

Action for Government and Industry*	Key Outcomes	Key Milestones and Targets	Progress to Achieving Outcomes
<b>1 Promoting Science and Innovation</b>			
<b>Overall Outcome:</b> The generation of world class research activities leading to the creation of globally competitive, high value added products and processes			
<b>Key Performance Indicators:</b> Innovation, Investment, Skills and Productivity			
1.1	To further enhance <b>the UK science, engineering and technology base</b> through increased investment.	Making the UK the best place in the world to do science by closing the gap between the UK and the USA, the best performing, innovation-driven major economy.	<p>To increase R&amp;D from 1.9% to 2.5% of GDP by 2014.</p> <p>£10bn for science R&amp;D until March 2008 incl £1bn to upgrade university facilities (SRIF 3);</p> <p>By 2007/08 annual science budget will be increased to £3.4 billion compared to £1.3 billion in 1997/98.</p> <p>EPSRC will invest £200m in 15-20 IMRCs by 2011.</p> <p><b>Ten Year Investment framework for Science and Innovation (2004-2014)</b></p> <p><b>Innovative Manufacturing Research Centres (IMRC)</b> receive 5 year block grants providing UK leading manufacturing researchers with stable, yet flexible funding. £60m invested in 11 centres by 2005. The IMRCs promote high quality research and masters level postgraduate training in manufacturing engineering and are based at universities. Their remit varies from those with a narrow focus on a single topic such as e-business to those covering the full range of manufacturing research.</p>
1.2	DTI and HM Revenue & Customs to work to promote further the <b>R&amp;D Tax credit</b> to business	Increased level of high quality R&D by UK companies, particularly SMEs.	<p>Increased take-up of R&amp;D tax credits.</p> <p>Since April 2000, nearly 22,000 claims received totalling almost £1.8 bn, £980m under the SME scheme and £810m under the Large Scheme. Vaccines research relief introduced in December 2005.</p> <p>Guidance issued:- CIRI manual updated Nov 2005; "R&amp;D tax credits for SMEs".</p> <p>Budget 2006 - Government plans to extend support to include firms of between 250 and 500 employees, subject to state aid approval from the EU Commission. PBR 2006 confirmed that discussions with the Commission were in progress.</p> <p>DTI supported by HMT and HMRC is preparing a booklet of Case Studies of Companies' Experiences of Applying for R&amp;D Tax Credits - Nov 06. New specialist units to handle R&amp;D tax credit claims by small firms were introduced simultaneously at 7 locations across the UK.</p>

1.3	To implement <b>Technology Strategy</b> through delivery of the business support products (Knowledge Transfer Networks, Knowledge Transfer Partnerships and Collaborative R&D grants)	New globally competitive products and processes.	<p>Total funding of £370m over three years (2005-2008) is available through the Technology Programme, with the aim of supporting collaborative R&amp;D projects and fostering new networks to increase knowledge transfer.</p> <p>The Technology Strategy Board published medium term strategies in six Key Technology Areas in April 2006. The strategies provide a focus and create a dialogue for taking forward activity in areas where UK business can succeed. As each area evolves, new challenges and opportunities will emerge through research, networking, regulation, standards and measurements and procurement. These strategies are available for comments on the Technology Strategy website (<a href="http://www.dti.gov.uk/technologystrategy">http://www.dti.gov.uk/technologystrategy</a>).</p>	<p>Since the launch of the Technology Programme in February 2004 there have been 7 Collaborative R&amp;D competitions supporting over 600 projects with a combined business and Government investment of over £900m (£465m committed by business and £435 committed by Government). These figures are set to increase as further projects are approved.</p> <p>KTN - 22 Knowledge Transfer Networks (KTN) are now being supported in a range of technology and sector areas such as Materials, Sensors, Bioscience and Chemistry</p> <p>Collaborative R&amp;D - £50m was made available for 7th round in Autumn 2006 with the next Competition due to be launched in Spring 2007.</p> <p>KTP - £30m for 2006/07 - 1062 partnerships by January 2007.</p> <p>Second annual report of the Technology Strategy Board (TSB) published Nov 2006.</p> <p>On 1 November 2006 the Secretary of State announced to Parliament that the new Technology Strategy Board would be established as an executive-Non Departmental Public Body. It was also announced that the primary location of the new body would be Swindon; that Graham Spittle, the current Chair of the advisory TSB, would transfer across; and that the new body was expected to be inaugurated in the first half of 2007/8.</p> <p>The Technology Strategy Board have also published 'A call to action' - a short document designed to engage business and other partners in developing the Strategy.</p>
1.4	RDAs to develop <b>clusters and regional knowledge transfer and innovation networks</b> that reflect regional priorities and enable linkages to national and international networks.	Regional issues embedded more deeply in Technology Strategy and science and innovation policies and processes.	OST making £5m available 2006/07 to RDAs to support interaction with Research Councils.	<p>All RDAs have now established <b>Science and Industry Councils (SIC)</b>. Membership is industry led with representatives from universities and Research Councils.</p> <p><b>Regional Innovation, Science &amp; Technology (RIST) Group</b> brings regions and DTI together to work on policy and implementation plans.</p> <p><b>Cluster Liaison Group</b> brings together BR and Regions to share best practice.</p> <p><b>Improved national - regional partnership:</b></p> <ul style="list-style-type: none"> <li>-RDA contacts identified for technology areas highlighted in Technology Strategy.</li> <li>-Technology Manager Contact Day held in March 2006 to enable RDA Technology Managers to network and contribute views on sectors for targeting support.</li> </ul> <p>EEDA - i10 supports innovation by</p>



helping companies tap into the expertise and resources of universities in the East of England.



1.5	<p><b>Research Councils</b> and Universities to work more closely with industry to increase the rate of business interaction and knowledge transfer</p>	<p>R&amp;D and innovation targeted at increasing competitiveness of the manufacturing sector.</p>	<p>Increase funding for programmes to encourage closer and more widespread collaboration.</p>	<p><b>Lambert Review</b> recommendation to increase collaborative funding through the Higher Education Innovation Fund (HEIF) agreed; increased to £238m for 2006/07 and 2007/08. A new funding formula directs 75% of funding towards institutions with good business income but also ensures every university in England (devolved matter) will get some funding. The other 25% is for a competition for innovative ideas in knowledge transfer; involvement of users is an assessment criterion.</p> <p>Research Councils have all agreed plans to increase their knowledge transfer and business interaction.</p> <p>In past 3 years, 25 spinouts from universities have floated with combined value of over £1.5bn.</p>
1.6	<p>To encourage greater UK participation in <b>EU Framework programmes</b> by simplifying the rules and supporting early adoption of FP7.</p>	<p>Increased UK uptake of R&amp;D funds under Framework Programmes.</p>	<p>EU Parliamentary approval of the 7th Framework Agreement (2007-13)</p>	<p>Simplification of rules and procedures agreed under UK Presidency including participation of SMEs - Nov 2005.</p> <p>General Approach agreed by Council on the Community element of the FP7 high-level text - May 2006</p> <p>General Approach agreed by Council on the FP7 Rules of Participation - May 2006</p> <p>European Parliament First Reading - June 2006</p> <p>FP7 agreed by European Parliament and the Council of Ministers - Dec 2006. FP7 launched on 1 January 2007</p> <p>EU data from 2005 indicates that between FP5 and FP6:</p> <ul style="list-style-type: none"> <li>- UK industrial participation dropped by almost 30% (compared with falls of 13% for Germany and 7% for France);</li> <li>- UK participation across the board fell by over 10% (against a 5% rise for Germany and a 7% fall for France);</li> <li>- UK academic participation</li> </ul> <p>increased by 22% between FP5 and FP6 and take up remains the strongest of any participant state.</p>

