



BVRLA

Manifesto 2019

**Delivering
sustainable road
transport**



The fleet industry is the lifeblood feeding the vital organs of the UK economy and society. It is the trucks taking parts to our factories and stock to our supermarkets; the vans delivering parcels to our SMEs and plumbers to our houses; and the cars transporting salesmen to their customers and holidaymakers to their destinations.

Fleet operators don't just enable economic activity, they make a massive contribution to the UK automotive sector through the millions of vehicles they purchase and their activity in dealerships, garages and the used vehicle market.

New technologies have brought a revolution in the way these vehicles are powered, used and managed. The challenge for policymakers is how they embrace this innovation to provide positive outcomes for the UK – cleaner, safer and less congested roads, and a strong, competitive economy.

As the owners and operators of more than five million cars, vans and trucks, BVRLA members are already delivering these solutions. They spend more than £30 billion upgrading their fleets each year and are responsible for 83% of vehicles that are built and sold in the UK.

Our sector has embraced the Road to Zero and registers around a third of all new electric cars. As well as renting or leasing Clean Air Zone-compliant vans and trucks to businesses across the UK, it is encouraging city-dwellers to abandon vehicle ownership by embracing car sharing and making greater use of public transport and active travel.

BVRLA members have a unique perspective of the issues facing road transport in the UK and have the purchasing power to tackle them. They have a long track record of working constructively with policymakers in driving down emissions, improving road safety and making road transport more cost efficient and accessible. This manifesto puts forward some ideas for future collaboration.

Our plan of action for the Government's first 100 days:

1. Extend the Plug-In Grant for pure electric vehicles until 2025. As the electric vehicle market makes significant progress towards cost parity, funding can be reduced and gradually phased out.
2. Introduce a revised grant to reboot purchases of plug-in hybrid cars and reverse the dramatic falls in sales. This subsidy should taper off as the market improves.
3. Target additional funding for the fleet sector to help with the costs of installing EV charging infrastructure.
4. Adjust CO2 related taxes to create a more stable environment for company cars, incentivising large fleet buyers to invest in the lowest emitting vehicles.
5. Extend Future Mobility Zone funding for another year.
6. Create a Mobility Innovation Fund which would be used to help cash and resource-strapped local authorities to work with local transport operators and residents to develop new, integrated mobility services.
7. Establish a new, ring-fenced 'Targeted Clean Freight Scrappage Fund' to help commercial vehicle operators upgrade their vans and trucks.

ACCELERATE THE ROAD TO ZERO

Work with the UK fleet sector to speed-up the adoption of zero-emission road transport.

WHAT OUR INDUSTRY OFFERS

- **A key market for electric vehicles.** BVRLA members own and operate a combined fleet of more than 70,000 EVs and are responsible for around a third of total EV registrations.
- **Big EV ambitions.** Our sector has pledged to increase its plug-in fleet to 720,000 by 2025, by when it will be registering 300,000 per year.
- **'A try before you buy' opportunity.** Vehicle rental and car clubs enable consumers to experience what it is like to use an EV.
- **Affordable, flexible access to EVs.** BVRLA members provide flexible, cost-effective use of EVs, by the minute, hour, day, week, month or year.
- **Electric vehicle advice and guidance.** BVRLA members provide thousands of businesses and individuals with advice and guidance on how to embrace zero emission road transport.
- **Source of affordable EVs.** Rental and leasing companies have a regular fleet replacement cycle, meaning that they are a key supplier of one to four year old EVs to the used car market.

HOW POLICYMAKERS CAN HELP

- **Maintain the Plug-In Grant until 2025.** This will reduce the up-front price differential between ICE vehicles and EVs
- **Introduce a new, improved Plug-in-Hybrid Grant.** Incentivise the adoption of a new generation of hybrids that have a much improved zero-emission range.
- **A long-term Company Car Tax roadmap.** Help businesses make long-term fleet investments by providing a five-year tax perspective.
- **Raise the threshold for the VED surcharge.** The current £40,000 threshold is reducing demand for some of the most popular EVs.
- **Provide financial support for large-scale EV fleet charging.** Fleets need help funding large EV deployments that require local grid infrastructure upgrades.
- **Review Capital Allowance thresholds.** Adjusting capital allowance rates in line with the new WLTP-based company car tax will ensure fairness and consistency.

DRIVE TRANSPORT BEHAVIOUR CHANGE

Embrace shared transport in order to cut congestion and promote more sustainable travel options.

WHAT OUR INDUSTRY OFFERS

- **Reduced parking demand.** Car clubs provide access to cars and help reduce car ownership. Each car club vehicle is responsible for up to 13 fewer cars on the road.
- **Less congestion.** Car club members reduce their mileage when they join.
- **Greater use of public transport and active travel.** Car club and car rental act as a catalyst for people making greater use of more sustainable transport.
- **Improving access and social inclusion.** Car rental and car clubs can help tackle social exclusion and inequality by providing access to vehicles for people who cannot afford to own them.
- **At the forefront of future mobility innovation.** BVRLA members operate the newest fleet on the road and are early adopters of electric, connected and autonomous technology.

HOW POLICYMAKERS CAN HELP

- **More support for Mobility Credits.** Increased Future Mobility Zone funding for 2020-21 will allow for expanded trials of mobility credit scrappage schemes that encourage city dwellers to give up their older, more polluting cars.
- **Establish a Mobility Innovation Fund.** This would be used to help cash and resource-strapped local authorities to work with local transport operators and residents to develop new, integrated mobility services.
- **Promote flexible car modes.** Require local authorities to promote flexible car options to households.
- **Dedicated parking for flexible car use.** Government should work with local authorities to set targets for a percentage of parking spaces that are dedicated to flexible forms of car use.
- **Local transport spending.** Provide five-year forward certainty over local authority transport budgets.

TACKLING AIR QUALITY AND EMISSIONS TODAY

Support fleets and drivers in upgrading to low emission road transport.

WHAT OUR INDUSTRY OFFERS

- **Clean Air Zone (CAZ) compliance.** The vehicle leasing, rental and car club sectors provide a vital source of CAZ-compliant vehicles. Their total car fleet is already 96% CAZ compliant, offering a more affordable option for those seeking to upgrade vehicles in a short timescale.
- **Lower emissions.** The average leased, rental or car club car emits much less CO₂ than the average privately owned vehicle (24.5%, 8.8% and 35.7% respectively).
- **Younger, greener freight.** The average rental or leased HGV is nearly half as old as the UK average (3.3 years compared to 7.5 years). Newer vehicles generally meet lower vehicle emission requirements.
- **Cleaner secondhand vehicles.** In 2017 the rental and leasing market supplied 18% of the vehicles entering the UK's used market.

HOW POLICYMAKERS CAN HELP

- **Targeted clean freight scrappage fund.** Establish a new, ring-fenced fund to support commercial vehicle operators in upgrading their vans and trucks.
- **Grey fleet.** Set national targets aimed at reducing the use of older and more polluting 'Grey Fleet' cars (a vehicle which is employee owned and used for work related journeys) in both the public and private sectors.
- **Road-user charging.** Develop a national road-user charging policy framework that supports cities and regions that want to implement local charging schemes.
- **Mobility Credits.** Provide additional funding and support for the roll-out of Mobility Credit-based scrappage schemes in CAZ areas to help mitigate the financial impact on local residents and businesses.

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