

WEEK IN WESTMINSTER

Week ending Friday 18 July

Government reshuffle

UK Prime Minister David Cameron has made significant changes to his front bench following the reshuffle on Tuesday 15 July. Key movements for the manufacturing and automotive industry include:

- Matthew Hancock MP is now Minister of State for Business and Enterprise and Minister of State for Energy. His portfolio includes BIS responsibility for the automotive sector.
- Claire Perry MP is now Parliamentary Under-Secretary of State at the Department for Transport. Her portfolio includes freight and logistics.
- Liz Truss is now Secretary of State for Environment, Food and Rural Affairs.
- Nick Boles MP is now Minister of State, Department for Business, Innovation and Skills (jointly with the Department for Education). His portfolio includes apprenticeships.
- Priti Patel is now Exchequer Secretary to the Treasury. Her portfolio includes environmental and transport taxation.

Other notable changes include Williams Hague's departure as Foreign Secretary, although he will remain in cabinet as leader of the Commons. Philip Hammond has been moved to fill this post. Michael Gove has been moved from his position as Education Secretary to become Chief Whip with Nicky taking on the education role.

(Source: BBC)

<http://www.bbc.co.uk/news/uk-politics-28303854>



Electric cars for all government fleets

Transport Minister Baroness Kramer has announced that all government car fleets will be provided with funding to introduce plug-in cars and vans. The £5million ultra low emission vehicle (ULEV) readiness project is the first step in plans to make electric cars and other plug-in vehicles commonplace in government fleets. During the first wave of the scheme over 150 plug-in vehicles will be added to government fleets. The Government Car Service, which provides cars for ministers, will lead the way, with its review already underway and plans to order the first electric cars in the autumn. The scheme will be expanded in the autumn to allow the wider public sector, such as councils, police forces and the NHS, to introduce more plug-in vehicles. This is expected to add approximately 135 plug-in vehicles to these fleets. In both phases, chargepoints will also be installed to provide infrastructure support for the new vehicles. Commenting on the announcement, Chief Secretary to the Treasury, Danny Alexander, stated: "This is the right thing to do, with much lower running costs and close to zero emissions, these vehicles will save the taxpayer money and be much greener."

(Source: DfT)

<https://www.gov.uk/government/news/electric-cars-for-all-government-fleets>

London Assembly urges to expand ULEZ

The London Assembly has agreed a motion urging the Mayor to offer other London Boroughs the opportunity to opt-in to a larger Ultra Low Emission Zone (ULEZ). Jenny Jones AM, who proposed the motion, said "As serious air pollution is not confined to the boundaries of the congestion charge area, nor should the Ultra-low emission zone. Boroughs outside the zone should be given an opportunity to opt-in at the earliest possible opportunity."

(Source: London.gov.uk)

<http://www.london.gov.uk/media/assembly-press-releases/2014/07/assembly-wants-to-extend-the-ultra-low-emission-zone-ulez>

LowCVP Investment Report launched

The Low Carbon Vehicle Partnership's (LowCVP) recent annual conference saw the launch of a major new report, 'Investing in the low carbon journey', which showed that the UK automotive sector has been revitalised by consistently applied policy centred on cutting carbon. The report used 107 responses to an online survey and 14 interviews with key stakeholders between March and June 2014. This identified 291 low carbon investments undertaken over the past decade by 85 companies, representing an estimated £40billion investment. The report concluded that a consistent and sustained policy approach can produce both 'green' results and growth; it also highlighted the successes of the Automotive Council and the collaborative approach taken by government, industry and other stakeholders. Key recommendations from the report include:

- Automotive policy frameworks are mostly working well, in particular due to the sense of urgency as well as consistency of policy, which should not be allowed to diminish.
- There are other priorities but low carbon must remain a vital area of focus.
- Strong emphasis should be placed on the transition from low carbon technology development to manufacturing.
- Attracting further investment, especially from component suppliers, would increase UK resilience.
- Future skills throughout the supply chain should be supported.
- Low carbon policies need closer alignment with air quality issues.
- A clear framework is required for commercial vehicle efficiency measurement incentives.
- EU regulations play a key role in harmonising future vehicle CO₂ (and air quality) performance requirements and companies are keen to see the UK influencing this agenda.
- A collaborative approach is needed to define the outlook for automotive fuels.

(Source: LowCVP)

http://www.lowcvp.org.uk/news/lowcvp-news-uk-auto-sector-renaissance-driven-by-low-carbon-policy-focus-new_3026.htm

CCC: Policy strengthening required to meet future carbon budgets

The Committee on Climate Change (CCC) has published a report which concludes that carbon budgets can be met at affordable cost, but that this will require the strengthening of key policies. The CCC's latest progress report to Parliament identifies that good progress has been made on development and implementation of some, but not all, policies. For example, the report notes the strong progress that has been made in improving the fuel efficiency of new cars, as required by EU regulation. The report also notes that the foundations have been laid for the electric vehicle market and for demonstration of carbon capture and storage (CCS), although uptake of electric vehicles has been low and progress with CCS has been slow. The report states that an ambitious EU target for new car emissions in 2030 would strengthen incentives for manufacturers to promote electric vehicles and develop innovative approaches to financing. The CCC recommends that these incentives should be supported strongly by government. If these incentives are put alongside further investment and development in charging infrastructure this could allow the current purchase subsidy to be phased out over time.

(Source: CCC)

http://www.theccc.org.uk/wp-content/uploads/2014/07/CCC-Progress-Report-2014_web_2.pdf

Week ahead

Houses of Parliament

Monday 21 July

2:30pm House of Lords Chamber – What assessment they have made of the manufacturing output data for the year to April 2014; and what steps they are taking to encourage more exports by United Kingdom manufacturers

4.15pm Treasury Committee – SME Lending, Thatcher Room

The House of Commons is in Recess from Wednesday 23 July to Monday 1 September

The House of Lords is in recess from Thursday 31 July until Monday October 13