

WEEK IN WESTMINSTER

Week ending Friday 25 July

Car manufacturing increases for first half of 2014, but CV volumes down

Car production

Figures for the first 6 months of 2014 show that UK car production has risen by 3.5%, to 791,314 units. Output for June rose by 3.7% to 136,419 cars, which has been driven by a 16.5% growth in production for the UK market. SMMT Chief Executive Mike Hawes said, "With several manufacturers having started assembly of new models this year and billions of pounds of investment still to reach production fruition, this is an exciting time for the UK automotive sector."

Commercial vehicles

Production of commercial vehicles continued to decline in June, with volumes falling 24.5%. Over the first six months of the year volumes were down by 23%, with production for both home and export markets affected.

Engine production

For the first half of 2014, engine output remained steady, down just 0.9% to 1.3 million units. In June, volumes fell by 0.4% to 224,792. Exports continued to improve in both June and the first six months of the year and UK engine production is expected to improve as new facilities come online and the European market continues to recover.

(Source: SMMT)

<http://www.smmt.co.uk/2014/07/uk-car-manufacturing-june-2014/>



Regional Growth Fund support for SMEs trebles

The number of small and medium-sized enterprises (SMEs) supported by the Regional Growth Fund (RGF) over the past year has trebled to 5,100. The fund has helped growing businesses to create highly skilled jobs and to expand into new markets. The scheme's annual monitoring report has also found that the number of direct jobs created or safeguarded through the RGF more than doubled in a year, delivering 69,000 jobs. Total RGF payments rose by 83% from the previous year to £1.15 billion, and RGF payment in 2013 to 2014 totalled £565 million, in comparison with £161 million in the previous financial year. Business Secretary Vince Cable said, "The fund is securing the jobs it set out to... This combined with the Growth Deals we announced earlier this month is ensuring that our economy grows in a balanced way, with all our regions benefitting from the upturn." Round six of the RGF is currently open to private sector bidders seeking £1 million or more. Government is calling on companies to plan high quality projects that will generate significant private sector investment and sustainable jobs. Bids should be submitted by noon on 30 September 2014.

(Source: BIS)

<https://www.gov.uk/government/news/regional-growth-fund-support-for-small-and-medium-firms-trebles>

New Highways Agency Chairman announced

The former Chief Executive Officer of Heathrow Airport Holdings, Colin Matthews, has been named the new non-executive chairman of the Highways Agency. The new chairman will take over as the Highways Agency is transformed into a government-owned company. Government will be spending £24 billion to invest in England's strategic road network up to 2021. The Highways Agency operates, maintains and carries out improvements to more than 4,300 miles of motorways and major A-roads throughout England. The new chairman will take up his post on 1 September 2014. (Source: DfT)

<https://www.gov.uk/government/news/new-chairman-of-highways-agency-announced>

Speed limit raised for hauliers

Transport Minister Claire Perry has announced the speed limit for lorries on single carriageway roads will be raised to 50mph as part of a package of measures to cut congestion and reduce dangerous congestion. Currently, heavy goods vehicles over 7.5 tonnes are allowed to drive at 40mph on single carriageway roads. Government has also announced a six week consultation on plans to increase the speed limits for HGVs on dual carriageways from 50mph to 60mph. Claire Perry said "This change will remove a 20mph difference between lorry and car speed limits, cutting dangerous overtaking and bringing permitted lorry speeds into line with other large vehicles like coaches and caravans." The change in speed limits on single carriageways will come into force at the start of 2015, and dependent upon responses the increase for dual carriageways will come in at the same time. The existing limits will continue to apply until the change has been put into effect.

(Source: DfT)

<https://www.gov.uk/government/news/11-million-boost-for-hauliers-as-speed-limit-raised>



UK economy back at pre-crisis level

Figures from the Office for National Statistics (ONS) show that the economy is now 0.2% ahead of its pre-crisis peak, which was reached in the first quarter of 2008. Since the second quarter of last year, the ONS said the economy has grown 3.1%. The figures are the first attempt to measure the full range of the UK's economic activity. The UK's service sector is the only part of the UK economy that has passed its previous 2008 peak, although that accounts for almost 80% of the economy. Other key sectors, such as manufacturing, industrial production and construction, have yet to surpass levels reached in 2008. The UK

economy is forecast to be the fastest growing among the G7 developed nations, according to the International Monetary Fund (IMF), who have also predicted that the UK would expand by 3.2% this year, an increase on their previous forecast of 2.8%.

(Source: BBC)

<http://www.bbc.co.uk/news/business-28479902>

TSI appoints new board chairman

Carol Brady has been appointed the new chairman of Trading Standards Institute's (TSI) Board of Directors. Taking over from former chairman Harold Gay on 19 July, Ms Brady is excited to begin work on policy management and key business decisions.

Commenting on the news, Chief Executive of the TSI Leon Livermore stated: "I welcome Carol to the role of chairman of the board, and look forward to working with her. The expertise and experience Carol brings to the role will be of the utmost benefit to our profession and membership. I also thank Harold Gay for his leadership and vision."

(Source: TSI)

<http://www.tradingstandards.gov.uk/extra/news-item.cfm/newsid/1585>

Week ahead

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