1.7a	Stakeholders to deliver on the outcomes of the successful sectoral <b>Innovation and Growth Teams</b>	Barriers to growth identified and tackled in key manufacturing sectors, resulting in practical and measurable improvements in performance against international competitors.		<p>Manufacturing IGTs and areas of key actions:</p> <ul style="list-style-type: none"> <li>- Automotive: skills, supply chain, low carbon technology and retail.</li> <li>- Chemicals: leadership, innovation, skills and sustainable development through the Chemical Leadership Council (CLC). CLC has achieved its objectives and was formally wound up by Lord Sainsbury in March 06. Innovation activities are now driven by the Chemicals Innovation Knowledge Transfer Network (KTN). Sustainability issues to be taken forward by key industry bodies such as RSC, IChemE, CIA and SCI. Leadership and skills agenda to be taken forward by COGENT and PINSA the new skills academy for the industry.</li> <li>- Environment: better regulation, public procurement, underpinning technologies and skills</li> <li>- Aerospace: R&amp;D, skills, socio economic environment, security and sustainable development.</li> <li>- Construction: work subsumed within European Construction Technology Platform (ECTP) aimed at promoting research and innovation.</li> <li>- Electronics: design, manufacture, distribution through the value chain, role of suppliers and markets.</li> </ul>
1.7b	Deliver a <b>Materials Innovation and Growth Team Strategy</b>	Improved performance against international competitors.	<p>Establishment of a materials related R&amp;D assets register - Assets Connect (Dec 07).  Establishment of a Materials Property Validation Centre/Network (Dec 07).  Promotion and dissemination of Materials UK Youth Report (ongoing 07/08)</p>	<p>Materials IGT Final report launched March 2006. New representative body for materials community - Materials UK - set up October 2006 together with five standing working groups on: Education &amp; Skills, Construction, Energy, Science &amp; Technology and Policy &amp; Regulation. Board, Chairman and Hon. President in place.</p>
1.8	Increase DTI team of <b>International Technology Promoters</b> and number of secondments	Improved access to technology transfer opportunities from overseas sources.	Goal for secondments - 120.	<p>Target to recruit 22 ITPs achieved by Dec 2005. Another ITP recruited to handle the Britech initiative in Israel.</p> <p>40 secondments 2004/05, 71 secondments approved for 2005/06 but suspended from 1 April owing to a prioritisation exercise following financial pressures.</p>

1.9	to ensure that the <b>Patent Office</b> provides optimal incentives for private industry and individuals to innovate and invest.	Modernised patent/copyright application and enforcement process.	<b>An Independent Review, led by Andrew Gowers</b> to ensure that the UK's intellectual property framework is appropriate for the digital age - end 2006	<p>Implementation of the recommendations from Gowers Review will be taken forward in early 2007 to late 2008. Consultation on implementation options for a number of recommendations is expected in the Spring of 2007.</p> <p>Modernisation of the designs registration system took place in 2006, along with reviews to simplify forms and rules regarding patent litigation, and the introduction of web-based filing for trade marks.</p> <p>Patent Office announced the first IP crime strategy in August 2004, followed by annual enforcement reports.</p> <p>Awarded The Cabinet Office's Charter Mark for the 5th time for the quality of its customer service - Nov 2005 - 2008.</p> <p>ISO 9001:2000 certification for patent search services.</p>
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<b>2 High skilled, high performance workplaces</b>			
<b>Overall Outcome:</b> Raise the demand for, and better use of skills in UK manufacturing through more responsive provision of training and education at national, regional and local levels, thereby raising productivity.			
<b>Key Performance indicators:</b> Skills and productivity			
2.1	<p>A) To establish a <b>National Skills Academy for Manufacturing (NMSA)</b></p> <p>B) Help establish <b>National Skills Academies (NSA)</b> in allied sectors that compliment the NMSA</p>	<p>A NMSA led by employers is established in every region of the UK delivering accredited training to globally competitive standards, available from factory floor to management leadership and to include development of skills passports.</p> <p>A national network of sectoral skills academies that meet the needs of employers and provide logical and seamless provision of skills to UK manufacturers</p>	<p>New Chairman, Board and CEO before end 06.</p> <p>EOIs for a further 12 National Skills Academies to be operational by 2008. submitted by 13 June 2006.</p> <p>Business Plan completed September 06.</p> <p>Launch by January 07.</p> <p>Construction and Financial Services skills academies launched Nov 06. Food &amp; Drink close to approval. Proposals for NSAs covering the process and nuclear industries are currently in the business planning stage.</p>
2.2	Fully embed the national <b>Skills for Business Network</b>	Fully established <b>Sector Skills Councils</b> (for manufacturing sectors) and <b>Regional Skills Partnerships</b> that effectively communicate the skills needs of their sectors and regions	<p>All manufacturing SSCs to establish Sector Skills Agreements - end 2007, covering SEMTA - science and engineering manufacturing, COGENT - Chemicals, oil and gas, IMPROVE - food and drink, PROSKILLS - Processing and Manufacturing and SKILLFAST - apparel and footwear.</p> <p>SEMTA &amp; Skillfast SSAs now in place. Cogent SSA to be published in Dec 2006, Improve SSA to be published in March 2007 and Proskills SSA to be published in August 2007. First annual SSA Checkpoint Review due to be held in Jan/Feb 2007 to review impact made by SEMTA &amp; Skillfast SSAs.</p> <p>Regional Skills Partnerships are maturing and progressing skills action in support of the Regional Economic Strategies and aligning with requirements of Sectors Skills Agreements.</p>
2.3	To promote awareness of science, technology, engineering and mathematics ( <b>STEM</b> ) particularly at young people	to maintain a flow of well-motivated, high quality individuals into <b>STEM</b> jobs	<p>Number of SEAs to be increased to 18,000 by 2007/08.</p> <p><b>SETNET</b> initiated by the Engineering Council has received £12.7m funding (2005/08) from OSI. 12,000 volunteer Science and Engineering Ambassadors (SEAs) work with schools, teachers and pupils to stimulate interest in these subjects.</p>

