

WEEK IN WESTMINSTER

Week ending Friday 17 December

Government announce details for the Plug-in Car Grant and charging network

Government has announced the first set of vehicles eligible for the new 'Plug-In Car Grant' and set out details for the second round of 'Plugged-In Places'. Transport Minister, Philip Hammond and Business Minister, Mark Prisk set out details for the incentive and announced the UK regions that will receive funding in the second round of 'Plugged-In Places', boosting the UK's electric vehicle charging network. From 1 January 2011, motorists will be entitled to a Plug-In Car Grant of up to £5,000 when buying any qualifying low carbon car with CO₂ emissions less than 75g/km. The list of eligible vehicles featured nine cars, three of which are available to buy now, with the remaining six coming to market in the coming months. The announcement also detailed the five successful regions that bid for Plugged-In Places funding. The Midlands, Greater Manchester, East of England, Scotland and Northern Ireland will share £20m to further the development of the ultra-low carbon infrastructure, installing 4,000 more charging points in the coming years. These new zones join round one winners London, Milton Keynes and North East England that will install over 11,000 charging posts across the three regions by 2013. Transport Secretary Philip Hammond said: "Government action to support affordable vehicles and more local charging points means we are on the threshold of an exciting green revolution - 2011 could be remembered as the year the electric car took off." (Source: BIS) bis.gov.uk/news/topstories/2010/Dec/electric-car-revolution-revs-up-for-2011



Government launches Growth Review Framework for Advanced Manufacturing

Government has launched a Growth Review Framework for Advanced Manufacturing. Minister for Business and Enterprise, Mark Prisk, launched the review looking at how the UK can grow advanced manufacturing and examining how the UK can remove the barriers that are preventing it becoming Europe's leading exporter of high value goods and stopping people from seeking a career in engineering. As part of the Framework, government is investing £50 million over three years in the Manufacturing Advisory Service (MAS). In January, government will hold an advanced manufacturing summit attended by Nick Clegg, Vince Cable and Mark Prisk as well as key manufacturing stakeholders and other government departments. Contributions from industry at this event and from responses to the framework will feed into the advanced manufacturing strand of government's Growth Review which will announce policy proposals by Budget 2011. Business Minister Mark Prisk said: "The review into advanced manufacturing will see government align with industry in our shared ambition to put manufacturing industries on a more solid footing than in the past decade." (Source: BIS) www.bis.gov.uk/news/topstories/2010/Dec/advanced-uk-manufacturing

Mayor of London unveils hydrogen bus fleet for London

Boris Johnson, Mayor of London, has launched the UK's first permanent hydrogen bus fleet in London. The initiative, which follows a trial of three hydrogen buses in the capital between 2003 and 2007, has begun carrying passengers. The launch also coincided with the opening of the UK's largest hydrogen refuelling station in Leyton, East London. The first of the buses of a planned fleet of eight will start operating on 18 December 2010 using the latest hydrogen fuel cell technology. The buses will form the only hydrogen bus fleet in the UK and the largest currently in Europe. These state-of-the-art vehicles

were specifically designed for Transport for London using pioneering technology developed by ISE, Wrightbus and Ballard. All eight buses are expected to be phased into operation next year creating the UK's first zero-emission bus route. Boris Johnson, Mayor of London, said: "They will run through the most polluted part of the city, through two air pollution hotspots, helping to improve London's air quality. This is just another way that our city is harnessing pioneering low emission public transport to improve quality of life, whether the New Bus for London, electric vehicles or my public bike hire scheme." (Source: TfL)
www.tfl.gov.uk/corporate/media/newscentre/17653.aspx

'Skills shortages are shackling firms' - IoD

The Institute of Directors (IoD) has published its latest skills survey, revealing that the growth of nearly 60% of businesses is being held back by a lack of skills in the wider workforce and among existing employees. The IoD calls on government to improve the overall business environment by scaling back business taxes and employment regulation, so that firms have more resources to invest in training. According to the IoD survey, 31% of employers were struggling to fill vacancies in their workforce. This was primarily due to a shortage of applicants with the required skills: 74% of those with hard-to-fill vacancies blamed a lack of candidates with the appropriate skills, qualifications or experience. The hardest skills to source have been technical skills, management and leadership skills. On average, organisations reporting skills gaps estimated that 24% of their employees lacked the skills they required. Organisations affected by skills gaps identified management skills and leadership skills as being in particular need of improvement. Commenting on the survey results, Miles Templeman, Director-General of the IoD, said: "Businesses want to invest in training and are doing so on a large scale already, but they would invest even more if the Government took some radical steps to deliver a better overall business environment. Excessive employment regulation and an uncompetitive tax system effectively eat up resources that businesses could use to fund training. The biggest barrier to greater employer investment in training is a lack of resource, not a lack of law." (Source IoD)
www.iod.com/MainWebSite/Resources/Document/shackled_by_the_skills_crunch_1012.pdf

