

WEEK IN WESTMINSTER

Week ending Friday 7 November

New car, commercial vehicle and bus and coach market all see growth in October

New car registrations

New car registrations grew 14.2% in October to 179,714 units, marking the 32nd consecutive month of growth. In the year-to-date 2,137,910 cars have been registered, the first time the market has passed two million in October since 2007. The October performance exceeded expectations and industry still expects the overall market to level off as we head towards 2015. However, the exception to that rule will be alternatively-fuelled vehicles, demand for which will continue to accelerate and is up more than 50% in both October and on the year-to-date.

Commercial vehicle registrations

Commercial vehicle demand grew 27.0% in October to 35,027 units, driving the market up 14.1% to surpass 300,000 units. Within this, truck registrations saw a sharp upturn of 65.7% to 8,457 units, marking the first month of growth for the market in 2014. Year-to-date levels remain down 9.2%. The van market also continued its strong performance, up 18.2% in October to 26,570 units, and up 18.1% for the year-to-date. Commenting on the figures, SMMT Chief Executive Mike Hawes stated: "While encouraging, we should treat such a sharp percentage increase with caution, owing to a relatively small total market and new type approval regulations coming into force at the end of the month"

Bus and coach registrations

Total bus and coach registrations increased 13.1% in October, with a 2.9% rise in the rolling year. However, registrations for the overall market in the year-to-date remain down with a 3.0% drop this month. October's growth was driven by purpose-built coaches, which increased 63.3% in the month.

(Source: SMMT)

<http://www.smmt.co.uk/smmt-membership/member-services/market-intelligence/vehicle-data/monthly-automotive-data/>

Vince Cable opens £1bn APC

Business Secretary Vince Cable has announced a further £32 million for two new projects to research manufacturing technology for electric motors and develop cleaner internal combustion engines, during a visit to officially open the Advanced Propulsion Centre (APC) headquarters at the University of Warwick. The two new projects are led by Jaguar Land Rover. They will be part of the projects announced this year that will safeguard 2,500 jobs, in the £1bn industry and government commitment to turn low carbon propulsion technology into products developed in the UK. The APC projects committed so far will reduce CO₂ emissions equivalent to the output of 250,000 cars per year over the next decade. The Business Secretary also announced that a further £100 million funding round has opened for businesses as well as a new programme to support small businesses. Business Secretary Vince Cable said, "The APC will be the hub for projects as diverse as using motorsport braking systems in buses, and streamlining the production of electric motors. It's these kind of initiatives that will enable our automotive sector to raise the bar in innovation, give businesses the confidence to invest and create high skilled jobs." Announcements about further spoke locations, funding competitions and the development of the APC team will be made in the coming months.

(Source: SMMT)

<http://www.smmt.co.uk/2014/11/vince-cable-to-open-advanced-propulsion-centre/>

Report highlights new £2bn potential for UK auto parts supply

A new Automotive Council report has highlighted a new £2 billion growth opportunity for UK component suppliers. The report, released on Tuesday 4 November at the SMMT [Open Forum](#) event at Cranmore Park, Solihull, assesses the 're-shoring' potential for 'upstream' automotive suppliers – i.e. the capacity for the UK to increase local supply of components and raw materials which are currently imported. The £2bn figure comes on top of £3bn identified last year for supply direct to vehicle

manufacturers, on which progress is being made. Industry experts point to the accelerating growth potential in the automotive sector as well as local-sourcing benefits of lower logistics costs, greater flexibility and faster response times. Another key finding to emerge from the report is that UK automotive suppliers are – in the main – confident about their future prospects. Of the companies surveyed, 80% expect their business to grow in the near-term.

(Source: SMMT)

<http://www.smmt.co.uk/2014/11/report-highlights-new-2bn-potential-for-uk-automotive-suppliers/>

Taskforce to assess judgment in holiday pay ruling

Business Secretary Vince Cable has announced that he is setting up a taskforce to assess the possible impact of the ruling on holiday pay from the Employment Appeal Tribunal which decided that holiday pay should reflect non-guaranteed overtime. The taskforce will consist of a selection of government departments and business representative groups. The taskforce will provide a forum to discuss how the impact on business can be limited. Commenting on the announcement, Business Secretary Vince Cable said: "Government will review the judgment in detail as a matter of urgency. To properly understand the financial exposure employers face, we have set up a taskforce of representatives from government and business to discuss how we can limit the impact on business. The group will convene shortly to discuss the judgment. Employers and workers can also contact the Acas helpline for free and confidential advice."

(Source: BIS)

<https://www.gov.uk/government/news/taskforce-to-assess-judgment-in-holiday-pay-ruling>

Michael Dugher named Shadow Transport Secretary

Following the resignation of Jim Murphy from the Shadow Cabinet, Ed Milliband has carried out a mini-reshuffle of his top team, key of which is the appointment of Michael Dugher as Shadow Transport Secretary – full details below.

- Anas Sawar – Shadow minister for international development
- Alison McGovern – Shadow minister for children and families
- Jon Trickett – Shadow minister without portfolio

- Lucy Powell – Shadow minister for the Cabinet Office
- Mary Creagh – Shadow secretary of state for international development
- Michael Dugher – Shadow secretary of state for transport

(Source: BBC News)

<http://www.bbc.co.uk/news/uk-politics-29918950>

Manchester to get directly elected Mayor

Chancellor George Osborne has announced that Greater Manchester is to get its own directly elected city wide mayor with powers over transport, housing, planning and policing. This move is the first step in a more widespread strategy to devolve power away from Westminster and see cities outside of London realise their potential. As part of this plan, Manchester will see transport improvements including the introduction of Oyster-style travelcards, as well as more investment in skills and the city's economy. Recent reports produced by the City Growth Commission and Lord Heseltine have argued for the benefits decentralisation citing the need to stem the North-South divide as well as providing a sustainable economic platform to lead the UK's recovery.

<https://www.gov.uk/government/news/manchester-to-get-directly-elected-mayor>

Week ahead

Commons Committee

Monday 10 November

- Energy and Climate Change Committee – Linking emissions trading systems
- Political and Constitutional Reform Committee – The future of devolution after the referendum

Tuesday 11 November

- BIS Committee – Government support for business
- Energy and Climate Change Committee – Linking emissions trading systems

The House of Commons will be on recess from Wednesday 12 November to Monday 17 November

House of Lords

The House of Lords will be on recess from Wednesday 12 November to Monday 17 November