2.4	Further develop and implement the <b>apprenticeship programme</b>	A fully subscribed apprenticeship programme that fully meets the needs of employers/ employees.	<p>New programme of 25+ apprenticeships in trial phase until Summer 2006.</p> <p>In the years to 2020, the number of apprenticeships to rise to 500,000.</p>	<p>The number of young people participating in Apprenticeships is at a record level with more than quarter of a million now (up from 75,000 in 1997); completion rates continuing to improve (currently in excess of 50%) and there are around 130,000 employers involved nationally. Government spending on Apprenticeships through the Learning and Skills Council has risen from around £748m in 2004-2005 to £873m in 2006/2007</p> <p>The Apprenticeship Task Force Final Report published July 2005 recommended further actions to improve delivery and increase employer involvement and the <b>Apprenticeship Ambassadors Network (AAN)</b> is now responsible for promoting Apprenticeships to employers. The AAN also aims to provide feedback to Government on issues which affect the quality and effectiveness of apprenticeships</p>
2.5	Establish the <b>Train to Gain</b> service nationally (formerly known as National Employer Training Programme)	<b>Train to Gain</b> to offer training designed and delivered in a way that meets employers' needs	National roll-out completed in September 2006. This £1bn programme will help 50,000 employers and 350,000 employees every year get the skills they need to boost productivity and competitiveness and improve prospects for low-skilled employees.	Almost 12,000 employers have been engaged, with 8,000 being new employers brought to Train to Gain by skills brokers and providers. Hard to reach employers make up 56% of these engagements. Manufacturing sector represents 15% of total engagement.
2.6	<b>National review of career advice</b> for young people and adults	<p>Careers advice for all that accurately describes opportunities in modern manufacturing leading to an increase in the numbers of talented people choosing a manufacturing career.</p> <p>Publication of quality standards to cover the commissioning and delivery of young people's information, advice and guidance.</p>	<p>Cross-government review of Information, Advice and Guidance for adults, jointly led by DfES and LSC - results to be published before end 2006.</p> <p>Publication of draft standards for consultation - December 2006. Publication of final standards - April 2007</p> <p>DfES aims to provide an evolved adult Information, Advice and Guidance (IAG) infrastructure to deliver a universally available, highly respected and well-used service offering linked information on jobs, qualifications, training and related services. One of the Review's outcomes will be to clarify the role and remit of IAG in the workplace.</p>	<b>The End to End Review of Careers Education and Guidance</b> published in July 2005 alongside the Green Paper "Youth Matters". A key reform of "Youth Matters: Next steps" published in March 2006 encourages schools and colleges to work in partnership with children's trusts to agree new arrangements for delivering IAG, which could include existing good Connexions services. New quality standards will ensure that young people are aware of all the routes open to them, that advice is truly impartial, and that it raises aspirations

		The learndirect telephone service guidance to offer a series of in depth guidance interviews targeted at people returning to work	From January 2006 DfES is working with SSCs and Apprenticeships hotline to provide in-depth personal advice and guidance on learning, work and careers. Over 29,000 people have used the new Learndirect telephone service in its first 5 months, putting the service on track to meet its annual target of 70,000.
		To inform the review of IAG arrangements for adults the learndirect telephone service is trialling in depth guidance interviews targeted at people returning to work or seeking a Level 3 qualification.	The learndirect guidance trial has been extended until March 2008.
2.7	Develop a flexible and transparent system of <b>vocational qualifications</b>	Revitalised system of vocational qualifications	<p>New Engineering and manufacturing diplomas for 14-19 year olds to be developed by SSCs. The Engineering diploma will be available from September 2008 and the Manufacturing diploma from September 2009. Each set of diplomas will be subject to a 3 year pilot period. There will be a national entitlement to all 14 specialised diplomas in every local area from 2015.</p> <p>In February 2005, Government published its White Paper on reform of 14-19 education in England, building on the <b>Tomlinson Report</b> on 14-19 reform of curriculum and qualifications. Review of progress to be held in 2008.</p> <p>Final <b>Leitch Report</b> published in Dec 06 recommended refocusing and empowering SSCs remit to include leading on qualifications reform.</p>
2.8	Help <b>trade unions</b> adapt to meet the challenges of the modern workplace	Ensure the unions remain an integral part of the UK economy by making an effective contribution to constructive employment relations.	<p>Union Modernisation Fund launched in 2005. First call for applications in July 2005. Winners announced March 2006. Interim evaluation report published September 2006.</p> <p>Round Two announced November 06.</p>
2.9	To improve <b>communication between employers and employees.</b>	Increased transparency so that employees are aware of their employers' economic position and prospects.	<p><b>The EU Directive on Information and Consultation (I&amp;C)</b> will be extended to undertakings with more than :-</p> <p>a) 100 employees from April 2007;</p> <p>b) 50 employees from April 2008.</p> <p>The EU Directive (I&amp;C) translated into UK law and came into force in April 2005. Based on a framework agreed by the CBI and TUC. It is not automatic and needs to be requested by 10% of employees. Applies to undertakings of 150+ employees</p>

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<b>3 Encouraging Intelligent Public Procurement</b>			
A subgroup of the Manufacturing Forum has been set up to address this priority area. Members of this subgroup include representatives from: SEEDA, TUC, T&G, CBI, EEF, VT Group, OGC, Small Business Service and HM Treasury			
<b>Overall Outcome:</b> A more open, transparent and predictable public procurement process that encourages innovative solutions and benefits UK manufacturers, including SMEs, through providing increased opportunities to bid for contracts and benefits Government through delivering better goods and services with greater value and efficiency.			
3.1 Increased ability of UK companies to bid successfully for public procurement contracts by implementing the <b>Kelly Report</b> on competition and capacity planning in the Government market place	To achieve a more systematic and strategic approach to managing key markets by:  Providing industry with clear and forward-looking information on public sector demand  Gaining a better understanding of markets  Strategic shaping of markets, where appropriate  Sharing market intelligence	<b>Kelly Report</b> and Action Plan published in December 2003 alongside Pre-Budget Report. In the 1st Kelly Market study, the Kelly principles were applied to a mature market, construction. Compiled initial forward look demand information on 4,000 projects with a total value of £42.5 bn. Findings and recommendations emerging from this were published in May 2005.  In the 2nd Kelly Market study, the Kelly principles were applied to an evolving market; municipal waste management. OGC gathered data on public sector demand from local authorities in England and engaged with waste services suppliers and other key stakeholders. The results were published in May 2006: OGC Kelly Report to the Financial Secretary to the Treasury – Improving Competition and Capacity Planning in the Municipal Waste Market.  In the 3rd Kelly Market study, a retrospective ‘light touch’ review was undertaken by OGC for the Department of Health (DH) on DH’s approach to deliver a new market, Independent Sector	OGC’s Smarter Construction Division has taken the recommendations forward. Activity and Achievements to date include: · Establishment of Public Sector Construction Clients Forum – to provide public sector leadership role and undertake further market analysis. · Publication of 2005-2015: Construction Demand/Capacity Study Full Report: June 2006. · Taking forward Action Plan resulting from the 2005-2015 Study. · Development of the Public Sector Construction Demand Database (to provide real-time forward look public sector demand information to the demand and supply sides). · Development of an econometric model to undertake scenario modelling of major public sector programmes on industry capacity. · Monitors if predicted start dates of projects through the Public Sector Construction Demand Database are actually delivered. Also monitors where low value PFI procurement route is adopted.  In the 2nd Kelly Market study, the Kelly principles were applied to an evolving market, municipal waste management. OGC gathered data on public sector demand from local authorities in England and engaged with waste services suppliers and other key stakeholders. The results were published in May 2006: OGC Kelly Report  In March 2006, the observations from this study were reported to the Department of Health to consider and disseminate.

