

## WEEK IN WESTMINSTER

Week ending Friday 17 February

### UK car manufacturing hits 16-month high

Figures published by SMMT show that UK car manufacturing rose significantly in January 2012, up 15.6% to 127,382 units. Commercial vehicle output fell modestly by 1.2%, to 9,844 units, whilst UK engine production rose 5% to 227,161 units. Commenting on the announcements, SMMT Chief Executive, Paul Everitt, stated: "UK car production continues to drive manufacturing growth and a rebalancing of the economy. Success in markets around the world is a tribute to the quality and competitiveness of UK production facilities, management and employees. It is essential government and industry continue the successful partnership that has helped deliver new investment and supply chain opportunities to secure long-term prosperity and jobs". (Source: SMMT) <http://www.smmt.co.uk/2012/02/smmt-uk-automotive-manufacturing-january-2012/>

### Government launches new funding scheme to help strengthen UK supply chain

The Department for Business, Innovation and Skills (BIS) and the Technology Strategy Board (TSB) have announced plans for a forthcoming £125 million funding initiative, aimed at helping the UK's existing supply chain grow and achieve world-class standards while encouraging major new suppliers to manufacture in the UK. Building on the success of a bid to government's Regional Growth Fund led by a consortium of four Local Enterprise Partnerships and Birmingham City Council, the 'Advanced Manufacturing Supply Chain Initiative' will have a much wider remit in terms of geographical and sectoral coverage. Designed to support projects that deliver economic growth and promote closer collaboration within the supply chain, the fund will accept applications from established advanced or high value manufacturing sectors, or newer growth areas where the UK is well placed to take a global lead, such as energy renewables and other low carbon

sectors. Funding will be available for; the purchase of capital equipment, R&D activity which improves manufacturing equipment, systems or processes, and specific training and skills development to support the project. Successful bidders will be awarded funding of at least £2 million, but projects must be of sufficient size to make a significant impact on the UK's supply chain. Domestic suppliers with projects that require funding below the threshold can enter a consortium with others who are also seeking support. The TSB will play a key role in the registration and processing of applications and in the co-ordination of the assessment of applications against the set criteria. The outcome of the assessment process will be presented to an independent Investment Board that will take the final decisions to select successful bidders. Beneficiaries must be located in England, although discussions are taking place, seeking to extend the fund to companies based elsewhere within the UK. Information on opening and closing dates of the scheme will be announced in due course.

(Source: Technology Strategy Board)

<http://www.innovateuk.org/content/competition/advance-notice-advanced-manufacturing-supply-chain.ashx>



### National Apprenticeship Service launches 'AGE 16 to 24' scheme

The National Apprenticeship Service (NAS) has announced a new employer incentive scheme, 'AGE 16 to 24', which is aimed at helping eligible employers offer young people aged 16 to 24 employment through the Apprenticeship programme. The scheme will aim

to achieve this through providing wage grants to assist employers in recruiting their first apprentice. The new incentive scheme is designed to encourage small and medium sized employers to take on new apprentices aged 16 to 24 by providing 40,000 grants up to the value of £1,500. The £1,500 grant is payable in two instalments for eligible employers who commit to employ one or more 16 to 24 year old apprentices for the first time and is exempt from VAT. The scheme will be available from 1 April 2012 until 31 March 2013 for employers who are able to offer a job opportunity to a young person. However, eligible employers who have employed a new apprentice from 1 February 2012 will be able to apply for a grant subject to eligibility criteria. In terms of eligibility, priority will be given to small and medium sized employers with less than 250 employees. Large employers (more than 250 employees) are not eligible for support through this scheme. Subject to budget availability and the employer's commitment to support the apprentice to the end of their programme, up to three grants can be made to any one employer, however, the employer must commit to the total number of apprentices they wish to take on through the grant at the upfront agreement stage. (Source: NAS)

<http://www.apprenticeships.org.uk/Employers/Steps-to-make-it-happen/Incentive.aspx>

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## Prime Minister holds insurance summit

Prime Minister, David Cameron, has met with the insurance industry, consumer, and business groups to discuss the rising cost of motor insurance premiums and the action that government intends to take to lower these costs. The Prime Minister committed government to take action to tackle the compensation culture, reduce legal costs and cut health and safety red tape, whilst the insurance industry committed to pass savings made on to consumers. (Source: Number10)

<http://www.number10.gov.uk/news/insurance-summit/>



## Week ahead

### House of Commons

Tuesday 21 February

Ten minute rule motion – Road Safety (No. 3) Bill – John Leech MP

Thursday 23 February

Transport questions – 10:30am

### Lords & Joint Committees

The House of Lords is on recess and will return on Monday 27 February