VEHICLE TECHNOLOGY AND AVIATION BILL – ADDISON LEE SUBMISSION TO THE PUBLIC BILL COMMITTEE

1. INTRODUCTION

1.1 Addison Lee is Europe’s largest private hire car company. We use cutting-edge technology to dispatch 5,000 drivers to more than 10 million passenger journeys per year. Operating in London for more than 40 years, we are a major employer in the capital and the biggest private sector employer in the London Borough of Camden.

1.2 The Private Hire Vehicle (PHV) sector is a key component of the transport infrastructure of London, one that works alongside the black cab industry and public transport to keep London moving. London private hire companies employ more than 160,000 people, carry out 210,000 journeys a day, and add £2.5bn every year to London’s economy.

2. SUMMARY

2.1 As a responsible operator with a keen awareness of the issue of pollution and climate change, we strongly welcome recent efforts to improve air quality across the country. In London, we fully support the establishment of an Ultra-Low Emission Zone (ULEZ) and on a national scale we welcome the Government’s target of 1.6 million low emission vehicles by 2020.

2.2 For some time, UK Governments of all parties have sought to encourage a transition to electric vehicles (EV), or ‘ultra-low emission vehicles’ (ULEVs). The proposed powers outlined in the Vehicle Technology and Aviation Bill are a welcome and important step forward that will ensure technical interoperability and easy access between charge point networks, improve the customer experience at charging points and increase provision of the network at key strategic locations such as large fuel retailers and motorway service stations.

2.3 These proposed measures sit alongside the Government’s recent commitment to invest £290 million in low emission vehicles and will assist in delivering the ambitious target for nearly all cars and vans to be zero emission by 2050.

2.4 On a national scale, air pollution is linked to the early deaths of around 40,000 people a year – and causes widespread problems such as heart and lung diseases and asthma. A report by the Royal College of Physicians estimated that the adverse impact on public health caused by pollution costs the UK economy more than £20bn per year, which is just under 16% of the current annual NHS budget. An ambitious plan is therefore needed to support ULEVs so that we can immediately address this public health crisis and achieve the Government’s 2050 target.

2.4 Given the scale of the challenge, Addison Lee believes that while a step in the right direction the Bill lacks ambition and more needs to be done to ensure we are on course for a zero-emission future. This includes a more detailed plan from government that goes beyond current spending commitments and extends powers to mandate the provision of charging points.

3. ADDISON LEE’S SHIFT TO ULEV

3.1 Addison Lee has the largest fleet of environmentally friendly vehicles in London and our cars are replaced every three years. As an environmentally responsible PH Operator, we welcome the establishment of an Ultra-Low Emission Zone (ULEZ) in London that will come fully into force for the PH sector in 2020.
3.2 When the ULEZ fully is established, new vehicles licensed for the first time as a PHV must meet approved zero emission capable (ZEC) requirements. At this juncture, we are at a crucial moment; and recognise the need to migrate our commercial fleets to cleaner vehicles. We are concerned, however, that the current plan for the rapid charging infrastructure in London impedes the transition of our fleet to plug-in hybrids (PiH) or pure EVs in time for the 2020 deadline.

3.3 In London, TfL’s current plans for 150 rapid charging points to be installed by 2018 and 300 by 2020 are wholly insufficient for supporting the requirements of the taxi and PHV sectors. Our research shows that for a comprehensive network to be achieved approximately 4,500 rapid charging points are required to support the taxi and PH industry in London. Additionally, another 1,500 points are required to support Light Good Vehicles and Private Cars, with a further substantial trickle charging network across the outer suburbs and the Home Counties, where many drivers live.

3.4 Similarly, the Energy Savings Trust has recently calculated London needs a significantly higher amount of charging points than currently planned. Their research report is due to be published imminently.

3.5 The lack of charging points is also compounded by widespread uncertainty over pricing with industry sources suggesting that the price of a unit of electricity at charging points will be double the cost of domestic supply, providing little incentive for a move to EVs.

3.6 This is coupled with the fact that transport authorities have no regulatory power to mandate curb-side space for EV charging points.

