

WEEK IN WESTMINSTER

Week ending Friday 5 July

New car demand up 10% in first half of 2013

Figures published by SMMT show that UK new car registrations passed the one million mark in June, growing 10% in the first half of 2013 to 1,163,623 units. June also saw the 16th successively monthly rise for the UK new car market with units reaching 214,957, up 13.4%. Private, fleet and business sectors all grew from January to June, but private demand increased the most over the first half of the year, up 17.1%, after a 21.3% rise in June. Commercial vehicle registrations also had a strong first half of the year, up 7.6% on 2012 reaching 154,497 units, with June volumes rising 4.5% to 27,036 units. The bus and coach market fared less well in the first half of 2013, with registrations falling 21.3% to 3,861 units and declining 30.6% in June to 636 units. (Source: SMMT)

<https://www.smmt.co.uk/members-lounge/member-services/market-intelligence/vehicle-data/monthly-automotive-data/>

UK automotive accelerates economic growth and environmental performance

SMMT has published its 14th Annual Sustainability Report, launched at a reception in Great Peter Street on 2 July. Speakers at the event included Michael Hurwitz, Director of Greener Transport and International at the Department for Transport, Tony Burke, Assistant General Secretary, Unite the Union and Darren Lindsey, Head of Government and Public Affairs, Michelin Tyre plc. The report highlights the significant improvements the UK automotive industry has made against key performance indicators, with industry generating its highest ever turnover, increasing production and export volumes and attracting further investment, all while continuing to reduce the environmental impact of its products and processes. Commenting on the 14th Automotive Sustainability Report, SMMT's Interim Chief Executive, Mike Baunton stated, "UK automotive continues to support the country's economic recovery,

with rising turnover, increased manufacturing output and record export volumes providing further proof of industry's ability to compete on a global scale. It is clear that our future is bright and that the environmentally-focussed approach that vehicle manufacturers have taken to improve manufacturing processes and products will support our continued economic success. However to capitalise on the sector's potential it is vital that government uses its upcoming Automotive Sector Strategy to commit to measures that will strengthen the automotive supply chain and drive further R&D activity."

(Source: SMMT)

<http://www.smmt.co.uk/sustainability>



SMMT hosts Summer Parliamentary Reception

SMMT has held its Summer Parliamentary Reception in the Palace of Westminster, following on from the launch of its 14th Annual Sustainability Report. The reception was attended by a number of MPs from all major parties, key stakeholders, and representatives from across the industry. Mr Richard Burden MP, Chair of the All-Parliamentary Motor Group hosted the assembly, expressing great satisfaction with the progress of the automotive industry and praising the work of the Automotive Council in bringing government and industry together. Mr Burden also highlighted the need to exploit the opportunity within the automotive supply chain and noted that ensuring future skills provision is catered for is critical to sectoral growth. Chuka Umunna MP, Shadow

Business Secretary highlighted the need for government to focus on long term structural issues but did note the current pressures from the global economic climate. Mr Umunna followed Mr Burden in praising the work of the Automotive Council, noting that this model is planned to be rolled out for other sectors. Mr Umunna concluded his speech by stating that the biggest attraction for foreign investors in the UK is the skills and innovation capabilities of the UK workforce, noting that government needs to do all it can to safeguard and develop this. Konstanze Scharring, Director of Policy, SMMT, concluded by thanking Richard Burden for his hard work as Chair of the All-Party Parliamentary Motor Group, and noting that the industry is looking forward to the publication of government's automotive sector strategy highlighting that consistency of policy is critical for future growth. (Source: SMMT)

www.smmt.co.uk

Government puts business at forefront of EU regulation review

The Prime Minister has announced that six business leaders will work with the government to identify the European rules and regulations that need abolition or reform to help British companies grow. The group - the most recent step in government's plans to get bureaucracy out of the way of business - will be chaired by Business Minister Michael Fallon. The business-led review on EU regulation will look at rules including those relating to health and safety, employment law and company registration. The work of the group will inform government reform and lobbying in Brussels and across Europe, as well as helping shape longer-term thinking about the impact of EU regulation on the UK. Commenting on the announcement Michael Fallon stated: "The government believes in business, not bureaucracy. As well as stripping away unnecessary regulations at home we're fighting hard to promote a pro-business culture in Europe. But our ambitions for growth demand quick action to clear away the rules that create the biggest burdens."

(Source: BIS)

<https://www.gov.uk/government/news/government-puts-business-at-helm-of-eu-regulation-review>

£100 million fund to support business growth goes national

Government has announced that the Angel CoFund which brings together businesses and entrepreneurs along with government and private sector investment will be extended across the UK. The Angel CoFund invests amounts of £100,000 to £1 million into small and medium sized businesses with high growth potential, working in partnership with syndicates of experienced business angels to help companies fulfil their promise. As well as providing funding for ambitious small firms, the fund is using government backing to encourage the expansion of the business angel culture. To date the fund has only been available to businesses in certain areas due to being funded from the Regional Growth Fund; but now firms throughout the UK will be eligible for support. Since its launch in November 2011, the fund has supported 27 companies, providing £10 million in direct investment alongside £40 million from business angels. The fund is now able to accelerate its activities to meet the increasing demand from UK companies for this type of long term equity support, with an additional investment of £50 million in the 2013 Budget as part of the government's Business Bank programme. Commenting on the announcement, Business Minister Michael Fallon MP stated: "Thanks to their hard-won experience in business, business angels can be savvier than banks at spotting winners. By reinforcing their commitment with government support, the CoFund will support the most promising and entrepreneurial businesses, giving growth and jobs a kick-start." (Source: BIS)

<https://www.gov.uk/government/news/100-million-fund-to-support-business-growth-goes-national>

Week ahead

Commons Committee

Thursday 9 July

Treasury Committee (10:00am, Thatcher room)

Spending Review 2013

Wednesday 10 July

Environmental Audit Committee (2:25pm room 16)

Progress on carbon budgets