



HOUSE OF LORDS

Industry and Regulators Committee

House of Lords

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2 July 2021

Rt Hon Kemi Badenoch MP  
Exchequer Secretary to the Treasury  
HM Treasury  
1 Horse Guards Road  
London SW1A 0HQ

Dear Kemi,

### **Initial concerns about the Plan for Growth**

I would like to thank you again for speaking to the Industry and Regulators Committee about the Government's Plan for Growth on 8 June 2021, and for your follow-up letter on 24 June.

During our meeting, you described the Plan for Growth as being "a high-level framework" that should be seen as "the latest evolution rather than a complete change". However, there are three areas that we would like to highlight where we have some initial concerns.

#### *Lack of prioritisation*

We are concerned about the apparent lack of prioritisation in the Plan for Growth. While the Government has committed to publishing a new Sector Visions document, which you said in your letter of 24 June will "consider the role of government in supporting high-growth sectors that have the potential to build a globally competitive advantage", you told us during our meeting that "every sector has within it its own priorities ... We do not want to create a hierarchy of sectors because we do not think that is helpful". We note that the Industrial Strategy Council identified around 180 policies and commitments in the Plan for Growth, many of which have funding attached to them. It said that the number of policy initiatives "begs questions about their scope and scale and hence the likely success of this plan", and argued that greater prioritisation is needed.

#### *Lack of reporting*

We welcome the focus on delivery in the Plan for Growth, which explains that departments will have Outcome Delivery Plans and regularly report to the Cabinet Office and HM Treasury. You told us that "as Ministers, we receive regular updates on delivery. We will be able to track performance and will be able to take early action where delivery might be under pressure." While your letter of 24 June noted that you will provide some examples of these in due course, we are concerned that there will be no system of reporting on the Plan for

Growth's implementation as a whole, such as that previously provided by the Industrial Strategy Council, which will inhibit effective parliamentary scrutiny.

*Lack of consultation*

We are concerned about the lack of consultation in the Plan for Growth. The Government recently abolished the Industrial Strategy Council and appointed a Build Back Better Business Council, which you described as “the main way that we are engaging with business at a high level on the Plan for Growth”. However, the membership of the Build Back Better Business Council is appointed for a short twelve-month term and only meets quarterly. The Government needs to ensure that there are sufficient opportunities for businesses, consumers and the devolved administrations to provide input throughout the Plan for Growth's implementation.

We will continue to consider these issues and any others related to the Government's Plan for Growth. We invite you to keep us updated on any major developments and look forward to discussing this with you again in the future.

Yours sincerely,

Lord Hollick  
Chair of the Industry and Regulators Committee