3.7 Large fleet owners such as Addison Lee and the wider industry cannot begin the process of migrating to EV and PiH technology until there is a comprehensive charging network in place and at least some of these uncertainties are addressed. Reaching the full target of 4,500 charge points will take time, but we are clear that by 2020 an infrastructure of a few thousand in London, rather than 300, must be achieved.

3.8 Creating a network of this scale not only requires investment, it also needs a collaborative and joined-up approach from all interested stakeholders, including local government, town planners, transport authorities, energy companies, fleet operators, business, and the public. We are fully committed to participating and lending out knowledge and experience to achieving solutions.

4. PLANNING PERMISSION

4.1 Part 2 of the Vehicle Technology and Aviation Bill exclusively relates to the provision of electric vehicle charging infrastructure, which the Government states “will be required to support mass market uptake of electric vehicles”. We are fully supportive of action being taken through secondary legislation to expand the number of available charge points and ensure improvements to consumer experience of using and accessing charge points.

4.2 It is widely accepted that a comprehensive charging infrastructure must be the first step in encouraging a wider transition to EVs.

4.3 Despite the Government's best efforts, there remains significant barriers to a mass rollout of EV charging points. This includes funding, maintenance, connectivity and demand, but also the planning regime which governs their on-street installation and of course competing requirements for kerb side space (e.g. disability spaces, resident bays, motorcycle bays, etc.).
4.4 In 2011, an amendment to the Town and Country Planning Order provided local authorities with the powers to install on-street electric vehicle charging points as permitted development. However, this change in legislation has not resulted in the required increase in the number of available charge points. We believe this is partly due to financial constraints and a cultural issue at some local authorities who, although in support of action to improve air quality, do not see installing a charging infrastructure as their responsibility.

4.5 The mandatory provision of EV charging at important sites such as petrol stations and motorway service stations is an important provision in the Bill. However, in terms of planning powers, Addison Lee believes this is a missed opportunity to take bolder action to ensure a sufficiently large charging network that supports the uptake of electric vehicles across the UK. Additional areas the Bill may wish to consider include delegating greater powers to transport authorities, such as TfL, so they are able to place a requirement on local authorities to approve applications for rapid charge points, unless there is a clear safety issue or other serious objections.

5. FUNDING

5.1 Going forward, an EV charging infrastructure that is fit for purpose will require a mixture of public and private investment. Public investment plays an integral role in providing the necessary impetus for the subsequent private uptake of EV vehicles and further private involvement in the wider network.

5.2 As per the Impact Assessment, a triple output 50kw DC rapid charge point, which can charge an EV to 80% in 20-30 minutes costs approximately £23,000 per unit. This is contrary to some industry sources suggesting that the cost of an installed unit could be as much as much as £50,000 per unit when all costs are considered. Therefore, per our own calculations a London EV charging network of 6,000 charge points will cost between £138-£300 million when additional costs are considered.

5.3 At Autumn Statement 2016, the Chancellor announced £80m of additional funding for national charging infrastructure that covered the period 2017 to 2020. The Government’s commitment to funding EV infrastructure is welcome and will play an important part in encouraging uptake of ULEVs. However, given the scale of investment that is needed, the obligation cannot rest solely on the private sector. There must be further assurances and long-term spending commitments from Government if we are to increase the uptake of EVs in the short term and achieve the 2050 target for all cars and vans to be zero emission vehicles.

5.4 As noted above, air pollution costs the UK economy more than £20 billion a year. Therefore, ensuring investment from both the private and public sector so that a fully comprehensive charging network is in place will have a significant impact in lowering the cost to the NHS and boosting the UK economy. Given the scale of the air pollution crisis and the ambitious targets which have already been set, we strongly believe that a greater public funding commitment that extends well beyond 2020 is necessary.

6. CONCLUSION

6.1 The lack of a comprehensive charging network is a fundamental barrier to an increase in the use of EV. Until a comprehensive charging network exists, consumers and businesses like Addison Lee are unlikely to purchase EVs on a scale that is required to make a dent in the levels of air pollution across our cities.

6.2 The proposed powers outlined in the Vehicle Technology and Aviation Bill are a step in the right direction. However, until there is a more detailed financing plan for an adequate and
comprehensive EV charging network and extended powers to mandate the provision of these charging points, we will not achieve a mass market uptake of electric vehicles in the UK.

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