		<p>Treatment Centres, into NHS healthcare.</p> <p>Guidance to ensure lessons from Kelly Markets can be implemented in other sectors.</p> <p>Other Guidance.</p>	<p>A legacy Guide to Effective Market Shaping (GEMS) has been published on the OGC website. GEMS will assist strategic procurers in applying the approaches and techniques derived from this work to other markets.</p> <p>OGC also published guidance on Market Creation for the Public Sector in 2004; and Early Market Engagement: Principles and Tools of Good Practice in 2006.</p> <p>OGC worked with Intellect and Suffolk County Council to pilot Concept Viability in the waste management market.</p>
<p>3.2 To embed innovation in procurement practices of Government Departments</p>	<p>Innovative practices adopted in the public sector to achieve improved and better value for money solutions</p>	<p>Lord Hollick to report to the Ministerial Committee on Science and Innovation in January 2007.</p> <p>DTI/OGC guidance on how to find and procure innovation to be published in March 2007.</p> <p>Main vehicle to pursuing objectives is through the CSR and Sainsbury Review. Working closely with Lord Sainsbury and HMT with a view to embedding innovation in procurement practices.</p> <p>Under the (mandatory) Small Business Research Initiative (SBRI) Departments, Agencies and Research Councils must procure at least 2.5 per cent of their extra-mural R&amp;D from SMEs. OSI to monitor spend and publish figures annually.</p>	<p>Lord Hollick has been appointed to promote the embedding of innovation in public sector procurement practices, and may report his recommendations to the Cabinet Committee on Science and Innovation in January 2007, following a senior level roundtable discussion convened by Alistair Darling in November 2006, at which Lord Hollick's recommendations were discussed and actions agreed.</p> <p>The NIC work will also be used as a case for 'Approaches to finding and procuring innovative solutions', to be published in March 2007.</p> <p>The Ideas Portal Project Board is overseeing production of the guidance on how to find and procure innovation.</p> <p>A successful procurement roundtable was held in November 2006 which discussed ways of using public procurement to stimulate innovation.</p> <p>Latest SBRI figures published November 2006 show 8.7% of R&amp;D contracts being given to SMEs.</p>

<p>3.3 To create an environment in which small businesses can compete effectively for government contracts on a level playing field.</p>	<p>A more level playing field for competing for public procurement in which the barriers to the participation by small businesses have been reduced</p>	<p>Establish a National Portal for advertising public sector opportunities, aimed mainly at sub-OJEU valued contracts, to help businesses find opportunities in a single place, to go live March 2006.</p> <p>Recommendations to be drawn up on the findings of the OGC/SBS study into the effects of third party accreditation on small businesses by end March 2006 for subsequent consultation and implementation.</p>	<p>In March 2006 the <a href="http://www.supply2.gov.uk">www.supply2.gov.uk</a> national opportunities web portal was launched advertising all smaller value contracts. Around 33,000 suppliers and 3,000 buyers have currently signed up to the portal. Recommendations drawn up, with key stakeholders consulted and an agreed line adopted in September 2006. Resulting from this, the Government is currently exploring the possible introduction of a Publicly Available Standard for certification of suppliers selling to the public sector. The National Portal for advertising public sector opportunities: <a href="http://www.supply2.gov.uk">www.supply2.gov.uk</a> went live in March 2006. Around 33,000 suppliers and 3,000 buyers have currently signed up to the portal.</p> <p>Published OGC/SBS study into the effects of third party accreditation. Recommendations drawn up, with key stakeholders consulted and an</p>
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		<p>OGC/SBS to deliver training, advice and guidance to public procurers and SMEs on the barriers to SMEs tendering for government contracts and the benefits of contracting with SMEs.</p>	<p>agreed line adopted in September 2006. Consequently, the Government is currently exploring the possible introduction of a Publicly Available Standard for certification of suppliers selling to the public sector.</p> <p>Simplified national Pre-Qualification Questionnaire for sub-EU threshold procurements launched in August 2005, reducing time spent providing information for contracts.</p> <p>OGC has delivered training in English regions to help procurers understand the benefits of the appropriate use of SMEs. So far there have been 11 workshops across the regions, with a further 6 planned. 324 procurers have been trained and 382 procurers have attended external conferences and events at which OGC have spoken. SBS is delivering training with the RDAs to SMEs to help raise their procurement skills.</p>
		<p>OGC to investigate the public sector supply chain, and produce guidance on supplier diversity in the supply chain.</p>	<p>SBS are developing an online version of the training delivered to SMEs on tendering for public contracts. A simplified national Pre-Qualification Questionnaire for sub-EU threshold procurements was launched in August 2005, designed to reduce time spent providing information for contracts.</p> <p>Updated OGC and SBS guidance 'Smaller Supplier: Better Value?' to raise awareness in public sector of the value for money that SMEs can offer - published December 2005.</p> <p>OGC has met key suppliers to Government to encourage them to adopt more open supply chain policies in their role as prime contractors.</p> <p>Guidance for procurers on opening up supply chains is on the OGC website.</p>

