

The UK Automotive Sector

Key statistics

- **Turnover.** In 2015, turnover exceeded £67 billion, an all-time record, and up nearly 6 per cent on 2014.
- **Employment.** Over 160,000 people are employed in automotive manufacturing in vehicle plants and the components supply chain.
- **Car production.** Record production in 2016, with over 1.7 million cars built. A car rolls off a production line every 18 seconds. The UK is the third largest car producer in Europe behind Germany and Spain.
- **Engine production.** The UK manufactured nearly 2.5 million engines in 2016.
- **Productivity.** The UK has the highest levels of productivity of all major European automotive manufacturers. In 2015 automotive sector productivity was around £90,000 per employee.
- **Investment.** In 2015 alone, more than £2 billion has been committed to manufacturing and R&D facilities.
- **Exports.** UK automotive industry exports of goods totalled £40bn in 2016. This accounted for 7.3 per cent of UK's total exports of goods and services. 80% of UK built cars exported to over 100 countries. 55% 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 recognised as the world centre for motorsport, nine of the 11 F1 teams have their HQ or a base in the UK. The sector generated global sales of over £10bn in 2015. The UK is also the global HQ and team base for the Formula E all electric race series.
- **Construction equipment.** The UK is the No 1 producer of construction equipment in Europe and No 5 in the world. The sector employs more than 40,000 and generates £2 billion value-add to the UK economy on a turnover of £11 billion.¹ Over 60 per cent of UK production is exported.

Key Points

- The UK's diverse and competitive automotive industry is bucking the trend across Europe

¹ Industry figures. MIA.