

WEEK IN WESTMINSTER

Week ending Friday 9 December

New £125 million fund to boost UK advanced manufacturing supply chains

The Department of Business, Innovation and Skills has launched the Advanced Manufacturing Supply Chain Initiative, aimed at improving the global competitiveness of UK advanced manufacturing supply chains. The initiative of up to £125 million aims to help existing UK supply chains grow and achieve world class standards while encouraging major new suppliers to manufacture in the UK. The fund will support innovative projects in established UK advanced manufacturing sectors such as aerospace, automotive and chemicals. It will also target newer growth areas where the UK is well placed to take a global lead, such as energy renewables and other low carbon sectors. The competitive fund will invite applications in early 2012, and aims to be flexible in the type of support offered to successful proposals, recognising that to fulfil their potential and address market failures suppliers and supply chains may require a combination of investment in capital equipment, associated research and development and improved skills and training support. (Source: BIS) <http://www.bis.gov.uk/news/topstories/2011/Dec/new-125m-fund-to-boost-uk-advanced-manufacturing-supply-chains>

UK commercial vehicle market up 19.1% in November

Figures published by SMMT show UK commercial vehicle registrations rose by 19.1% to 27,187 units in November, and up 18.6% on the rolling year to 300,331 units. Truck registrations were up 21.5%, whilst van registrations were up 18.6% in November. However UK new car registrations in November were less positive, down by 4.2% to 134,027 units. Over the first 11 months of 2011, new car registrations are also down 4.5% at 1,822,065 units. Commenting on the figures SMMT Chief Executive, Paul Everitt, stated: "November saw the commercial vehicle market

continue on its upward trend with 19.1% more registrations in the month. London's new Low Emission Zone comes into effect on 3 January, requiring drivers of older vans and trucks to upgrade their vehicles, so we expect to see a slight last minute boost to registration levels." (Source: SMMT) <http://www.smmt.co.uk/2011/12/november-van-and-truck-market-continues-upward-trend-growing-19-1/>

Additional £60 million investment in bus industry

The Department for Transport has announced an additional £60 million investment in bus services across England, to make them greener, more efficient, and easier to use. £50 million will go towards the Better Bus Areas fund, which is an initiative that will see bus operators working in partnership with local authorities to increase passenger numbers. Successful bids will need to have the backing of at least one major local bus operator, and bids could include measures to reduce congestion, provide better information to passengers, make improvements to bus stations or encourage people to switch to buses from the car in densely populated urban areas. In addition £10 million will support the development of Community Transport, which aims to provide funding to 76 local authorities. These announcements follow on from the £30 million investment in the UK bus industry outlined in the Autumn Statement, which included £20 million for the third round of the Green Bus Fund, and £10 million to fit pollution reduction technology in London buses. (Source: DfT) <http://www.dft.gov.uk/news/press-releases/dft-press-20111208a>



Access to finance key to automotive supply chain growth states report

The Smith Institute has published a report "Gearing Up: Getting more growth capital into the UK's automotive supply chain", which highlights the need to get capital into the UK's automotive supply chain to stimulate growth and take advantage of the opportunities created by recent OEM investment announcements. The report also explores the mismatch between the banking sector's current approach and the lending needs of suppliers. The study identifies how a more effective working relationship could help to rebuild and rebalance the economy if the industry and finance providers had a better understanding of the workings of both sectors and work together to address the type of finance offered to businesses. The report also identified that small and medium-sized suppliers find it difficult to target banks as many institutions were unclear about the key sectors they support and often decisions take far too long in an industry that is as dynamic as automotive. The ultimate recommendation of the report was for a two-way relationship where automotive suppliers share more information about the nature of their businesses, the state of the sector and the typical cycles of the automotive industry with relationship managers at finance providers, and those institutions and organisations looking to provide finance to small and medium-sized businesses should promote the range of funding options and opportunities more effectively to enhance the sector's understanding of key financial issues. Following the launch of the report, BIS Select Committee Chair, Adrian Bailey MP, raised the issue of access to finance for small manufacturing companies, in parliament. (Source: Smith Institute)

<http://www.smith-institute.org.uk/file/Gearing%20Up.pdf>



Week ahead

Commons Committees

Wednesday 14 December

Environmental Audit Committee (10:10am)

Green economy

Transport Committee (5:05pm, room 8)

Autumn economic statement: Transport

Commons Chamber

No relevant activity

Westminster Hall

No relevant activity

Lords Chamber

No relevant activity

Lords & Joint Committees

No relevant activity

All-Party Parliamentary Motor Group

Tuesday 13 December - 8:30

Chancellor George Osborne has announced that Budget 2012 will take place on Wednesday March 21 2012.