

# Automation and the New Industrial Strategy

The UK Automation Forum convened to examine the implications of the government's Industrial Strategy for the automation and manufacturing sectors, with a particular focus on Advanced Manufacturing, Clean Energy, and Digital Technology.

The discussion highlighted the need for a robust and forward-looking skills strategy to equip the workforce for technological transformation, greater support for businesses adopting advanced technologies, and improved access to finance to drive innovation. Panel members also expressed concerns regarding the current definitions of "advanced manufacturing," warning that small and medium-sized enterprises (SMEs) risk being excluded from policy benefits.

Successful models, such as the Made Smarter programme in the Northwest of England, were praised for their ability to help smaller businesses access automation and funding opportunities. Finally, the panel stressed the importance of closer cross-departmental collaboration within government to ensure that the Industrial Strategy is implemented in a coherent and effective manner.

# **Discussion Highlights**

# **Industrial Strategy Priorities**

Peter Williamson opened the session by identifying Advanced Manufacturing, Clean Energy, and Digital Technology as the three sectors most significantly influenced by the Industrial Strategy. He stressed the urgency of developing a strong skills strategy to prepare the workforce for rapid technological change. Williamson also emphasised the importance of increased business support to encourage technology adoption and the introduction of enhanced financing mechanisms to make innovation more accessible to companies of all sizes.

### **UK AUTOMATION FORUM**

New Progress House 34 Stafford Road Wallington, Surrey SM6 9AA UK



## Barriers to Automation Adoption

Steve Bramley focused on the barriers preventing businesses from fully embracing automation. He highlighted skills shortages as a key issue, noting that many companies lack employees with the expertise to implement and manage new technologies effectively. Limited access to finance, particularly for SMEs, was also raised as a significant obstacle, alongside growing concerns about cybersecurity risks associated with the integration of connected systems into manufacturing processes.

# Challenges in Defining Advanced Manufacturing

James Fudge raised concerns over the current definitions of "advanced manufacturing" used within the Industrial Strategy, warning that they risk excluding critical SME supply chains. Paul O'Donnell echoed this sentiment, criticising the reliance on the Standard Industrial Classification (SIC) code, which he described as an overly simplistic approach. Both panellists advocated for a more comprehensive and inclusive classification that accurately reflects the complexity of modern manufacturing.

# Successful Support Programmes

In exploring solutions, Steve Bramley pointed to the success of the Made Smarter adoption programme in the Northwest of England, which has helped smaller businesses overcome barriers to automation by providing tailored guidance, funding support, and practical adoption frameworks. Thomas Flude also presented a best-practice model designed to connect manufacturers with financial support and networks, demonstrating how collaborative approaches can accelerate technological uptake.

# Financing Mechanisms for Innovation

Paul O'Donnell outlined the role of the British Business Bank in supporting access to finance through intermediary lenders. He underscored the need for these models to remain accessible and trusted by businesses. Bramley added that partnership-based lending approaches could further enhance the ability of SMEs to secure funding, addressing the challenges many face when engaging with traditional lenders.

#### **UK AUTOMATION FORUM**

New Progress House 34 Stafford Road Wallington, Surrey SM6 9AA UK

t +44 (0)20 8773 8111

e <u>info@ukautomationforum.com</u>

w ukautomationforum.com



# Skills Development and Workforce Readiness

The conversation moved on to workforce development. James Fudge emphasised that automation skills need to be embedded across all areas of advanced manufacturing, ensuring the sector remains competitive. Steve Bramley praised the introduction of a flexible skills levy, which he said allows for modular and responsive upskilling programmes. Peter Williamson noted a persistent disconnect between businesses and young jobseekers, calling for stronger collaboration between industry, education providers, and policymakers to ensure training pathways align with employer needs.

## Conclusion

The panel agreed that unlocking the full potential of the Industrial Strategy will demand close cooperation between industry, government, and financial institutions. It will require clearer definitions to ensure SMEs are fully included, the expansion of successful programmes such as Made Smarter, and the embedding of automation across workforce training initiatives. Enhanced access to finance and greater cross-departmental collaboration will also be essential to ensure that the strategy delivers sustainable and meaningful growth across Advanced Manufacturing, Clean Energy, and Digital Technology.