

DOWNTOWN IN BUSINESS BRIEFING NOTE

# LABOUR'S INDUSTRIAL STRATEGY:

A WELCOME RESET - BUT WILL IT DELIVER?

# Q I OVERVIEW

Labour's newly published industrial strategy represents a significant shift in tone and approach compared to recent years. After more than a decade of political instability, short-term policymaking, and economic drift, the commitment to a long-term, 10-year industrial roadmap is refreshing.

For businesses, particularly those in high-growth and energy-intensive sectors, this strategy offers clarity, stability, and ambition. However, there are valid concerns about whether the strategy has the scale, speed, and boldness to meet the moment.



# WHAT'S GOOD

## THE POSITIVES

### 1. CERTAINTY AT LAST

The creation of a statutory Industrial Strategy Council and a 10-year commitment to R&D funding is exactly the sort of long-term thinking businesses have been crying out for.

### 2. TACKLING THE ENERGY COST CRISIS

The new British Industrial Competitiveness Scheme recognises that UK energy costs are a barrier to growth. Discounts for heavy users are welcome – though they still fall short of global best practice.

### 3. BACKING GROWTH SECTORS

Targeted investment into clean energy, AI, advanced manufacturing, and life sciences is smart. These are sectors where the UK genuinely has a competitive edge.

### 4. SKILLS ON THE AGENDA

The establishment of Skills England and reform of the apprenticeship levy are much-needed moves to address the chronic skills shortages many Downtown members face.

### 5. PLANNING AND INFRASTRUCTURE REFORM

Commitments to speed up grid connections, reform the planning system, and invest in national infrastructure are critical – if delivery matches the rhetoric.

# **WHAT'S MISSING** THE GAPS

## **1. IS THE MONEY BIG ENOUGH?**

While the strategy is directionally right, the financial commitments are relatively modest. Business confidence won't be built on rhetoric alone – serious capital investment needs to follow.

## **2. SPEED VS. STRATEGY**

Much of this strategy is about the long-term. Downtown members need immediate action to unblock the planning system, fix the skills crisis, and bring down business costs – not just promises for 2030.

## **3. ENERGY RELIEF IS A START – NOT A SOLUTION**

Yes, the industrial energy discount is welcome, but it still leaves UK businesses paying more than many international competitors. The government must go further.

## **4. DELIVERY RISK**

As ever, the UK's Achilles heel is execution. The strategy requires cross-department coordination, something Whitehall has historically been poor at.

## **5. SMES LARGELY OVERLOOKED**

The strategy reads heavily towards big-ticket, big-business sectors. There's little here for the backbone of the economy – SMEs – especially in services, hospitality, or creative sectors outside London.



# FOR CITIES LIKE OURS?

## WHAT IT MEANS

- The focus on regional clusters and levelling-up industries like clean energy, manufacturing, and life sciences is encouraging for cities like Manchester, Birmingham, Liverpool, and Leeds.
- However, unless the planning reforms are real and skills pipelines are turbo-charged, the risk is that the same regions get left behind again.



# I DOWNTOWN'S VIEW

The strategy is a **solid foundation**, not a finished article. It offers businesses the stability they've been asking for, but whether it transforms the UK's economic fortunes depends entirely on delivery, scale, and pace. Downtown will be engaging with government to ensure:

- Planning reform is real and rapid.
- Energy cost relief goes further.
- SMEs and service industries aren't ignored.
- Regional cities get a fair share of investment and growth opportunities.

# → | **NEXT STEPS FOR MEMBERS**

We'll be hosting briefings with political leaders, policymakers, and business stakeholders to discuss how this strategy can translate into real opportunities for Downtown members. Stay tuned for invitations.

**For further details, contact:**

✉ [frank.mckenna@downtowninbusiness.com](mailto:frank.mckenna@downtowninbusiness.com)

📞 0791 959 2218    📠 0844 755 0127

**Downtown In Business**

**[WWW.DOWNTOWNINBUSINESS.COM](http://WWW.DOWNTOWNINBUSINESS.COM)**