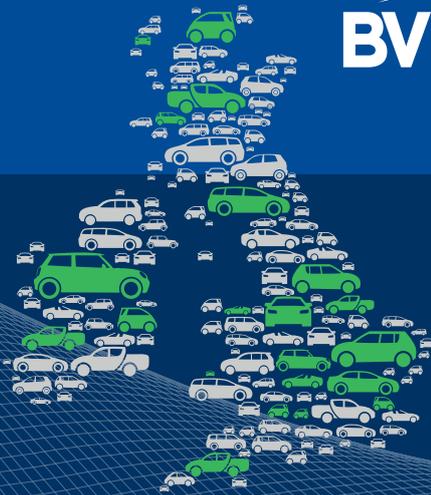


Fleet Air Quality

Factsheet



A fleet-friendly air quality policy

Supporting businesses and individuals through a managed transition

One of the biggest challenges in implementing a Clean Air Zone is to reduce disruption for the businesses that drive the local economy. Particular attention should be given to the small and medium businesses that can least afford upgrading to CAZ-compliant vehicles. We believe that a successful CAZ strategy should:

- Include a 'sunset clause' and phased charging for small and medium-sized businesses that gives smaller and medium sized businesses more time to become CAZ compliant
- Provide additional flexibility and support for businesses that face particular challenges in upgrading their fleet. Examples of support could include retrofitting grants or van permits
- Ensure that any Clean Air Zone and related air quality measures are clearly communicated and consistent with similar schemes in other UK towns and cities
- Work with local employers to support initiatives aimed at reducing the use of older and more polluting 'Grey Fleet' cars in both the public and private sectors
- Provide the flexibility to allow night time deliveries which would result in a lot of freight vehicles moving off congested roads during peak hours and reduce emissions

Ensuring that Clean Air Zones are a catalyst for behaviour change

The introduction of CAZs provides a great opportunity to encourage local residents and businesses to consider new, more sustainable vehicles or modes of transport. We believe that a well-targeted scrappage scheme can play a vital role in supporting this:

- **Mobility Credits:** Drivers scrapping older, more polluting vehicles would receive 'mobility credits' which could be used on public transport, bike share, car clubs or car rental
- **Promote the benefits of car rental and car clubs:** Research has proven that access to one car club car can result in up to 17 privately-owned cars being taken off the road
- **Commercial vehicles:** Many fleets running older commercial vehicles will need extra support in upgrading their fleets. A scrappage fund could help cover the early termination costs of an existing vehicle lease, or cover some of the cost of a new van or truck

Greater fiscal incentives for Low Emission Vehicles

We believe that national government must do more to stimulate both the first and second-hand markets for low emission vehicles, particularly electric ones. Whilst existing financial incentives have driven growth in the use of electric cars we believe that the government could do more to support Clean Air Zone cities:

- Help fund the introduction of more in-life incentives for electric vehicles, including free parking or priority road space, so that there are benefits for the first AND subsequent owners
- Increase investment in local charging infrastructure
- Consider tax incentives such as reduced business rates or enhanced capital allowances for companies operating the latest Euro 6 or ultra-low emission vehicles
- Reverse cuts to the plug-in hybrid car grant to encourage motorists to make less polluting vehicle choices



Fleet Profiles

Rental cars

Rental vehicles are, on average, the youngest vehicles in the UK car parc. Typically less than a year old, they will often be fitted with the latest safety and low emission technology. Hiring a car or van provides a reliable, flexible, convenient and cost-effective way of finding the right type of vehicle for an occasional trip into a Clean Air Zone.

Car clubs

Car clubs provide convenient and affordable access to vehicles on a 24/7 basis, and can provide a great alternative to car ownership for many city dwellers. Cars can be booked online or by phone, weeks ahead or with just a few minutes' notice, for anything from a few minutes to a weekend. The UK car club fleet is young and because it is predominantly based in cities, is virtually diesel free.

