



POLICY DRIVE

11th-22nd June 2018

Top News and Opinion:

Jaguar Land Rover moves UK production of Discovery to Slovakia

Britain's biggest carmaker is to transfer all production of its Land Rover Discovery model from its Solihull factory in the West Midlands to Slovakia from next year.

Jaguar Land Rover (JLR) insist they remain committed to the UK, though the move will potentially put hundreds of jobs at risk.

With agency workers the most under threat by the decision, the Solihull plant currently has 1,800 agency workers out of a total workforce of 10,000.

The company has had a challenging year so far, announcing plans to cut 1,000 UK jobs in April and reporting a decline in pre-tax profits, citing Brexit uncertainty and the slump in demand as reasons for the losses.

JLR said "the decision to move the Land Rover Discovery to Slovakia and the potential losses of some agency staff in the UK is a tough one but forms part of our long-term manufacturing strategy as we transform our business globally".

Instead, JLR's Solihull plant will continue to produce its new Range Rover and Range Rover Sport models, and its Halewood site in Northern England will build the next Evoque models ahead of JLR's full electrification of all new models from 2020.

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Apprenticeship starts continue to fall, over a year since the introduction of the apprenticeship levy

Latest Department for Education (DfE) figures show that the number of people starting an apprenticeship this academic year so far has dropped by 28% on the year before.

261,200 apprenticeship starts were reported to date between August 2017 and March 2018 for the 2017/18 academic year, comparing to the 362,400 that were disclosed for the 2016/17 academic year.

Criticism continues to be directed at the apprenticeship levy reforms introduced in April 2017 as a factor behind the decline in apprenticeship starts, with the levy intended to boost apprenticeship training across all sectors.

From 5 April 2017, employers in the UK with a wage bill of more than £3m per annum are required to pay a levy of 0.5% of their UK payroll into a fund which can then be used to train new and existing apprentices.

Tesco chairman John Allan is one of the latest public figures to [call for urgent reform of the Apprenticeship Levy](#), claiming that government ministers need to simplify the administration of the levy and make apprenticeships more flexible.

The government recently defended the apprenticeship levy in an [open letter](#), showing enthusiasm to "support employers in making use of the levy".

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Responsibility for T-Level and Apprenticeship Reforms moves to the Education and Skills Funding Agency

The Education and Skills Funding Agency (ESFA) will manage the reforms to apprenticeships and T-Levels from this September, after receiving a 'vote of confidence' from the Department for Education.

Department for Education (DfE) staff will move to the ESFA with changes taking effect on September 2nd 2018.

The ESFA will be responsible for all apprenticeship and technical education reform policies as well as funding delivery, as departmental colleagues from apprenticeships and the professional and technical education reform teams move into the ESFA.

Eileen Miller, ESFA Chief Executive commented on the changes: "I am delighted to welcome colleagues from apprenticeships and technical education reform teams into the ESFA... taking on full responsibility and delivery of two of government's top priority programmes is a huge vote of confidence in the ESFA and an exciting challenge for all of us".

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10 per cent apprenticeship contribution fees could be scrapped

According to the Chief Executive of the Association of Employment and Learning Providers (AELP) Mark Dawe, the 10 per cent contribution fees that small businesses pay when taking on apprentices could be scrapped.

Dawe insists that the skills minister is having "ongoing conversations about a change in policy" regarding the co-investment rule, in an exclusive interview with FE Week.

"Our big ask is for the minister to make the announcement that the 10 per cent contribution fees requirement is to be removed for non-levy payers or levy payers who go over their levy if they are delivering level two and three apprenticeships to the under 25s".

The CEO believes that the 10 per cent rule deters Small and Medium Enterprises from engaging in apprenticeships and is a contributing factor to the decline in apprenticeships since the introduction of the apprenticeship levy.

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UK's Independent service and repair sector in "good shape" despite challenges

According to the director of the Independent Garages Association (IGA) Stuart James, the UK's independent service and repair sector is in good shape despite new regulatory changes such as GDPR and changes to MOT standards.

In giving a speech at the *Garage of the Year* awards in Birmingham, James insisted that one of the reasons for the continued success of independent garages is that they "cannot be beaten on customer service".

Moreover, James praised recent news that laws have been approved for the aftermarket to retain access to in-vehicle data via the OBD (on-board diagnostics) port, helping to facilitate the diagnostics, repair and maintenance of vehicles.

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Mayors call for ban on diesel and petrol cars to be brought forward a decade

Mayors across England and Wales have urged the environment secretary Michael Gove to take immediate action against air pollution, by persuading the government to bring forward its



ban on the sale of new diesel and petrol vehicles by a decade. A current date has been set by the government of 2040 for the ban on the sale of new petrol and diesel cars, however environmental pressure groups and experts have urged the government to push for a 2030 deadline.

Groups such as the WWF, who have been amongst the most vocal of those to call for a 2030 deadline, argue that bringing the deadline forward will allow the UK to [reduce its emissions more effectively, boost trade and create new jobs in the automotive sector.](#)

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UK car industry faces 'extinction' after Brexit, CBI chief warns

The UK's Motor Industry faces extinction if the UK leaves the EU customs union after Brexit, Confederation of British Industry (CBI) president Paul Drechsler has warned.

Drechsler argues that any new trade deals signed by the UK post-Brexit will be unable to compensate for the anticipated loss of frictionless trade that the UK currently enjoys as membership of the European Union, particularly damaging to the UK car industry.

"If we do not have a customs union, there are sectors of manufacturing society in the UK which risk becoming extinct", he said. "Be in no doubt that is the reality. There's zero evidence that independent trade deals will provide any economic benefit to the UK that's material. It's a myth".

The EU's chief negotiator Michel Barnier has said the UK can maintain frictionless trade with the EU after Brexit by remaining in the European Economic Area and EU customs union.

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Brexit latest:

- Government avoids defeat on Brexit 'meaningful vote' (Read More: [Here](#))
- Brexit to make the UK a second-hand dealer in car safety (Read More: [Here](#))
- BMW task force prepares for worst-case Brexit (Read More: [Here](#))

Other news:

- Diesel emissions scandal: Audi CEO arrested as part of emissions test cheating probe (Read More: [Here](#))
- Uncertainty over diesel keeping buyers out of market (Read More: [Here](#))
- SMMT's Motor Industry Facts 2018 (Read More: [Here](#))
- UK-Sweden automotive event hopes to drive trade: (Read More: [Here](#))
- More than 50 thousand ultra-low emission vehicles registered for the first time in the UK (Read More: [Here](#))

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