Local Growth Plans and other policy mechanisms?

No comment.

Q29. How should the Industrial Strategy align with Devolved Government economic strategies and support the sectoral strengths of Scotland, Wales, and Northern Ireland?

No comment.

Partnerships and Institutions

The ambition set out across this paper can only be realised in partnership. Only by working with the network of businesses, investors, civil society, international partners, local leaders and devolved governments who play a critical role in the UK economy, can we shape and deliver an industrial strategy that can truly drive growth.

Please read p.51-53 of the PDF ([or here online](#)) before completing these questions.

Q30. How can the Industrial Strategy Council best support the UK government to deliver and monitor the Industrial Strategy?

No comment.

Q31. How should the Industrial Strategy Council interact with key non-government institutions and organisations?

No comment.

Q32. How can the UK government improve the interface between the Industrial Strategy Council and government, business, local leaders and trade unions?

No comment.

Theory of Change

Economic growth is a complex issue with interrelated short-term and long-term drivers, many of which are structural in nature.

To effectively prioritise policies within the industrial strategy, targeted at the right sectors and types of economic activity, the government needs to rationalise this complexity into a series of potential causal pathways. This will also help to identify where to further develop the evidence and analysis.

Please read p.55-57 of the PDF ([or here online](#)) before completing these questions.

Q33. How could the analytical framework (e.g. identifying intermediate outcomes) for the Industrial Strategy be strengthened?

No comment.

Q34. What are the key risks and assumptions we should embed in the logical model underpinning the Theory of Change?

No comment.

Q35. How would you monitor and evaluate the Industrial Strategy, including metrics?

No comment.

Additional Information

Q36. Is there any additional information you would like to provide?

No comment.