3.4	To examine the use of <b>social clauses in public procurement</b> to benefit UK manufacturing	A balanced report with an assessment of how social clauses can benefit UK manufacturing, with case studies and checklist guidance	Dissemination of findings from report.	<p>Consultants appointed to <b>undertake research</b> December 2005;</p> <p><b>Steering group</b> to shape the report established January 2006;</p> <p><b>Sounding Board</b> event to test initial findings with key procurement stakeholders February 2006.</p> <p><b>Research Report</b> produced May 2006.</p> <p>A guidance note on the scope to pursue social issues in public purchasing was published by OGC in February 2006.</p>
3.5	To further <b>sustainable development</b> through procurement of goods, services and buildings	To bring about a step change in sustainable public procurement so that the UK is among the leaders in the EU by 2009.	<p>Sustainable Procurement Task Force Action Plan published April 2006 setting out how to:</p> <ul style="list-style-type: none"> <li>-Avoid adverse environmental impacts arising on the government estate and in the supply-chain.</li> <li>-Make more efficient use of public resources.</li> <li>-Stimulate the market to innovate and to produce more cost effective and sustainable options for all purchasers.</li> <li>-Set an example for business and the public and demonstrate that government and the wider public sector is serious about sustainable development.</li> </ul> <p>Government Response to be published first quarter 2007</p>	<p>Sustainable Procurement Task Force established. May 2005</p> <p>Task Force working groups established in areas of:</p> <ol style="list-style-type: none"> <li>1. International Benchmarking</li> <li>2. Data-gathering and Prioritisation</li> <li>3. Working with Suppliers to achieve improvements</li> <li>4. Government Accounting and Budgeting</li> <li>5. Capacity Building/Training/Skills</li> </ol> <p>HMT Transforming Government Procurement paper will be published shortly this will along with Government Sustainable Procurement Action Plan. The action plan will be circulated for committee clearance imminently.</p>
			Implementation timetable for the Government Response Actions to be finalised	
3.6	To maximise the opportunities for UK companies to win business directly and indirectly from Olympics 2012		ODA Public Procurement Policy updated and due to be agreed by the Olympic Board in January 2007. Business "club" will be in place by March 2007 so that companies can hear about opportunities and even form supply chain partnerships to bid for contracts.	<p>'Procurement principles' identifying importance of programme of skills and training to maximise local benefits and securing wider economic dividend published by interim Olympic Delivery Authority September 2005.</p> <p>OGC is undertaking a 2005-2015 Construction Demand/Capacity Study which will examine the industry's ability to deliver major construction projects and programme. Final report due on the 19th May.</p> <p>Representatives from OGC attended the Olympic Business Summit.</p>

First meeting of Strategic Forum for Construction Olympic Task Group, December 2005.

Guidelines for the procurement policy suggest that procurement principles will be used at least by tier 1 suppliers for sub-contracts. Business "club" is being integrated with Business Link so that companies can access business support to help them get fit to supply. This business club will be integrated with Supply2Gov so that companies that fail to win 2012 contracts will be able to access the £150bn that government procures annually from the private sector.

Roadshow to be held in 2007 to promote Construction 2012 commitments.

2012 Construction commitments published that set out best practice for construction of 2012 venues and facilities. Commitments have been signed by the major industry players and are being implemented through ODA's procurement practices.

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<b>4</b>	<b>Encouraging High Value Added Investment</b>			
	Overall Outcome: Improve the investment performance of UK manufacturing industry.			
	Key Performance Indicators: Investment and profitability			
4.1	Maintaining a <b>stable economic environment</b> within which industry can invest with confidence.	Increased investment in modern manufacturing		<p>Since 1998 the UK has had the most stable GDP growth in the G7 and second most stable in the OECD. In terms of inflation, it has been the most stable in the G7 and OECD.</p> <p>Manufacturing investment in 3rd qtr 2006 has fallen by 5.5% over the past year, near to historic lows, and behind the USA and Germany.</p>
4.2	To target <b>Selective Finance for Investment in England</b> where it is really needed.	Encouraging skilled job creation / safeguarding by investing in Assisted Areas. All projects to show above sector average growth in the gross value added per full time employee.	In response to new European Commission guidelines on regional aid, DTI completed a review of the Assisted Areas of the UK. Commission agreed to proposals and new map in force from 1 January 2007 to 31 December 2013.	<p>SFIE and its predecessor RSA have between them provided 7,403 grants worth £2.6 billion creating £21.6bn investment and creating/ safeguarding 437,271 jobs from April 1997 to March 2006 – around 80% in manufacturing.</p> <p>2007 - 2013 - Percentage of UK population covered reduced from 30.9 to 23.9</p>
4.3	To address difficulties faced by <b>SMEs</b> in attracting investment for growth by the provision of <b>risk capital, tax incentives and loan guarantees</b> for start up and growth businesses.	Encouraging employment and innovation in the regions.	<p>Second investment round competition launched in November 2006 with a February 2007 closing date as a result of an additional allocation of £100m announced by the Chancellor in the March 2006 budget.</p> <p>Additional lenders join SFLG, thus widening accessibility of Small Firms Loan Guarantee Scheme (SFLG) to SMEs - Q3 2006</p> <p>First SFLG annual report to Parliament to be published - Q2 2007</p>	<p>EU clearance received mid 2005; A Pathfinder Enterprise Capital Fund round launched August 2005; the second round worth £50m announced November 06 will close in Feb 07, the remaining £50m will be invested in another round late 2007.</p> <p>During 1st round, 45 applications received of which 5 funds were approved: The IQ Capital Fund (£25m), the 21st Century Sustainable Technology Growth Fund (£30m), the Seraphim Capital Fund (£30m), the Amadeus Enterprise Capital Fund (£10m) and the Catapult Growth Fund (£30m).</p> <p>The new form of SFLG reflecting the <b>Graham Review</b> recommendations introduced in December 2005 has simplified eligibility criteria for SMEs, including single maximum lending value (£250,000) and increased turnover limit (£5.6m) while focusing availability on start-up and young businesses up to five years old.</p> <p>Five new lenders joined SFLG during 2006, increasing the total to 25.</p> <p>SFLG is currently used to enable around 3,000 loans per annum with a total value of around £240m.</p>

				<p>Of £2.2 bn raised so far in investment funds through <b>Venture Capital Trusts</b> about £1.4bn has been onwards invested. Manufacturing accounts for 19%. A VCT must invest at least 70% of its fund within 3 years in unquoted companies. Income tax relief 30% from the 2006 tax year.</p> <p>£219m has been raised for manufacturers under <b>Enterprise Investment Schemes (EIS)</b>. Investment limit doubled to £400k from 2006/07.</p>
4.4	<p>UK T&amp;I to promote the UK as a preferred destination for <b>inward investment</b> and to support <b>trade and outward investment</b></p>	<p>To increase high quality inward investment</p> <p>To improve the competitiveness of UK companies through trade and outward investment.</p>	<p>Maintain the UK as the prime location in the EU for foreign direct investment by attracting 1,338 inward investment projects between 2005/08.</p> <p>By 2008, deliver a measurable improvement in the business performance of UKTI's international trade customers with an emphasis on new-to-export firms.</p>	<p>2004/05 - Inward investment projects increased from the previous year by 31% to 1,066 creating 39,000 new jobs (+55%) - 268 projects were in manufacturing (25%).</p> <p>The UK's share of Foreign Direct Investment recorded by UNCTAD world investment report is the best in Europe on a year by year basis.</p> <p>In 2005, 54% of experienced exporters and 31% of new-to-export businesses improved their business performance within two years of receiving UK Trade and Investment support.</p>

