

Connecting Industries: Modern Industrial Strategy

Chair: Jillian Ambrose, Business Reporter, The Telegraph

Claire Perry MP, Minister of State for Climate Change and Industry

Hugh McNeal, CEO, RenewableUK

Deirdre Fox, Director of Strategic Business Development, Tata Steel Europe

Jonathan Cole, Managing Director, Iberdrola Renewables Offshore

Hugh McNeal talks of the huge increase in power generated by renewable sources since 2010 (now one third of all UK energy). He says that it needs to be spoken about more; this is essential to engage young people. McNeal goes on to talk about the strong link between the renewable sector and the digital and storage economy: investment in storage technologies, battery technologies and attempts to solve problems related to the transformation of the electric grid are all carried out by renewable companies. He says that it is a shame that the renewable sector has been attached to a burden for the traditional heavy manufacturing sector (steel in particular). McNeal suggests that ways to provide consumers with affordable renewable energy need to be looked into. He defends wave and tidal industries and urges for them not to be abandoned.

Claire Perry praises the UK for its leadership in renewable energy: progress in decarbonising the economy whilst avoiding burdening consumers with cost and maintaining economic growth. She lists the current five mega trends: digitalisation of the workforce, migration, adaptation and mitigation of climate change and investment. Perry talks of the need for better regimes to incentivise distributive, renewable generation and storage. According to her, the renewable industry represents a distributed economy with high growth right across the UK, productive and integrated in terms of supply chain.

Perry says that despite some additional policy costs, people's energy bills have gone down thanks to more efficient housing and appliances.

She states that one of her main priorities is to find ways in which the renewable energy industry can export and grow their expertise. The industry's main concerns are focused around the affordability, security and productivity.

Fox structures her talk around 3 points: what Tata Steel are doing with their supply chains: how they are making steel in as efficient and environmentally friendly a way as possible, while embracing new transformational technologies in steel making; what a connected UK Industrial Strategy can bring.

Fox argues that the steel industry can contribute towards finding solutions to climate change: efficient motors, lighter, stronger batteries, energy efficient buildings, buildings that can produce energy, carbon-reducing technology.

Strategy proposals to the Industrial Strategy made by Tata Steel would: increase investment by 50%, secure current jobs and create new highly skilled jobs in areas of economic deprivation, £300 million into collaborative research and development activity. The deal also requires that the Government addresses the gap between UK electricity costs and those of EU counterparts which disadvantage the UK steel industry. Tata Steel also asks that the Government take an innovative approach to the way in which they incentivise transformational investment through tax reform.

Cole speaks of the opportunities that offshore wind provides: clean, green, reliable, predictable electricity that is quickly deployable on a large scale. He claims that the problem has always been the cost. He states that this is not necessarily true and that the focus should be around the industrial benefits.