



Department for Business & Trade

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Dear Kerry,

Thank you for your correspondence of 2 December, regarding the Industrial Strategy Green Paper.

Growth is the number one mission of the government, and the Industrial Strategy will be a significant driver of national renewal and a central pillar of the Growth Mission. The Strategy will focus on tackling barriers to growth in the highest potential growth-driving sectors and places, creating the right conditions for increased investment and ensuring tangible impact in communities right across the UK.

The Industrial Strategy will channel support to eight growth-driving sectors – those in which the UK excels today and will propel us tomorrow. The Industrial Strategy's eight growth-driving sectors are: Advanced Manufacturing, Clean Energy Industries, Creative Industries, Defence, Digital and Technologies, Financial Services, Life Sciences, and Professional and Business Services. This is focused on the sectors which help meet broader objectives for Net Zero, regional growth, and economic security and resilience – to ensure that we secure the type of growth we want.

While the Industrial Strategy's focus will be on the growth-driving sectors, all sectors can shape and will benefit from wider policy reform through the Strategy's cross-cutting policies alongside the broader Growth Mission. The Strategy will bring forward coordinated sector-specific and cross-cutting policies that will benefit everywhere, addressing barriers to growth across the UK and creating the pro-business environment for all businesses to invest and employ and consumers to spend with confidence.

Regional growth is a core objective of this Industrial Strategy. The Strategy will unleash the full potential of cities and regions, concentrating efforts on places with the greatest potential for the growth-driving sectors: city regions, high-potential clusters, and strategic industrial sites.

Within sectors, businesses co-locate in clusters to take advantage of economies of scale, talent pipelines, land, supply chains, knowledge spillovers, and more. We know that the success of the Strategy's growth-driving sectors can only be achieved if these clusters throughout the UK reach their full potential, supported through a place-based approach to policy.

Clusters often cut across local government boundaries, sitting both within and outside of major cities and extending into rural areas – particularly for growth-driving sectors which require access to suitable land, water and other natural resources. When growing city-regions and clusters across the country we will ensure opportunities are felt in surrounding towns and rural areas.

The Strategy is being designed and implemented in lockstep with local partners, Mayors, devolved governments, businesses, trade unions, academia and international partners. We are engaging widely with regional stakeholders including with Combined Authorities, Pan-Regional Partnerships and sector bodies, and working in partnership with Cities and Local Growth Unit to ensure wide engagement with individual Local Authorities, key local businesses, networks and organisations, and a good understanding of local economic development strategies, existing growth plans, and ideas and views on potential place-based interventions.

Alongside this, the Government will also set out its long-term vision for local growth at the multi-year spending review in the Spring, which will target funding where it is needed most and empower local leaders.

The Industrial Strategy Green Paper Consultation received over 3000 responses from a diverse mix of stakeholders, including from Local Authorities and regionally focused organisations. It also received 259 responses from business representative organisations which collectively represent hundreds of thousands of businesses across the UK.

The Department for Business and Trade is currently considering responses, in partnership with teams across Whitehall to draw out common themes and policy ideas to support the policy development process. Your input will be considered as part of this process and we are grateful to you for helping to shape what will be a shared endeavour between public good and private enterprise.

The response to the Consultation will be integrated into the final Industrial Strategy and growth-driving sector plans, to be published alongside the Spending Review in 2025.

Kind regards,

Correspondence Unit
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