

Above the line R&D tax credit consultation launched

Government has launched its consultation on an above the line (ATL) R&D tax credit, following the Chancellor's Budget statement. The announcement was trailed in the 2011 Autumn Statement, following input from industry on how such a credit can help drive investment in the UK. SMMT commissioned an independent [report](#) by PWC which highlighted that an above the line credit will improve the UK's competitiveness, boost investment, and contribute to private sector growth. The consultation seeks views from businesses and other stakeholders on how such a credit should work, ahead of its introduction in April 2013. The consultation runs until Friday 29 June. Commenting on the launch, Exchequer Secretary to the Treasury, David Gauke, stated: "The Government is committed to encouraging research, development and innovation in order to achieve higher growth. We will ensure that the UK is an internationally competitive environment for all companies to innovate. The ATL credit for R&D will encourage large company research and development, and ensure that the UK continues to be one of the most attractive places in the world to undertake R&D". (Source: HM Treasury)

http://www.hm-treasury.gov.uk/consult_above_line_credit_rd.htm

£125 million Advanced Manufacturing Supply Chain fund opens

Government has announced that the £125 million Advanced Manufacturing Supply Chain fund is open for applications. The fund has been set up to help the existing supply chain grow, achieve world class standards and encourage major new suppliers to come and manufacture in the UK. The initiative will be run by Birmingham City Council and will provide grants and loans to successful projects demonstrating real ambition to create globally competitive supply chains. The funding can support a combination of investment in capital equipment, associated R&D, and training and skills. Commenting on the

announcement, Secretary of State for Business, Vince Cable, stated: "This Government has an absolute commitment to clearing away the barriers that act as a brake on growth for British SMEs. The Advanced Manufacturing Supply Chain Initiative will help build manufacturing capacity and ensure that more of the necessary components can be sourced in this country". (Source: BIS)

<http://nds.coi.gov.uk/content/Detail.aspx?ReleaseID=423850&NewsAreaID=2>



DECC launches consultation on simplifying the CRC scheme

The Department for Energy and Climate Change has launched a consultation on simplifying the Carbon Reduction Commitment (CRC) scheme. The simplification package includes: a shortening of the CRC qualification process; reducing the number of fuels covered by CRC from 29 to 4; reducing the amount of reporting required by businesses; reducing the length of time participants will have to keep records; removing the requirement on facilities covered by Climate Change Agreement or EU Emissions Trading System installations to purchase CRC allowances; adopting new emissions factors for the CRC which will align it with Greenhouse Gas reporting processes; and removing the detailed metrics of the Performance League Table from legislation and placing them in government guidance. Of critical concern to industry is the proposal to remove the CCA exemption rule from the CRC scheme, so that energy not covered by the CCA, or EU ETS, will be covered by the CRC. This has the

potential to dramatically increase complexity and costs to automotive sites with CCAs. The consultation will run until Monday 18 June. Commenting on the launch, Secretary of State for Energy and Climate Change, Edward Davey, stated: "We have listened to businesses' concerns about the CRC and have set out proposals to radically cut down on 'red tape' to save businesses money. The benefits of the scheme are clear though. It will deliver substantial carbon savings helping us to meet carbon budgets, and it encourages businesses to take action to improve their energy efficiency". (Source: DECC)

http://www.decc.gov.uk/en/content/cms/consultations/crc_simp_cons/crc_simp_cons.aspx

DfT announce funding for 70 additional hybrid buses

The Department for Transport has announced that Transport for London has been awarded £5 million to add an additional 70 hybrid buses to its fleet. The funding, which comes from DfT's Green Bus Fund, means that at least 400 cleaner hybrid buses are expected to be operating on London's streets by the end of March 2013. At present there are over 260 hybrid buses operating in London. The Department for Transport's Green Bus Fund was set up to support bus companies and local authorities, such as TfL, to introduce low carbon vehicles which will have a positive effect on the environment. TfL was awarded £5m in 2009, £8m in 2010 and £5m in 2011 by the Fund. Hybrid buses are part of a wider package of measures that aim to improve the capital's air quality. This includes the New Bus for London which uses the latest hybrid technology, and funding secured late last year to equip up to 1000 buses with NOx abatement equipment. (Source: DfT)

<http://www.tfl.gov.uk/corporate/media/newscentre/2328.aspx>

New scheme to tackle UK technical skills shortage

Oliver Letwin MP, Minister for Government Policy, and John Hayes MP, Skills Minister, have pledged their support to a new scheme to tackle technical skills shortages in the UK. The new initiative offers technicians enhanced public profile, professional recognition and development, plus a new national brand and website, all aimed at helping employers and individuals to deal with the shortage of technical skills within the UK. Nigel Fine, Chief Executive of the Institution of Engineering and Technology, who sits on the Government's Technician Council, stated: "We

have launched this scheme in order to show that professional technicians are essential to delivering growth in the 21st Century and that they are highly skilled individuals. Responsible employers can now demonstrate their commitment by developing professional technicians to nationally recognised levels. The IET warmly welcomes this new initiative and we will do all we can to support it". (Source: IET) <http://www.theiet.org/policy/media/press-releases/20120326.cfm>



Week ahead

The House of Commons is on Easter recess and will return on Monday April 16.

The House of Lords is on Easter recess and will return on Monday April 23.