

## The UK Automotive Sector

### Key statistics

- **Turnover.** Record turnover in 2014 of over £63 billion.
- **Employment.** Over 147,000 people are employed in automotive manufacturing in vehicle plants and the components supply chain.
- **Car production.** Record production in 2014, with over 1.5 million cars built. A car rolls off a production line every 20 seconds. The UK is the third largest car producer in Europe behind Germany and Spain.
- **Engine production.** 2.4 million engines built in 2014.
- **Productivity.** The UK has the highest levels of productivity of all major European automotive manufacturers with £83,000 per employee generated annually.
- **Investment.** In 2015 alone, more than £2 billion has been committed to manufacturing and R&D facilities.
- **Exports.** Record total of £34.6 billion in 2014. 80% of UK built cars exported to over 100 countries. 62% of UK built engines exported.
- **Low Carbon Technologies - Advanced Propulsion Centre (APC).** 10 year (2013-2023) £1 billion joint investment between government and the automotive industry to research develop and commercialise the next generation of low carbon propulsion technologies. Budget 2015, government committed an additional £225 million over the three years 2023/24 to 2025/26.
- **Supply Chain & UK Vehicle Content.** The amount of value sourced by UK built vehicle makers from UK suppliers has increased five percentage points from 36% in 2011 to 41% in 2015. Automotive Council research identified £6 billion of annual components business that OEMs and tier-1 suppliers are interested in sourcing from UK suppliers.
- **Automotive Investment Organisation.** Joint industry government partnership has helped create and safeguard over 15,000 jobs. Over £1 billion of foreign direct investment secured in over 250 projects in manufacturing and R&D facilities.
- **Connected and Autonomous Vehicles.** Government announced (in Budget 2015) £100m for intelligent mobility to fund research into connected and autonomous vehicles and the infrastructure within which they operate, match-funded to £200m by industry.
- **Motorsport.** UK is global centre of excellence with the long established F1 R&D and manufacturing facilities and Formula E establishing their HQ in the UK in 2014. Overall turnover of £9 billion.
- **Construction equipment.** Largest producer in Europe and 5<sup>th</sup> largest globally. Sector generates £2billion value-add to the UK economy on a turnover of £11 billion.

### Key Points

- The UK's diverse and competitive automotive industry is bucking the trend across Europe by achieving record growth, creating thousands of jobs and attracting major inward investment.
- Industry-government collaboration through the Automotive Council has been vital to this success. Targeted actions under the Automotive Strategy to strengthen the UK automotive supply chain, co-investment to develop the next generation of low carbon vehicles, and maintaining and developing the UK's competitive business environment will continue.
- The UK is a global leader in automotive R&D, boasting world leading universities and cooperation with industry dedicated facilities. These include the new Advanced Propulsion Centre and the Transport Systems and High Value Manufacturing Catapults – all co-funded by government and industry.

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