

WEEK IN WESTMINSTER

Week ending Friday 5 August

New car registrations fall 3.5% in July but commercial vehicle recovery continues

Figures released by SMMT show that new car registrations fell 3.5% in July to 131,634 units. This is the thirteenth successive month of decline in new car registrations, dropping the market 6.7% over the year-to-date. Fleet purchases were up 2.1% in July, and by 3.3% over the year-to-date, and the market remains on track to meet the full year forecast of 1.93 million units. The recovery in the commercial vehicle market continues with van and truck registrations up 3.0% to 20,681 units in July, and up 21.6% to 287,778 on the year-to-date, however July did see the first drop in van registrations for 17 months, down 0.8%. Paul Everitt, Chief Executive, SMMT, stated: "While the coming months remain challenging, performance in the second half of 2011 is expected to keep the market on course to reach around 1.93 million units". (Source: SMMT)

<http://www.smmt.co.uk/2011/08/economic-downturn-causes-dip-in-july%e2%80%99s-new-car-market/>



Regional Growth Fund second round bids to be assessed

The Department of Business, Innovation and Skills has received more than 490 bids competing for a share of £950 million from round 2 of the Regional

Growth Fund (RGF). The RGF is a £1.4bn fund operating across England from 2011 to 2014. It supports projects and programmes that lever private sector investment creating economic growth and sustainable employment. It aims particularly to help those areas and communities currently dependent on the public sector to make the transition to sustainable private sector-led growth and prosperity. The 492 bids, asking for £3.3 billion, are being assessed by the Independent Advisory Board over the summer. The board will then make recommendations to a board of ministers, led by Deputy Prime Minister Nick Clegg, which will make the final decisions as to which proposals should receive funding. It is expected that the successful bidders will be announced in the autumn. Deputy Prime Minister, Nick Clegg, stated: "This vital regional fund uses government investment and multiplies it to give a real boost to local businesses". (Source: BIS)

<http://www.bis.gov.uk/news/topstories/2011/Jul/rgf-round-2-bids>

UK manufacturing PMI signals contraction for first time in two years

Operating conditions in the UK manufacturing sector deteriorated for the first time in two years during July, according to the Chartered Institute of Purchasing & Supply. Output growth slowed closer to stagnation, as new orders declined at the fastest rate since May 2009. The weaker performance of the sector impacted on the labour market, as manufacturers lowered employment for the first time in 16 months. David Noble, Chief Executive Officer at the Chartered Institute of Purchasing & Supply stated: "Alarm bells are ringing for the UK manufacturing sector, which has seen conditions deteriorate rapidly since the start of the year. We are hoping that the manufacturing sector is merely moving into a slower but steady marathon pace as conditions prove to be increasingly challenging and threats remain". (Source: SIPS)

<http://www.markiteconomics.com/MarkitFiles/Pages/ViewPressRelease.aspx?ID=8372>

Government provides £5 million for Local Enterprise Partnerships

Local Enterprise Partnerships (LEPs) have been given a share of a £5 million start up fund to help them get up and running. Partnerships were asked to bid for a share of the funding, from a one off pot of money for 2011-12, which aims to assist LEPs to finance items such as training and other initial costs as they work towards establishing themselves. Government received 32 proposals from the partnerships, totalling £5.5 million. Of the bids received, 18 partnerships have been offered their bid in full and 14 have been offered a reduced amount. Business Minister Mark Prisk, stated: "It's important we give local enterprise partnerships as much support as we can as they set themselves up and identify what their priorities are". (Source: BIS)

<http://nds.coi.gov.uk/content/Detail.aspx?ReleaseID=420674&NewsAreaID=2>



Week ahead

House of Commons

The House of Commons is in recess. The House will next sit on Monday 5 September 2011.

House of Lords

The House of Lords is in recess. The House will next sit on Monday 5 September 2011.