

## REGULATORY CHANGES TO SUPPORT THE TAKE-UP OF ALTERNATIVELY-FUELLED LIGHT COMMERCIAL VEHICLES

Government response

**Moving Britain Ahead** 

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#### Contents

Introduction	4
1. Consultation response	6
Proposal	6
2. Next steps	11
3. Annex: List of respondents	12

### Introduction

- 1 The Government has a manifesto commitment to ensure that almost every car and van is a zero emission vehicle by 2050. Transport accounts for around a quarter of UK greenhouse gas emissions (GHG). The uptake of low emission vehicles is essential in meeting the 80% reduction in GHG emissions set out in The Climate Change Act 2008. In addition, the need to address the public health challenge of nitrogen dioxide emissions, as stipulated by the Air Quality Regulations 2010 (and equivalent legislation in Scotland, Wales and Northern Ireland) necessitates switching from conventionally-fuelled vehicles to low emission alternatives.
- 2 The Office for Low Emission Vehicles (OLEV) ran a UK-wide public consultation between 10th August and 18th October 2017. The purpose was to receive feedback on proposals to help improve the uptake of low emission light commercial vehicles (LCVs including vans). It also included a proposal to correct a historical anomaly to remove the exemption that electric vans had from MOT testing.
- 3 The measures that were outlined in OLEV's consultation document are intended to address a key barrier facing the uptake of low emission LCVs. Alternatively-fuelled vehicles have an increased kerb weight compared with their conventionally fuelled counterparts. For road safety reasons, a number of regulations apply to vehicles with a maximum authorised mass above 3,500kg. Therefore, operators wanting to remain below this regulatory threshold and operate an alternatively-fuelled van suffer a constrained payload. We are keen to ensure that companies are not penalised by moving to cleaner transport alternatives.
- 4 The consultation proposed that secondary legislative powers be introduced to allow category B licence holders to operate alternatively-fuelled vehicles (up to a weight of 4,250kg) whilst minimising regulatory implications of C1 licencing. It also proposed that measures be put in place to ensure electric vehicles are roadworthy, in preparation for their expected increased uptake in the UK. The proposed measures aim to support growth in the low emission LCV market and help to ensure operators do not suffer a regulatory penalty for switching to low emission vehicles. This document sets out the final government decision on the licence derogation proposals. The decisions on the linked proposals relating to operator licencing requirements and MOT testing for electric vans have been set out in the document available here:

https://www.gov.uk/government/consultations/goods-vehicle-operator-licensing-

exemptions.

- 5 A total of 36 responses were received to this consultation. This included 26 stakeholders representing operators, trade bodies and public bodies. The Government is grateful for the thoughtful responses received to this consultation, and values the evidence and opinions submitted. A full list of responding organisations can be found in the Annex.
- 6 All responses to this public consultation have been recorded and analysed. As well as considering the full written response to each question, we have drawn out the emergent common themes in order to obtain an indication of the most frequently expressed points of view. The responses to the consultation have been analysed statistically on this basis, and this report comprises a summary of the responses received.
- 7 The proposal to allow category B licence holders to operate N2 alternativelyfuelled vans, as described above, and the proposed powers to implement this change, were under consultation and are considered. The Government's response is given, and information set out on the next steps.

### 1. Consultation response

Proposal: To increase the weight limit of alternativelyfuelled vans that can be driven on a category B driving licence in the United Kingdom

#### Proposed power:

1. We proposed to seek a temporary derogation from the European Union third Driving Licence Directive (2006/126/EC) to allow alternatively-fuelled vehicles up to a maximum authorised mass of 4,250kg to be driven on a category B driving licence within the United Kingdom.

#### (a) Responses to questions:

#### Q1. What are the benefits (e.g. economic, environmental) that the proposed policy would bring?

- 8 Of the 26 responses received to question one, nearly all respondents specified advantages that the proposed policy would bring. A total of 25 respondents (92.3%) specified at least advantage, including economic and environmental reasons.
- 9 Of those specifying an advantage, 20 (80%) offered environmental reasons. The most common environmental advantages cited were:
  - Reduced tailpipe emissions and improved air quality
  - Increased uptake of low emission LCVs
  - Reduced noise pollution
- 10 Furthermore, of those specifying an advantage, 16 (64%) offered economic reasons. The most common economic advantages cited were:
  - Achieving payload parity with conventional LCVs ensures there is no commercial penalty to low emission variants

- Wider economic benefits to companies involved in the manufacture, production and servicing of alternatively-fuelled vans.
- 11 Only one respondent (7.7%) stated that there would be no advantages to the proposed policy.

#### Q2. What are the disadvantages (e.g. economic, environmental) that the proposed policy would bring?

- 12 Of the 27 responses received to question two, 14 respondents (51.9%) stated there would no disadvantages to the proposed policy.
- 13 A total of 11 (40.7%) respondents specified at least one disadvantage to the proposed policy.
- 14 Of those respondents specifying a disadvantage, 4 (44%) believed the fact the proposed policy is subject to a trial period may reduce uptake.
- 15 Of those respondents specifying a disadvantage, 3 (25%) stated an environmental disadvantage the proposed policy would bring. Environmental reasons cited included:
  - Higher cradle-to-grave emissions
  - Increased particle matter due to increased strain on tyres and wheels from the increased weight
- 16 Of those respondents specifying a disadvantage, 2 (16%) stated there would be safety concerns with the proposed policy.
- 17 Furthermore, two respondents (7.4%) did not believe the proposed policy was necessary.

