

WEEK IN WESTMINSTER

Week ending Friday 24 August

Automotive Council report identifies £3bn opportunities for UK supply chain

A new industry-wide supply chain commodity survey has been published by the Department for Business, Innovation & Skills. The Automotive Council led survey identifies over £3 billion of opportunities for domestic automotive suppliers and overseas companies wanting to invest in new facilities in the UK. The survey also highlights the key components that vehicle manufacturers are looking to source and indicating priority areas for growth in the automotive supply chain. The survey comes as an update to the Automotive Council's 'Growing the automotive supply chain: the road forward' report, originally published in 2011. (Source: BIS)

<http://www.bis.gov.uk/assets/biscore/business-sectors/docs/g/12-1010-growing-uk-automotive-supply-chain-2012-update>

Government-backed trials to showcase low carbon commercial vehicles

A £23 million demonstration programme, managed by the Technology Strategy Board in partnership with the Department for Transport and the Office for Low Emission Vehicles, is set to receive over £11 million in support from government. The programme, that aims to encourage road haulage operators in the UK to buy and use low carbon commercial vehicles, will include over 300 low carbon commercial vehicles as part of trials led by thirteen companies. The government funding will help operators establish and run fleets of alternative and dual-fuel heavy-goods vehicles by meeting part of the difference in capital cost between traditional vehicles and their low carbon equivalents. Part-funding will also go towards the cost of refuelling infrastructure for use by the trial fleets, including the provision of 11 new publicly accessible gas stations around the country, which will be available for use by other operators. The thirteen demonstrator trials will be led by Ascott Transport Ltd, Brit European Transport Ltd, CNG Services Ltd, G-Volution Ltd,

Howard Tenens Associates Ltd, J.B. Wheaton and Sons Ltd, John Lewis Partnership plc, T Baden Hardstaff Ltd, Robert Wiseman Dairies, Tesco plc, The BOC Group and United Biscuits UK Ltd. The demonstration trial fleets will be run for two years, during which time usage data will be gathered and analysed by the DfT. Commenting on the announcement, Freight Minister Mile Penning stated: "These trials will reduce CO₂ emissions from freight and provide important information from a range of real-life situations that will increase industry confidence in low carbon trucks in the long term".

(Source: SMMT)

<http://www.smmmt.co.uk/2012/08/government-backed-trials-will-showcase-low-carbon-commercial-vehicles/>



DECC Entrepreneurs Fund opens

The first phase of the Department of Energy & Climate Change's Entrepreneurs Fund, part of a £35million fund announced earlier this year, is now open to applications. The aim of the fund is to speed up the development of low carbon technologies towards commercialisation, helping cut carbon in the UK, supporting jobs and creating export opportunities. The money is primarily aimed at SMEs and individual innovators and entrepreneurs. Innovators will be able to bid for up to £1million to develop and demonstrate innovative technologies and processes and get support from experts on how to bring their products to market. Entrepreneurs can then use the funding to leverage additional funds from private sector investors. The first phase of the scheme has up to £10million available to support energy efficiency

technologies such as building control systems, advanced lighting systems, and space heating and cooling technologies, with an additional £6million available for power generation and energy storage technologies including fuel cells, biomass boilers and heat pumps. A second phase of this scheme will be launched in early 2013 with the remaining £19million of the fund made available. (Source: DECC)
http://www.decc.gov.uk/en/content/cms/news/pn12_097/pn12_097.aspx

Manufacturers report weakening in total and export orders

Data published by the CBI in the August Industrial Trends Survey has shown that UK manufacturers reported deterioration in both their total and export order books in August, whilst expectations for output growth have flattened. Of the 456 manufacturers responding to the survey, 15% reported that order books were above normal, while 36% stated that order levels were below normal. The balance of -21% represents the lowest return since the end of last year (December -23%). Similarly, export orders have weakened with manufacturers reporting a balance of -17%. While still above the long-run average of -21%, this is the lowest figure reported since January 2012 (-26%). Prospects for manufacturers' output growth over the course of the next three months have also softened. Output is expected to be flat over the next three months (0%), following two previous surveys in which manufacturers expected output to increase (June +7%, July +11%). Output prices are also expected to be flat over the coming quarter for the third-consecutive month, with a balance of +1%. Stock levels are below average, with a balance of +9% saying stocks are at least adequate to meet demand, the lowest figure since June 2011 (+3%). (Source: CBI)

<http://www.cbi.org.uk/media-centre/press-releases/2012/08/manufacturers-report-weakening-in-total-and-export-orders/>

North-East sees rise in engineering & manufacturing apprenticeships

Data from Semta, the sector skills council for science, engineering and manufacturing, has shown that there have been 2,160 new apprenticeship starts this year in the North-East, compared to 1,880 in 2010 and 1,270 in 2009 - a 70% increase over three years. In

addition, so far this year 491 engineering and manufacturing companies have taken on apprentices - meaning the number of firms recruiting apprentices has increased from 16% to 23% over the past two years. (Source: SEMTA)
<http://semta.org.uk/media/press-releases/north-east-sees-big-rise-in-engineering-and-manufacturing-apprentices/>



Week ahead

House of Commons

The House of Commons is in recess until Monday 3 September

House of Lords

The House of Lords is in recess until Friday 1 September