	Action for Government and Industry*	Key Outcomes	Key Milestones and Targets	Progress to Achieving Outcomes
<b>5</b>	<b>Promoting Best Practice</b>			
	Overall Outcome: UK manufacturers continuously improve through adoption of global best practice			
	Key Performance Indicators: Output, Skills and Productivity			
<b>5.1</b>	<p>Increase the effectiveness and market penetration of the <b>Manufacturing Advisory Service (MAS)</b>.</p> <p>Encourage adoption of <b>global best practice throughout manufacturing industry</b>.</p>	<p>The Manufacturing Advisory Service will respond to the practical needs of British manufacturers by delivering hands-on advice and assistance from experts in a wide range of manufacturing disciplines that will help firms, particularly SMEs, achieve significant improvements in their productivity and competitiveness.</p> <p>Industry Forums to increase adoption of global best practice (e.g. lean) in key sectors</p>	<p>DTI funding for MAS will rise to £6 million a year by 2007/08 alongside continued RDA match funding. (£34 million in total over 2005-08, split 50:50 between DTI and the RDAs).</p> <p>MAS target of £250 million value added for UK manufacturers over the next 3 years</p>	<p>By Sep 2006 MAS had;</p> <ul style="list-style-type: none"> <li>- handled 105,000 contacts and enquiries</li> <li>- Carried out 17,400 company diagnostics</li> <li>- Created £278 million in value added</li> </ul> <p>- MAS Development Board endorsed proposals for next phase of MAS (2008-11) &amp; now approved by Ministers</p> <p>- The MAS national economic evaluation to be published by end January 2007</p> <p>- RDAs &amp; DTI now working on implementing next phase of MAS.</p> <p>DTI provided £30 million towards the establishment of 14 Industry Forum organisations in key sectors creating £369 million added value.</p>
<b>5.2</b>	<p>Business Links to promote <b>best practice to SMEs</b> in the regions through Business Performance diagnostics and best practice grants</p>	<p>SME manufacturers to have easy access to high quality information and support to help them achieve global best practice</p>	<p>Business Performance Diagnostic target: 5000 diagnostics in 2005-06</p> <p>SIBBP Grant target - 2000 grants in 2005-06</p> <p>* targets are not set regionally, only nationally (this is deliberate and there is no intention to change this at present)</p>	<ul style="list-style-type: none"> <li>- Promotion of best practice to SMEs migrated to Business Links in March 2005.</li> <li>- Approximately 4700 Business Performance Diagnostics (BPD) will be completed in 2004, a 45% increase on last year. Support to Implement Best Practice (SIBBP) Grants are on track to meet the 2005-06 target.</li> <li>- Provisional 2005-06 survey results indicate that nearly 60% of businesses that have used the diagnostic and over 80% of businesses in receipt of a grant expect to make improvements to their productivity and competitiveness as a result of support (ie factoring in "additionality")</li> </ul>
<b>5.3</b>	<p>To improve the impact, efficiency and effectiveness of business support. <b>(Deproliferation)</b></p>	<p>A streamlined, more coherent package of business support that meets the needs of every region. 3000+ programmes to be reduced to about 100.</p>	<p>Central Simplification Team in SBS to be put together by April 06.</p> <ul style="list-style-type: none"> <li>- Cross Whitehall DGs Group to be set up by April 06.</li> <li>- Mapping exercise underway to be completed by April 06.</li> </ul>	<p>DTI's Small Business Service is coordinating a Government-wide initiative to streamline business support at a local, regional and national level. The programme team has developed a toolkit to help Government at all levels to simplify the business support they offer. This is due for testing by central Government departments and RDAs and local authorities are being encouraged to test it.</p>

5.4	Implement the recommendations of the <b>Cox Review</b> on "Creativity in Business".	Fully exploiting the nations' creative skills in UK manufacturing	<ul style="list-style-type: none"> <li>- <b>Design for Business</b> programme extended to LDA and SEEDA by end 2006 and all RDAs, DAs by April 2008. RDAs delivering complementary programmes in a coherent range of support</li> <li>- <b>Creativity &amp; Innovation centres</b> throughout the UK with central hub in London.</li> <li>- Establish the London Creativity and Innovation Centre. Feasibility study due to report by May 2006.</li> </ul>	<p>Designing Demand' (new name for Design for business) to help firms compete by using design to drive innovation, has been successfully launched in the South East, West Midlands and South Yorkshire with the programme due to start in North East and South West by Spring 2007. RDAs are funding the programme. Between 2006 and 2010 over 6500 companies will be able to access support in the strategic use of design and creativity to change the direction of their business.</p> <p>London Centre (now called International Design- Business Exchange) feasibility study complete and project being led by LDA.</p>
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Action for Government and Industry*	Key Outcomes	Key Milestones and Targets	Progress to Achieving Outcomes
<b>6 Improving Understanding of Manufacturing</b>			
A subgroup of the Manufacturing Forum has been set up to address this priority area. Members of this subgroup include representatives from CBI, EEF, SETNET, Young Engineers, Design Council, IMechE, ETB, [Royal Academy of Engineering], [Enterprise Insight], TUC, DTI, [DfES], University of Cambridge and the Manufacturing Institute.			
<b>Overall Outcome:</b> Real changes in stakeholder attitudes towards manufacturing over the next 10 years and an improved, more positive role for UK manufacturing sector.			
<b>Key Performance Indicators:</b> Skills, Results of perception surveys, Occupational segregation figures, Media coverage statistics			
6.1 To raise levels of understanding about the <b>importance of manufacturing</b> and the drivers of successful <b>high value manufacturing</b> .	<p>Increased awareness of the importance of manufacturing and the high value nature of successful manufacturing.</p> <p>A better understanding by government of the necessary conditions for successful manufacturing enabling it to develop government policy in a way that supports industry.</p>	<p>Publish Manufacturing Forum report on Defining High Value Manufacturing by February 2006.</p> <p>Use case studies [for example in National Communications Campaign (Action 6.3)] to raise awareness of the changing nature of manufacturing towards high value and its importance to the UK economy. (Summer 2006)</p>	<p>Report published Jan 06 by the IFM, CBI and DTI that demonstrates (i) importance of manufacturing, (ii) how manufacturing has evolved to a high value sector, (iii) the variety of ways in which manufacturers create value.</p> <p>The "<b>ManuFACTuring</b>" campaign led by the Salford based Manufacturing Institute on behalf of the North West Regional Development Agency, was launched on 14th November 2005, to better inform Government of the facts about the manufacturing sector and dispel the myths.</p>
6.2 To improve perception of manufacturing amongst: <b>Young People</b>	<p>The share of talent, necessary for future competitiveness, including specific work placement schemes for girls is attracted to the sector (see Action 6.4).</p> <p>Every primary and secondary school in the UK has equal access to high quality, high impact, schemes in engineering and technology related education.</p> <p>Careers advisors better informed and stronger advocates of careers in manufacturing.</p> <p>Increased interaction between modern manufacturing companies and schools.</p>	<p>Initiatives to promote manufacturing within <b>Enterprise Week</b> (13-19 November 2006).</p> <p>By January 2007, implement the <b>Technology and Engineering Strategy for Schools (TESS)</b> to provide better coordinated and coherent support for the promotion of engineering through quality assured curriculum enrichment activities in and around schools and delivery of information about the quality of careers in technology and engineering.</p>	<p>Enterprise Insight and Manufacturing Forum established a partnership to create an Ideas at Work Day - 14 November. There were a total of 224 events that had manufacturing/engineering theme. Manufacturing and Engineering organisations (businesses and support organisations led or hosted some 79 events. Several organisations led more than one event throughout the week. Many more manufacturing organisations supported</p> <p>Strategy agreed late November 2005 and TESS project initiated early 2006 following wide consultation with the engineering community and with the science institutions, followed by an implementation plan to deliver the first phase by September 2006. This will be a directory of approved schemes in engineering and technology and a methodology for colleagues in science to customise and build upon. The approval process for schemes will be transparent, draw on existing best practice, be based on a set of criteria agreed by the TESS Steering Group, and any national engineering and technology scheme will be free to apply. There has been no formal assessment of its achievements to date.</p>

