

WEEK IN WESTMINSTER

Week ending Friday 2 May

Allocation of £500m ULEV funding announced

Government has published a paper detailing how the Office for Low Emission Vehicles will spend its £500 million allocated funding for Ultra-Low Emission Vehicles (ULEVs) over the next five years. It is hoped this investment between 2015-2020 will create jobs, reduce emissions, and set the agenda for Britain to remain at the forefront of green technology. The announcement was delivered by Deputy Prime Minister Nick Clegg, Chief Secretary to the Treasury Danny Alexander, and Transport Minister Baroness Kramer. Key features of the announcement are:

- £100 million for research and development
- at least £200 million on the continuation of the Plug In Car Grant, with the grant staying at £5,000 off the price of a new ULEV (until 50,000 grants or 2017)
- £31 million grant support for other ULEV sectors, including vans
- a new £35 million cities scheme to support flagship cities in introducing innovative local incentives, such as free parking, access to bus lanes and ULEV car clubs
- £20 million to encourage a new generation of ultra low emission taxis
- £30 million to boost the low emission bus market
- at least £32 million on new infrastructure including rapid chargers
- £4 million to ensure the UK has the gas refuelling facilities HGVs need to support the UK's freight and logistics operators in their efforts to reduce the environmental impact of their business

Commenting on the announcement, SMMT Chief Executive Mike Hawes stated: "The move towards a low carbon vehicle future must be built around three pillars of consumer incentives, strategically focussed infrastructure and increased leverage for R&D support. We therefore welcome this announcement which reflects that balanced approach but, significantly, seeks to incentivise technical developments in all segments of road transport, not just passenger cars."

(Source: SMMT)

<http://www.smmt.co.uk/2014/04/smmt-welcomes-500m-boost-for-ulevs/>

£20m skills fund for auto suppliers announced

Matthew Hancock MP, Skills and Enterprise Minister, has announced a new £20million opportunity to help automotive supply chain businesses develop their workforce skills in order to maximise growth opportunities. The £20million fund for skills-based projects is part of government's Employer Ownership Initiative, and will be match-funded by the successful employers. The Automotive Council has identified £3billion worth of opportunities in the sector, and so the fund aims to help UK-based suppliers take advantage of this opportunity. Automotive component manufacturers and companies providing manufacturing services can apply for up to 50% co-funding for training designed to raise capabilities. Business will be able to submit their proposals from 6th May 2014 in order to access funding and address skills shortages, and the offer will be open for 12 weeks.

(Source: SMMT)

<http://www.smmt.co.uk/2014/04/smmt-welcomes-20m-employer-ownership-skills-fund-auto-suppliers/>



Employers facing retirement 'crunch' over quality and quantity of graduates

'Improving the Quality and Quantity of Graduate-level Skills' – a new report by the EEF, the manufacturer's organisation, has shown that Britain's manufacturer's

are facing a retirement 'crunch', with the quantity and quality of graduates failing to match up to industry needs. Key statistics from the report show:

- 66% of manufacturers plan to recruit engineering graduates in the next three years while over a quarter (27%) intend to take on those with business and administration degrees.
- Eight in 10 manufacturers (80%) want to see higher education establishments prioritise making students employable – 79% want courses to be designed to meet industry needs.
- Less than 3 in 10 companies who look outside Europe to recruit graduates find this an easy task (29%) – barriers include difficulties obtaining visas (44%) and sponsorship licenses (41%).

The report shows that manufacturers are now taking matters into their own hands by increasingly investing in student sponsorship and offering Higher Apprenticeships, but say that more needs to be done to boost the sustainability and availability of skilled young workers. Commenting on the announcement, Chief Executive of the EEF, Terry Scuoler, stated: "With UK manufacturing continuing to expand and grow, access to the right skills in the right numbers is ever more important...It is vital to ensure that there is greater collaboration between employers and educators, that universities have sufficient STEM funding and that all STEM students undertake work experience in the industry. Not only would this significantly improve the quality and quantity of graduates, but it would send out a clear message that gaining these much-needed and valuable skills is the way forward."

(Source: EEF)

<http://www.eef.org.uk/releases/uk/2014/One-million-manufacturing-workers-needed-but-employers-face-recruitment-crunch-over-quality-and-quantity.htm>

Government response to Highways Agency consultation published

The Department for Transport has published its response to the consultation on transforming the Highways Agency to a government-owned company. The response confirms government's intention to:

- Set up the Highways Agency as a government-owned strategic highways company – with the legal powers and duties to manage and run the roads
- Put in place a robust system of governance for this company – giving the road operator the flexibility to operate, manage and enhance the

strategic road network effectively, while ensuring clear accountability to the Secretary of State, Parliament and road users.

- Establish a 'Road Investment Strategy' which will detail the performance standards the company will achieve and an investment programme it will deliver over the next five years.
- Set up new, discrete units within Passenger Focus and the Office of Rail Regulation to represent the interests of all those who rely upon the strategic road network, and to monitor the efficiency and performance of the company.

The proposed benefits that government hopes these reforms will deliver include a longer term investment programme, enabling the delivery of national road infrastructure "fit for the 21st Century", providing road users with better quality service, driving down the cost of improvements, creating a more transparent system with clearer accountability and ensuring effective scrutiny and a stronger voice for road users.

(Source: DFT)

<https://www.gov.uk/government/consultations/transforming-the-highways-agency-into-a-government-owned-company>

New UKTI chief executive announced

Dominic Jermy, the current British Ambassador to the UAE has been announced as the new Chief Executive of UK Trade and Investment (UKTI). He has previously held roles in UKTI as Managing Director of UKTI's Sectors Group for three years, and was acting Chief Executive in 2009. He will start his new role in June.

(Source: gov.uk)

<https://www.gov.uk/government/news/british-ambassador-to-uae-is-new-ukti-chief-executive>

Week ahead

Commons Chamber

Thursday 8 May

9.30am: Transport Questions

Commons Committees

Wednesday 7 May

9.30am: Energy and Climate Change Committee – Green Deal (Grimond room)

Westminster Hall

No relevant activity

House of Lords

No relevant activity