



HM TREASURY

1 Horse Guards Road
London
SW1A 2HQ

13 July 2009

Paul Perrin
email : request-13432-
8cb6534b@whatdotheyknow.com

Information Rights Unit

Tel: 0207 270 4558
Fax: 0207 270 4861

www.hm-treasury.gov.uk
FOI.responses@hm-treasury.gsi.gov.uk

Ref: 9/541
Email/20151/2009

Freedom of Information Act 2000: Environmental impact of Car Scrappage Scheme

Dear Mr Perrin,

Thank you for your enquiry dated 17 June 2009.

You asked for information covering:

- *"... what research was done regarding the car scrappage scheme announced in the last budget.*
- *... particularly interested in the projected environmental impact of the scheme.."*

I confirm that the Treasury holds some information relevant to your request, much of which is already available within the public domain. Information readily accessible formally engages the absolute exemption at section 21 of the Freedom of Information Act 2000, and public authorities are not obliged to re-issue. However, we appreciate that it is not always easy to locate information, and as such, I would again point you to the debate of the Third Delegated Legislation Committee (Mon 11th May 2009) where areas of research and consideration are noted.

<http://www.publications.parliament.uk/pa/cm200809/cmgeneral/deleg3/090511/90511s01.htm>

With regard to the projected environmental impact of the scheme, as has been set out both in the above mentioned debate and elsewhere, the vehicle scrappage scheme is primarily designed to boost the automotive industry and restore consumer confidence, not as an environmental measure. However, a modest environmental benefit is expected (Third Delegated Legislation Committee):

- *"Replacing the aging car fleet with newer, more fuel-efficient models should create a modest environmental benefit. However, the scheme is primarily designed to boost the automotive industry and restore consumer confidence, not as an environmental measure.*
- *"The size of the incentive and its matching element make it more attractive to those seeking to buy smaller, more fuel-efficient cars and new vehicles are on average 30 per cent more fuel efficient than their ten-year old counterparts"*.

The work on the environmental impact of the scheme, was carried out by other central Government departments, namely the Department for Business, Innovation and Skills and the Department for Transport, with a view to providing an initial high-level assessment, with a number of simplifying assumptions made in order to try to model the projected impact.

This modelling was to inform discussion of the scheme, rather than to provide a final projection of the effect of the scheme on carbon emissions. The conclusion is held by Treasury and is released to



INVESTOR IN PEOPLE

you, further to that information already available in the public domain. To be helpful, explanation and context is provided in addition to the extracts reproduced below:

- *“Replacement of ageing vehicles by newer models with generally lower emissions should result in a small reduction in emissions...decreasing in future years as impact of sales bought forward declines”*
- *“Over the lifetime of the measure, this effect estimated to save 54,000tCO₂- 58,500tCO₂”*

However, it should be noted that there are a number of factors that need to be considered in trying to estimate the projected environmental impact of scrappage and so projecting the environmental impact is highly uncertain depending on the assumptions made and methodologies used. For example,

- *“Emissions could be further reduced if consumers benefiting from the scrappage schemes choose on average smaller, lower-emitting cars, for example, because they are typically cheaper”*
- *“However the reduction in emissions could be offset by owners making greater use of newer vehicles”*

Other Departments may hold further information on the projected environmental impact and you may wish to submit a similar request Freedom of information request to them at the following addresses:

Information Rights Unit
Department for Business, Innovation & Skills
Bay 317
1 Victoria Street
London
SW1H 0ET
Email: foi.requests@berr.gsi.gov.uk

Department for Transport
Information Rights Unit
D/04
Ashdown House
Sedlescombe Road North
St Leonards on Sea
TN37 7GA
Tel: 020 7944 8300.
[online FOI request form](#)

In addition, Treasury understands that the Business, Innovation and Skills Department, which leads on the implementation of the vehicle scrappage scheme plans to publish data on the CO₂ emissions of new cars purchased under the scheme in due course.

If you have any queries about this letter, please contact me. It will be helpful to us if you remember to quote the reference number above in any future communications.

Melanie Scoulding
Information Rights Unit



Copy right notice

Most documents supplied in response to a Freedom of Information request continue to be protected by copyright. You are free to use these documents for your information, including for any non-commercial research you may be doing. Documents can also be used for the purposes of news reporting. Any other re-use, for example commercial publication, would require the permission of the copyright holder. Government officials will have produced most documents supplied by the Treasury and so the information will be Crown Copyright. Crown Copyright is managed by HMSO and you can find out details on the arrangements for re-using Crown Copyright on <http://www.hmso.gov.uk/copyright/licences/click-use-home.htm>

Your right to complain under the Freedom of Information Act 2000

If you are not happy with this reply, you may request a review by writing to HM Treasury, Information Rights Unit, 2/S2, 1 Horse Guards Road, London SW1A 2HQ.

Email FOI.responses@hm-treasury.gov.uk

Any review request must be made within 2 months of the date of this letter.

It would assist our review if you set out which aspects of the reply concern you and why you are dissatisfied.

If you are not content with the outcome your complaint, you may apply directly to the Information Commissioner for a decision. Generally, the ICO cannot make a decision unless you have exhausted the complaints procedure provided by the Treasury. The Information Commissioner can be contacted at: The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF.