Action for Government and Industry*	Key Outcomes	Key Milestones and Targets	Progress to Achieving Outcomes
6.3 To improve perception of manufacturing amongst: <b>General Public</b>	General Public better aware of what modern manufacturing is; and so parents, teachers, careers advisors happy to encourage young people into careers in manufacturing.	Launch an independent National <b>Manufacturing Media Centre</b> . The Media Centre is planned to be launched end 2006.	<p>DTI and DfES have conducted a mapping exercise of STEM (Science, Technology, Engineering and Mathematics) schemes, published 2004. STEM reported back in October 2006 and set out a strategy to increase coherence and cost-effectiveness of STEM initiatives in schools: particularly CPD for teachers and enhancement activities for pupils. The aim of such programmes is to encourage young people to study STEM subjects post-16 and either enter higher or further education in these subjects, or use these skills to support the wider science and engineering base.</p> <p>SETNET has received £12.7m funding (2005-08) from OSI. 12,000 volunteer Science and Engineering Ambassadors (SEAs) work with schools, teachers and pupils to stimulate interest in science, engineering, technology and maths.</p> <p>A strategic review of the <b>Make it in Scotland scheme</b> was published in January 2006. It includes recommendations for ensuring this schools scheme provides a more significant long term influence on career choice and more cost effective delivery.</p> <p>Proposal for a MMC presented in November 2005. Consultation with partners (including CBI and EEF) continuing on how to deliver and manage the campaign. Private sector financing being explored and initial location identified.</p>
6.4 To improve the participation and progression of <b>women</b> in occupations where they are currently under-represented.	Better gender balance at all levels in the UK manufacturing sector, where currently only 25% of the workforce are women. Wide recognition of the business benefits of a diverse workforce and the need to pursue policies and practices that promote equal opportunities, diversity and best practice.	<p>Establish a more coherent approach between the many organisations already active in promoting gender balance in the manufacturing sector.</p> <p>The Manufacturing Media Centre will also highlight career opportunities for women</p>	<p>Under the Manufacturing Forum's Image Subgroup a group of organisations including Equal Opportunities Commission, UKRC, the WISE Campaign, TUC, CBI, DTI, Everywoman and Aurora met in October 2005 to scope out how and in which areas they can work together.</p> <p>The proposal for the Manufacturing Media Centre [under Action 6.3] includes ideas to promote manufacturing to Women including better promoting successful role models.</p>

Action for Government and Industry*	Key Outcomes	Key Milestones and Targets	Progress to Achieving Outcomes
		<p>The prestigious annual <b>Manufacturing Excellence Awards</b> includes a standalone UKRC Award for <b>Diversity and Inclusion</b>. The UK Resource Centre for Women (UKRC) in Science, Engineering and Technology has developed this award and will train the assessors in gender equality in preparation for the assessment boards and in-company visits.</p>	<p>The former Equality Award has been retitled the UKRC Award for Diversity &amp; Inclusion to reflect the wider issues surrounding gender equality. Regrettably, in the two years the award has been running, the number and standard of entries has been very low and no winner has yet been identified. This could be due to a number of reasons but clearly highlights the work still required to embed gender equality in the sector. The UKRC have put new measures and targets in place with the IMechE to have a total of 15 entries in 2007 and a requirement that a suitable winner must be found. To assist this, the IMechE have implemented a new 'mentoring' scheme for all potential entrants for this award.</p>

Action for Government and Industry*	Key Outcomes	Key Milestones and Targets	Progress to Achieving Outcomes
<b>7 Better Regulation</b>			
<b>Overall Outcome:</b> Light-touch regulatory environment & less red tape, while maintaining essential protections for public, consumers and employees			
<b>Key Performance Indicators:</b> Quantitative targets on burden reduction; Cabinet Office better regulation standards; numbers of EU proposals with impact assessments and consultation; EU withdrawals; EU simplification proposals; UK simplification proposals			
7.1 <b>Simplify regulation and reduce administrative burdens</b> on business	<p>Targeted reductions in administrative burdens on business.</p> <p>Simpler and less burdensome EU legislation</p>	<p>18 simplification plans launched by PM from Downing St and published by Depts (incl DTI) on 11 December 2006</p> <p>DTI Simplification plan include plans for delivery of 25% annual AB savings by 2010.</p> <p>Fulfilment of commitments set out in EU simplification plan</p>	<p><b>Progress at Government level:</b></p> <ul style="list-style-type: none"> <li>- The <b>Legislative and Regulatory Reform Act</b> to promote Better Regulation and cut outdated and unnecessary red tape came into force on 8 Jan 2007. It provides an explicit power to facilitate the simplification agenda.</li> </ul> <p><b>Progress at DTI level:</b></p> <ul style="list-style-type: none"> <li>- The DTI Plan sets out how the Department will deliver a 25% reduction in administrative burdens. Business input into DTI simplification plan through DTI website and direct contacts with the Department.</li> </ul> <p><b>Progress at EU level:</b></p> <ul style="list-style-type: none"> <li>- German Presidency agreed to make better regulation a priority. The Commission published a series of papers and made a string of announcements on 14 November 2006 on better regulation including: <ul style="list-style-type: none"> <li>' - A strategy to reduce the administrative burden of existing regulation</li> <li>- 43 new initiatives added to its rolling programme to simplify existing regulations</li> <li>- A target date of 2008 for the finalisation of a programme to reduce the volume of the existing body of EU legislation – the Community acquis - through codification</li> <li>- Plans to withdraw in 2007 a further 10 proposals pending before the legislature, and</li> <li>- The creation of an independent Impact Assessment Board (IAB).</li> </ul> </li> </ul>