Salary sacrifice cars

A salary sacrifice scheme allows an employee to surrender part of their salary in return for a new car. Salary sacrifice drivers typically opt for cars with as low emissions as possible to capitalise on tax and National Insurance savings. The schemes are popular within the public sector, where they have boosted staff retention and been very effective in enabling basic-rate taxpayers to drive newer, cleaner safer cars.

Lease cars

Lease cars account for an increasing portion of all new car registrations. Traditionally popular with company car fleets, this form of vehicle finance has become increasingly popular as a way for consumers to gain access to an affordable, hassle-free way of financing a new car every few years. The lease car fleet has lower CO2 emissions and a higher than average uptake of plug-in vehicles.

UK car fleet

More than 30 million cars are licensed to operate on UK roads. The average car on the UK car fleet is eight years old and consequently emits significantly more CO2 than the average rental, lease, car club or salary sacrifice car. A significant portion of the UK car fleet will remain non clean air zone compliant in 2020.

Commercial vehicles

The commercial vehicle sector transports 152 billion tonnes of goods each year and is vital to driving the UK economy. BVRLA members own, operate or fleet manage around 900,000 vans and trucks across the UK, which can be hired by the minute, hour, day, week, month or year.

Over the last ten years, the vehicle rental and leasing sector has demonstrated its value in providing compliant commercial vehicles for businesses needing to access the London Low Emission Zone, working with operators to find the appropriate van or truck and supporting the introduction of alternatively fuelled vehicles. Diesel engines are still an essential part of this logistics process, powering 99% of the country's 4.5million commercial vehicles. Operators face specific challenges when it comes to upgrading their fleets to meet Clean Air Zone requirements. Vans and trucks are more expensive assets than the average car, and tend to be operated on a longer 'fleet cycle' before being replaced. For many uses, particularly those involving heavy payloads or long, unpredictable journeys, there are currently no alternatives to using a diesel-powered commercial vehicle.

Vans

Rental vans are typically less than two years old, while the average leased van is on fleet for four years. Operators can provide vans pre-fitted out to meet the requirements of specific trades, such as plumbers, carpenters, electricians or couriers. With over 800,000 vans on fleet, BVRLA members are a key supplier of affordable, young and well-maintained van stock to the used market.

Trucks

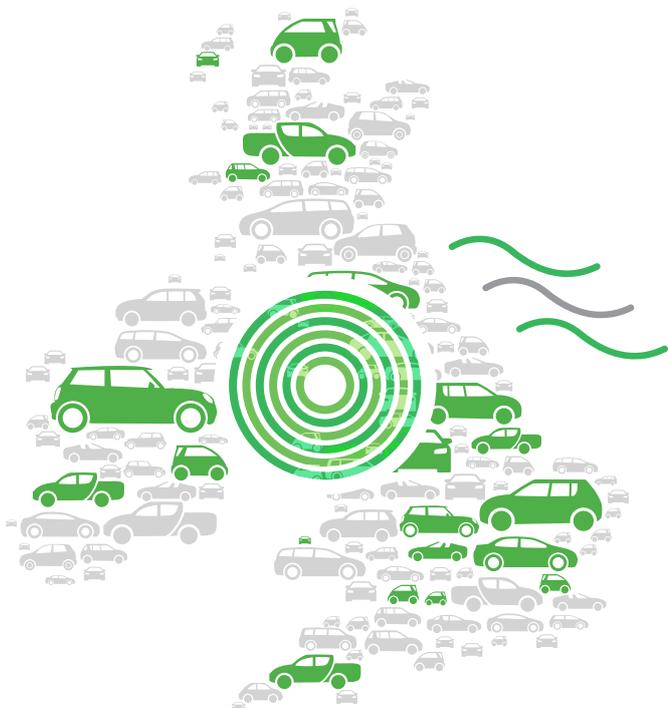
The average rental truck is kept on fleet for around four years, while a standard leased truck fleet-cycle is five years. BVRLA members own and operate over 100,000 trucks, which come in a wide variety of shapes and sizes, from 7.5t rigids up to tractor units and trailers. Most truck journeys occur outside of urban areas, but they still play a vital role in city supply chains.

