

WEEK IN WESTMINSTER

Week ending Friday 18 December

Defra – UK plan for improving air quality

The Department for Environment, Food and Rural Affairs has published confirmed [plans](#) for improving air quality. Under this Plan, government will legislate to introduce Clean Air Zones in Birmingham, Leeds, Southampton, Nottingham and Derby. Vehicles that meet the latest emission standards and private cars will be unaffected. The plans aim to bring the UK into legal compliance and to reduce concentrations of nitrogen dioxide below 40 µg/m³. These Zones will target air quality hot spots. Following scoping studies, which Government will provide funding for, Councils will consult on the details on these Zones.

(Source: [Parliament](#))

Plug-in car grant changes announced

Government has announced a long-term extension to the plug-in car grant, backed by a £400m package to treble the number of ultra low emission vehicles. The grant will continue beyond the latest guarantee of February 2016 until at least the end of March 2018 and will mean more than 100,000 people will benefit over the coming years. From 1 March 2016, two grant rates will be available to ensure the funding is sustainable and focus financial support on the greenest vehicles. 'Category 1' vehicles with a zero emission range of over 70 miles will benefit from a grant of £4500. 'Category 2 and 3' vehicles with a shorter zero emission range — such as plug-in hybrid vehicles with a petrol or diesel engine — will receive £2500. Government has also announced it will continue to provide a grant to help ULEV owners have a dedicated charge point installed at their home. From 1 March 2016, the [electric vehicle homecharge scheme \(EVHS\)](#) will offer £500 per installation, which on average will cover around half of the cost of getting a charge point.

(Source: [DfT](#))

UK CV production posts further gains in November

Commercial vehicle production in the UK saw a 24.6% uplift in November as it continues to recover strongly from a subdued 2014, according to figures released today by the Society of Motor Manufacturers and Traders (SMMT). Production for export saw a huge 79.1% jump following growing demand in Europe, while output destined for the UK market remains strong in 2015 despite a dip in November. 88,214 CVs have rolled off production lines so far this year – up 35.6% over 2014 volumes. Mike Hawes, SMMT Chief Executive said, “The recovery in UK CV manufacturing this year has been good to see, with consistently strong growth in almost every month. November’s performance was driven principally by production for export, underlining the importance of the EU as the sector’s key overseas market.”

(Source: [SMMT](#))

Exports drive UK car manufacturing growth

Britain’s car makers delivered a strong performance in November as manufacturing output rose 9.3%, according to figures released today by the Society of Motor Manufacturers and Traders (SMMT). 150,084 cars were built in the month, with growth fuelled by demand from overseas as export production increased 10.8%. The latest figures put year-to-date volumes 3.8% ahead of the same period in 2014. Mike Hawes, SMMT Chief Executive, said, “November’s manufacturing gains are encouraging, and put the car industry in a strong position with one month left in the year. Particularly pleasing is the recent pick-up in export production, which is proof that despite challenges in some global markets, the UK continues to build cars that appeal to consumers across the world.”

Exports continue to fuel engine production

UK engine output rose by 3.5% in November, with 209,133 units produced. Overseas demand continues to drive growth as production for exports sees 13.3% uplift in the month. The overall year-to-date volumes are stable, with output down 0.9%. (Source: [SMMT](#))

New funding competition announced by APC

The Advanced Propulsion Centre (APC) this week launched its Round 5 funding competition. The announcement follows news in the Chancellor's Autumn Statement of new financial backing for the Automotive Council project. The APC was formed through the Automotive Council's Industrial Strategy, and aims to bring automotive R&D projects to fruition through government funding. Since its inception in 2013, the APC has worked with more than 50 companies and provided £90 million in grant funding. Between 2013 and March 2015 it was a key player in attracting £750m of investment into the UK automotive supply chain. The funding is made available to the winners of bi-annual competitions for projects which are collaborative, business-led and typically where the eligible project costs are in the range of £5m to £40m. The Round 5 competition is expected to generate £70 million in total project funding, and will seek proposals for collaborative R&D projects which offer significant reductions in vehicle emissions compared with existing technologies. All APC funded projects must include both an SME and either a vehicle manufacturer or Tier-1 supplier. In addition, Newcastle University has been appointed as the APC's Electric Machines Spoke, making it the sixth spoke in the APC hub-and-spoke network. The existing spokes cover digital engineering and test, electrical energy storage, and power electronics, with two spokes focusing on internal combustion engines.

(Source: [SMMT](#))



Week ahead

The House of Commons is in recess from Friday 18 December until Tuesday 5 January 2016.

Lords Chamber

Tuesday 22 December

- Immigration Bill: Second Reading

The House of Lords is in recess from Tuesday 22 December until Monday 11 January 2016.