Q3. What are the safety implication of the proposed policy, including drivers of alternatively-fuelled vehicles at 4,250kg no longer being within the scope for holding the Driver Certificate of Professional Competence (DCPC)?

18 Of the 25 responses received to question three, the vast majority of respondents did not believe there would be safety implications of the proposed policy. A total of 12 respondents (48%) did not believe there would be any safety implications, and a further 9 (36%) respondents stated that there would be no safety implications if current standards and vehicle dimensions were maintained.

19 A total of 3 respondents (12%) stated that the proposed policy would have safety implications, with 2 (8%) suggesting drivers should still undergo safety exams and 1 (4%) respondent stated the safety risk of the increased vehicle weight meant the DCPC should be retained.

# Q4. What are the implications (e.g. economic, environmental and safety) on vehicles meeting the proposed derogation being excluded from towing a trailer (of any weight or size?)

- 20 Of the 18 responses received to question four, the majority of respondents agreed that vehicles making use of the proposed derogation should be excluded from towing a trailer. A total of 13 (72.2%) respondents agreed with the proposal, a further respondent felt it should be subject to review.
- 21 A total of 4 (27.8%) respondents disagreed, believing that vehicles making use of the proposed derogation should be allowed to tow a trailer.
- 22 Common reasons cited for disagreement with the proposed policy were:
  - It may limit uptake or flexibility
  - Vehicles should be able to tow a trailer if both combined meet the maximum allowed weight (4,250kg)

#### Q5. What percentage of operators will take advantage of the extra weight allowances for vehicles with alternative fuel technologies?

- 23 Of the 19 responses received to question 5, a majority of respondents stated that the proposed policy would incentivise uptake of low emission vehicles. However, there was disagreement over the amount of operators that would take advantage.
- A total of 4 (21%) respondents indicated that uptake would be wide-spread. A total of 2 (10.5%) respondents stated uptake amongst operators would be in the region of 30-50%. A total of 6 (31.6%) respondents stated they believed that uptake would be low.
- 25 The most common reasons cited for low uptake were:
  - The proposed policy being subject to a trial period
  - Lack of infrastructure to charge and refuel alternatively fuelled vehicles
  - Vehicles used in the leisure industry are excluded from the derogation

- A total of 5 (26.3%) respondents were not sure what uptake would be and depended on a number of factors. Furthermore, 2 (10.5%) respondents were not sure what uptake would be but believed the proposed policy would help.
- 27 Factors cited that could influence uptake included:
  - Cost of vehicles
  - Targeted regulation
  - If the proposed policy ensured technological parity between electric and gas LCVs



#### (b) Summary:

- 28 Based on responses to the consultation questions, a clear majority agreed with the proposal to allow category B licence holders to operate an alternatively-fuelled LCV up to a maximum weight of 4,250kg.
- 29 Respondents stated there would be a number of environmental and commercial

benefits. Proposed disadvantages with the proposed policy were rare, with the majority indicating there would be no disadvantages and disagreed that safety standards would be compromised.

30 Anticipated impact on low emission LCV uptake was mixed amongst respondents, but almost all agreed that removing the current 'payload penalty' barrier would be a positive step forward. A number of leading operators have indicated that they would take advantage of the proposed derogation should it be granted. In addition, manufacturers of alternatively fuelled LCVs would be keen to bring products to the UK, helping to stimulate the market.

#### (c) Government response:

- 31 Due to the positive response to this consultation and interest amongst operators, the Government intends to proceed with implementing this policy. It is intended this approach will increase access to cleaner alternatively-fuelled vehicles for operators, without incurring a commercial penalty through constrained payload. This step will help us meet our GHG emissions and air quality targets as set out in the Climate Change Act 2008 and Air Quality Regulations 2010.
- 32 The Government appreciates the responses submitted from those working in the leisure industry concerning alternatively-fuelled motor caravans. Presently, the European Commission's derogation applies to the transportation of goods only.
- 33 EU Member States, including Germany and France have secured a derogation for electric vehicles up to a weight limit of 4,250kg. The European Commission offers this derogation subject to a five-year trial period. We are keen to support the LCV sector in increasing its access to cleaner alternatives. The situation will be monitored, including the derogations impact on air quality, as well as any positive developments in vehicle technologies, including lighter alternativelyfuelled powertrains.

### 2. Next steps

- 1 Based on the positive consultation response, the Government will seek a temporary derogation from the European Union third Driving Licence Directive (2006/126/EC) to allow category B licence holders to operate vehicles mentioned above up to a maximum authorised mass of 4,250kg.
- 2 The Department for Transport will continue to work with stakeholders during this process.

### 3. Annex: List of respondents

- Abel & Cole
- ADBA
- Autogas Ltd
- BD Auto
- Caravan and Motorhome Club
- DHL
- FTA
- Gas Alliance Group
- Gasrec Ltd
- Hounslow Highways
- lveco
- John Lewis Partnerships
- Leeds City Council
- LEVC
- National Caravan Council
- NFDA
- Ocado
- Road Haulage Association
- Sainsbury's
- UPS
- Western Power Distribution