Action for Government and Industry*	Key Outcomes	Key Milestones and Targets	Progress to Achieving Outcomes
<p>7.2 Ministerial oversight to ensure new regulations conform to better policy making principles.</p> <p>Extend better policy making principles to existing regulation.</p>	<p>More light-touch regulatory environment with less red tape</p>	<p>Monthly meetings of the <b>Cabinet Office sub Committee on Regulatory Accountability RB (PRA)</b> to assess proposals.</p> <p>The <b>Davidson Review</b> announced in the Chancellor's Pre-Budget Report in Dec 2005 will look at how the UK implements EU regulation with a view to identifying areas where simplification and deregulation would be appropriate.</p>	<p>RB(PRA) reviews all significant proposals.</p> <p>All legislative proposals require robust impact assessments and consultation with stakeholders in line with Cabinet Office standards</p> <p>Davidson Review report published 28 November 2006. Recommends specific simplification proposals in ten legislative areas including consumer sales, financial services, transport, food hygiene and waste legislation - creating an estimated £670 million saving to business and consumers. It also makes a number of generic recommendations designed to spread best practice in the implementation of European legislation across departments and regulators.</p> <p>- DG objectives to include specific commitment to better regulation finalised in September 2006.</p>
	<p>Providing business and stakeholders with greater clarity and awareness of relevant regulatory changes by extending <b>Common Commencement Dates (CCDs)</b> of 6 April and 1 October each year to other areas beyond employment.</p>	<p>The Government has commissioned the Rogers Review of Local Authority Regulatory Priorities with a review to examining more than 60 policy areas that local authorities' regulatory services currently enforce and to recommend by Spring 2007 around 5 high-risk national priorities.</p> <p>Agreement on use of administrative burdens methodology to quantify EU administrative burdens and set targets for quantitative reductions.</p> <p>DTI to extend CCDs to all policy areas in 2006.</p>	<p>- Member states agree Forward programme on better regulation; - Commission announced in Sept 2005 that it would withdraw 68 of 183 new proposals for EU laws pending at the European Parliament and Council.</p> <p>In October 2005 the Commission presented a 3 year programme to simplify over 1,400 legal acts("acquis") adopted since 1957.</p> <p>Agreement on impact assessment methodology means all EU policy-making must be informed by robust impact assessment.</p> <p>Agreement on methodology for measuring administrative burdens. - New Commission guidelines on impact assessments - all key EU proposals required to have impact assessment with strong analysis of effects on competitiveness.</p> <p>In early 2005, CCDs for new and amended domestic legislation were extended from employment law to include health and safety, consumer and corporate law and intellectual property law.</p>

Action for Government and Industry*	Key Outcomes	Key Milestones and Targets	Progress to Achieving Outcomes
<p>7.3 To facilitate sector regulatory groups to inform and influence policy along the lines of <b>VIPER (The Vehicle Industry Policy and European Regulation)</b> and consider scope for EU level groups.</p>	<p>UK groups continue to provide valuable forum for Government and business to discuss upcoming regulatory developments.</p>	<p>Construct feeding in of sectoral evidence based processes to appropriate EU and domestic policy teams.</p>	<p>VIPER is a Whitehall and UK industry stakeholder network of experts that provides a joined up approach to the Government's policy and regulation formulation in the UK and the EU;</p> <p>* In 2004, within the DTI, the Sector Regulatory Fora approach was extended to Chemicals [Chemicals Regulatory Forum - CRF], Construction [Construction Industry Group on Policy and Regulation - CIPER] and BIGRAG in the Bioscience sector. DEFRA also established a group covering the Food &amp; Drink sector.</p> <p>* The Electronics Innovation and Growth Team Report in 2004 recommended the establishment of a similar group and the first meeting of the Electronics Regulatory Group [ERG] took place in October 2005.</p> <p>* EU level groups have also been set up to cover the Automotive sector (Cars 21) and the Energy Intensive Industries.</p>

Action for Government and Industry*	Key Outcomes	Key Milestones and Targets	Progress to Achieving Outcomes
<b>8 Modern Infrastructure</b>			
<b>Overall Outcome:</b> An efficient energy, transport, communications and planning infrastructure that underpins business competitiveness.			
8.1 To ensure reliability of energy supplies through open and competitive markets.	Clean and affordable energy for the long term to sustain economic growth and improve productivity.	12 week consultation ended April 2006. During that time DTI sought views on the measures needed by 2020 and beyond to tackle climate change, and ensure secure and affordable energy supplies in the UK.	<p>The <b>Energy Review</b>: "The Energy Challenge" was released on 11 July 2006.</p> <p>The two major long-term challenges in UK energy policy are to tackle climate change by reducing carbon dioxide emissions and the need to deliver secure, clean energy at affordable prices, at a time when the UK is moving to increase dependence on imported energy.</p> <p>A package of proposals was announced which included nuclear policy, energy efficiency, reducing carbon emissions, gas security and supply, billing and metering to help address these challenges and work on them is now underway.</p>
8.2 Develop a more efficient transport infrastructure	Providing the right transport infrastructure to support manufacturing success through productivity improvement gained by logistics efficiencies	<p><b>Eddington Report on</b> 'Transport's role in sustaining UK's Productivity and Competitiveness: 'The Case for Action' due end 2006.</p> <p><b>Ports Policy Review</b> discussion document published - consultation now closed. HoC Transport Select Committee due to report on ports in early Spring 2007. Review due to report later in 2007.</p>	<p>Total public spending on 10 year transport plan now £37 billion over next 3 years and set to grow by 2.25% annually to 2015.</p> <p><b>Eddington Report</b> published Dec 2006 sets out clear steps to ensure that investment in infrastructure in the UK rises to the challenges faced in five key recommendations to Government. The DfT will report on progress in taking forward the measures, and its further consideration of the new evidence and analysis, presented by the Eddington Transport Study, in the course of 2007. Eddington Review has been welcomed by CBI and EEF.</p> <p><b>DfT Transport Innovation Fund</b> - Money from the TIF will become available from 2008/09 to support schemes aimed at tackling congestion and raising productivity. The Fund is forecast to grow from £290 million in 2008/09 to over £2 billion by 2014/15.</p> <p>The Technology Strategy Board have launched a pilot Innovation Platform on Intelligent Transport Systems and Services backed with £10 million of funding.</p>

	<b>Action for Government and Industry*</b>	<b>Key Outcomes</b>	<b>Key Milestones and Targets</b>	<b>Progress to Achieving Outcomes</b>
8.3	Deliver a more efficient planning system	More efficient and responsive planning process to meet the demands of a rapidly evolving economy.	<b>Barker Review of Land Use Planning</b> due to report late 2006.	The <b>Barker Report (2)</b> highlights the vital role planning needs to play to deliver sustainable economic development in the context of the pressures of a growing population, rising incomes, changing demographics, climate change and the competitive challenges of rapid changes in the global economy. The report recommends improving the responsiveness, efficiency and transparency of the planning system so that it can fulfil its potential.
8.4	Create a business environment to promote greater use of IT to improve business performance	Maximise business use of IT and the Internet to increase competitiveness and generate growth		UK ranked as 10th in global ranking by the World Economic Forum's Global Information Technology Report, best of Europe's large economies.

\*including RDA and DA and other agencies/organisations where appropriate