Clean Air Zones: The Way Forward

Clean Air Zones are being implemented in response to illegally high levels of air pollution in many of our urban areas. Poor air quality affects the health of millions of people across the UK and is reported to contribute to the early deaths of 40,000 people each year.

It is caused by high levels of nitrogen oxides (NO_x) but also particulate matter. Transport is responsible for 80% of NO_x in areas of the poorest air quality, most of which is related to direct emissions from road transport.

Wherever Clean Air Zones are implemented, we believe that a strong partnership between the fleet sector, national government, local authorities, businesses and communities can help combat air pollution and improve people's quality of life. As a part of this, we believe that the following risks and opportunities need to be carefully considered: >>



Risks and Opportunities

Opportunities:

- Reduced pollution levels and improved air quality
- Significant transport behaviour change, leading to greater use of public transport
- Increased uptake of electric vehicles
- Targeted reduction in the use of diesel vehicles
- Local authorities gain a better understanding of the transport needs and priorities of local citizens and businesses and more policy tools to work with them

Risks:

- Poor communication that confuses or fails to reach local businesses with 40% of small and medium enterprises currently unaware of the proposals
- Lack of co-ordination in the way that air quality measures are introduced in different cities, leading to confusion and extra costs for motorists and fleet operators
- Limited behaviour change due to the lack of support for or integration of alternative travel modes
- Limited uptake of ultra-low emission transport due to inadequate funding and incentives for electric vehicles
- Lack of adequate support for commercial vehicle operators, particularly small businesses, who will struggle to upgrade or replace expensive trucks or vans

Fleet Air Quality

Factsheet



The cleanest cars on the road

								
	Av. Age	Av. CO ₂	Zero Emission (Pure EV)	Euro 6	Diesel	CAZ Compliance	NCAP 5+ Star	
	YEARS	G KM-1	%	%	%	%	%	
 CAR	Rental Fleet	0.6	119	0.4%	92%	41%	94%	82%
	Lease Cars	2.0	114	0.2%	75%	76%	75%	88%
	Car Clubs	0.9	103	7%	89%	2%	99%	90%
	Salary Sacrifice	1.5	103	0.6%	93%	40%	96%	72%
	Cash Allowance	5.6	145	0.2%	32%	71%	47%	47%
	Grey Fleet	8.1	138	0.1%	15%	44%	51%	37%
	UK Car Fleet	7.9	144	0.2%	26%	40%	57%	
 VAN	Rental Fleet	1.7		0%	56%	100%	56%	33%
	Lease Vans	2.5		0.4%	36%	99%	37%	33%
	Car Clubs (Vans)	0.8		2%	94%	98%	96%	10%
	UK Van Fleet	8.1		0%	13%	97%	13%	
 HGV	Lease & Rental	3.8			65%	100%	65%	
	UK HGV Fleet	7.3			36%	99%	36%	

■ BVRLA MEMBERS

■ WIDER UK FLEET

About the BVRLA

Established in 1967, the British Vehicle Rental & Leasing Association (BVRLA) is the UK trade body for companies engaged in vehicle rental, leasing and fleet management.

On behalf of its 900+ member organisations, the BVRLA works with governments, public sector agencies, industry associations, consumer groups and other stakeholders across a wide range of road transport, environmental, taxation, technology and finance-related issues.

BVRLA members are responsible for a combined fleet of almost five million cars, vans and trucks on UK roads, that's 1-in-8 cars, 1-in-5 vans and 1-in-5 trucks. The vehicle rental and leasing industry supports over 465,000 jobs, adds £7.6bn in tax revenues and contributes £49bn to the UK economy each year.



British Vehicle Rental and Leasing Association

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