TSB invites applications for funding to support low carbon vehicle innovation

The Technology Strategy Board (TSB) is to invest up to a further £9 million to support innovations in low carbon vehicle technology and is inviting applications for funding of new collaborative research and development projects and feasibility studies. Through the collaborative R&D competition, which opens on 7 March 2011, the Technology Strategy Board plans to invest up to £8 million in highly innovative, industry-led collaborative projects to develop low carbon vehicles. Up to £2m will be allocated to projects in each of four technology areas: internal combustion engines, energy storage & energy management, lightweight vehicle & powertrain structures and electric machines & power electronics. Grants will range from £250,000 to £750,000 per project, depending on the technical barriers to be overcome, the size of the consortium and the length of the project. Through the feasibility studies competition, the TSB plans to invest up to a further £1 million in highly innovative, vehicle-centric, industry-led projects targeted at disruptive technology and research which challenges current conventions; exploring new boundaries or adapting novel technologies to an entirely different field. Each project is expected to cost no more than £100,000 and up to 75% funding may be available. A further competition aligned to this activity may take place in 2012, creating an opportunity for follow-on funding. The feasibility studies should, therefore, not exceed 12 months in duration. (Source: TSB)
www.innovateuk.org/assets/pdf/competition_documents/briefs/tsb_lowcarbonvehicles_idp6_feasibility_webfinal.pdf



'Small businesses are exporting, but stifled by red tape' – FSB

A report published by the Federation of Small Businesses (FSB) has found that a quarter of small businesses export overseas but are stifled by red tape and currency fluctuations. Almost a quarter (23%) of FSB members surveyed currently export products and services but are put off by red tape and bureaucracy (32%), fluctuating exchange rates (48%), worries they might not get paid (25%) and difficulty in finding customers (23%). FSB research in 2009 indicated that only 10 per cent of annual sales from small businesses went to countries outside the UK, but recent research shows that almost 23 per cent of small businesses currently export and there is good potential for further growth. Of those businesses that export, almost two thirds (59%) export manufactured goods and 42 per cent services. Most firms (87%) currently export to Europe, followed by the US (45%) and Canada (25%). The FSB is calling for more targeted promotion of the support available to encourage more businesses to export, in its report, 'Made in the UK: Small businesses and an export led recovery'. High street banks are the first point of call for many businesses for advice on how to export, but no businesses have utilised the Services Directive which came into force in 2009. It is clear that more effective and targeted promotion of the support available would benefit all small firms, especially those doing a little and wanting to do more. In fact, businesses have said that this would be more beneficial than tax breaks and added private sector finance. (Source: FSB)

www.fsb.org.uk/frontpage/assets/fsb_exporting_web.pdf

Car output rose by 11.1% in November

Car output has risen by 11.1% in November and 28.7% over the year-to-date. UK vehicle production has increased in almost every month of 2010 and is driving a manufacturing led economic recovery. The 11.1% rise in car production in November was almost twice the rate of growth recorded in October. Commercial vehicle output rose by 21.2% in November and 37.1% over the year-to-date. UK engine output rose 1.0% in November and 17.6% over the year-to-date. This year vehicle and engine

production look set to better 2009 performance by some 300,000 units and while sales in 2011 will be challenging both domestically and in key export markets, SMMT expects modest production growth across the board. (Source: SMMT)

www.smmt.co.uk/articles/article.cfm?articleid=22876

Week ahead

House of Commons

No relevant activity. House rises on Tuesday 21 December and returns Monday 10 January.

Commons Committee

Monday 20 December

4.10pm Science and Technology

Subject: Technology Innovation Centres

Witness(es): Pam Alexander, Chief Executive, South East England Development Agency (SEEDA), Richard Brook OBE FREng, President, Association of Independent Research and Technology

Organisations, Nigel Perry FREng, Chief Executive, Centre for Process Innovation, and Professor Keith Ridgway OBE FREng, Research Director, Advanced Manufacturing Research Centre

Location: The Thatcher Room, Portcullis House

House of Lords

No relevant activity. House rises on Wednesday 22 December and returns Monday 10 January.

