

## **New Automotive Innovation and Growth Team (NAIGT) and Automotive Council Summary Paper**

### **NAIGT**

1. The Government established the industry led **New Automotive Innovation and Growth Team (NAIGT)** in April 2008 to work with the UK's automotive industry to identify and agree a strategic view of the innovation and growth challenges facing this sector in the period to 2025. The NAIGT aim was to create a long term vision for the future of this industry and through its recommendations help the Government and business develop and deliver an integrated national strategy. The NAIGT published their report on 6 May 2009.

### **NAIGT Membership and mode of operations**

2. NAIGT's work was delivered through a Steering Group, comprising senior industrialists and academics experienced in the automotive sector. Officials from the Automotive Unit at the Department for Business, Innovation and Skills (formerly the Department for Business, Enterprise and Regulatory Reform) facilitated this industry-led project. Members were appointed according to their knowledge, expertise and the range of views they covered across the UK automotive industry. They included representatives from manufacturers and suppliers of original automotive equipment, the retail sector, a key automotive trade association (the Society of Motor Manufacturers and Traders), a major business school (the Judge Institute at Cambridge University), and the UK's Technology Strategy Board. The Group held 11 meetings between May 2008 and July 2009. Richard Parry-Jones, former Group Vice President and Chief Technical Officer of Ford Motor Company, was Group Chair.

3. Five Expert Groups were established under the NAIGT to address specific issues identified by NAIGT. These were:

- Supply Chain Development;
- Technology and Low Carbon Product Development;
- Technology and Low Carbon Infrastructure;
- Business Environment; and
- Key Performance Indicators.

### **NAIGT vision**

4. The NAIGT set out the following vision for the UK's automotive sector in its report:

*'A competitive, growing, and dynamic industry making a large and increasing contribution to employment and prosperity in the UK, and playing a decisive global role in developing and manufacturing exciting, low carbon vehicle transportation solutions'*

## **Key Recommendations**

5. NAIGT's three overarching recommendations were to:

- Establish a senior level joint industry/government Automotive Council to develop, guide and implement a long term strategic framework for the Industry
- Create a transformed business environment in the UK for the automotive industry; and
- Coordinate R&D efforts to follow the industry-consensus technology roadmap that is a key part of the NAIGT report. As part of this to establish a bold, large scale pilot-market to demonstrate, experiment and build the new low-carbon personal transportation system including its infrastructure.

6. To support these three key areas of work, additional recommendations focused on:

- Creating a transformed business environment in the UK to provide a more compelling investment proposition;
- Further developing the technology roadmaps for low carbon vehicles and fuels and exploiting opportunities to promote the UK as a strong candidate to develop these and other technologies; and
- Developing a stronger and more competitive supply chain

## **Automotive Council**

7. The Government response published in November 2009, addressed each of the individual recommendations, but the essence of its forward commitment was to create an Automotive Council where business, government and others could ensure that there is the right strategic engagement to take forward HMG agreed actions from NAIGT's recommendations.

8. The intention is that the Automotive Council should offer the industry's best thinking on the government's research priorities, policies and support to business. In return the government expects the Automotive Council to provide leadership, to offer a forum in which manufacturers and the supply chain can identify common goals and to drive forward industrial commitment to training, skills and investment.

9. The Automotive Council will have two sub-Councils or Working Groups - the Supply Chain Group and the Technology Group. The work of these Groups will help inform the discussions of the main Council.

### **Automotive Council Terms of Reference**

10. The Automotive Council is being set up to provide an advisory and consultative forum for Government and the Automotive Industry in the UK, in order to ensure a sustained high level conversation with the industry and to put in place a long term strategic framework for the development of the industry. This is as set out in the Government's response to the recommendations of the NAIGT report.

11. The Automotive Council exists to help:

- Create a transformed business environment in the UK to provide a more compelling investment proposition for the related industries;
- Develop further the technology roadmaps for low carbon vehicles and fuels, and exploit opportunities to promote the UK as a strong candidate to develop these and other technologies;
- Develop a stronger and more competitive supply chain;
- Provide a stronger public voice for the industry to support the value of the industry to the UK and to global partners;
- Ensure a strategic, continuous conversation between Government and the automotive industry.

12. In addition the Automotive Council will address any matters agreed by the Chairmen.

### **Mode of operation**

13. The Automotive Council will be chaired jointly by the Secretary of State for Business, and by a senior industry chairman with two deputy chairman if required. Meetings will be held 2/3 times a year. This can be varied by the Chairmen as pressure of work requires.

14. In agreement with Government, the Council will publish papers and press releases on new developments or issues in the UK Automotive Manufacturing Sector.

15. It is likely that as the Council's strategy evolves, detailed work will be devolved to ad hoc sub-committees. The chairmen of the sub-committees will be agreed by the Chairmen of the Automotive Council. Terms of reference will be agreed by the Automotive Council. These will include a:

- *Supply Chain Group*, as tasked in the Government response and agreed by the Automotive Council;

- *Technology Group*, leading on technology road maps;

16. In addition an Automotive Council Working Group will agree forward agendas and ensure work progresses. The Working Group will include the Department for Transport, the Devolved Administrations, the Technology Strategy Board, and other Whitehall colleagues as required.

17. The secretariat functions will be performed by the Automotive Unit within BIS.

### **Membership**

18. Members will be senior industry and government representatives and others with expertise in appropriate fields, invited to join on a voluntary basis by the joint Chairs. They will not be paid for their participation in Automotive Council activities.

19. These will not be public or Ministerial appointments that fall within the scope of the Code of Public Appointments. No payment of fees will be required for the services or advice provided. Member will bring with them authority, resource and commitment to the work of the Automotive Council.

20. Other Government Departments and partners involved in the delivery of recommendations (e.g. DfT, TSB and DECC) will be represented on the Council, either at ministerial or senior official level as required.

### **Scope and timescales**

21. As with the NAIGT, the Automotive Council's remit will cover the interests of and promote publicly the UK Automotive Manufacturing Sector – R&D, design engineering, volume vehicle, power train and component assembly, niche vehicle manufacture (including construction equipment) and the supply chain.

22. The interests and membership of the Automotive Council will be wide ranging but the Council should not seek to duplicate the role or focus of existing bodies in BIS or other departments. The Council's focus should be strategic.