10 DOWNING STREET
LONDON SW1A 2AA
foi-team@cabinetoffice.gov.uk

23 February 2020

Dear Mr Vaughan

Our ref: FOI2020/19221

I write further to my letter of 18 December and 20 January, having now completed consideration of the public interest between exemption and disclosure in relation to your request for information of 19 November. Your full request is attached.

I have concluded that in this instance, the balance of public interest favours disclosing the information that we hold in relation to your request. This takes the form of a copy of a briefing paper provided by the Society of Motor Manufacturers and Traders. A copy is attached.

Yours sincerely

NS Howard

NICHOLAS HOWARD

Mr Adam Vaughan

Incoming request

Please could you supply any emails or documents between the trade body, the SMMT, and the prime minister's office, between 1 October 2020 and 17 November 2020, specifically regarding the policy announced on 18 November 2020, of a ban on sales on new petrol and diesel car sales from 2030 (https://www.gov.uk/government/publications/the-ten-point-plan-for-a-green-industrial-revolution).

SMMT DRIVING THE MOTOR INDUSTRY

SMMT BRIEFING PAPER: END-OF-SALE DATE

INTRODUCTION

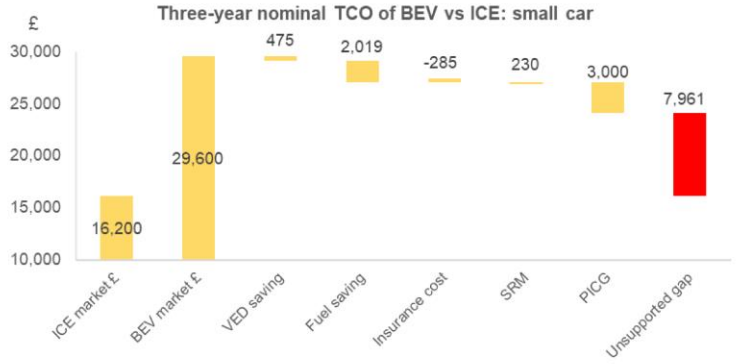
The UK automotive industry is firmly committed to a zero-emission future and is investing significantly into future technologies and production processes that will deliver smart and sustainable mobility. SMMT believes that while setting an end-of-sale date shows a clear intention, the enablers to reach that objective are of more significance than the date itself. Maintaining the UK's global competitiveness is also essential to ensure we continue to have a vibrant, healthy UK automotive industry.

To support our work on this issue, SMMT commissioned Frost & Sullivan to build an interactive forecasting model to evaluate the impact of fiscal incentives on the development of the ULEV market in the UK.

TOTAL COST OF OWNERSHIP

SMMT analysis illustrates that that although BEVs have distinctly lower running costs and benefit from other savings, such as the plug-in car grant, this is not enough to offset the higher purchase price of these vehicles. The Chart below illustrates the unsupported gap for a small car is **£7,961**. For a family car, this gap is **£6,958** and for an SUV, **£17,254**.

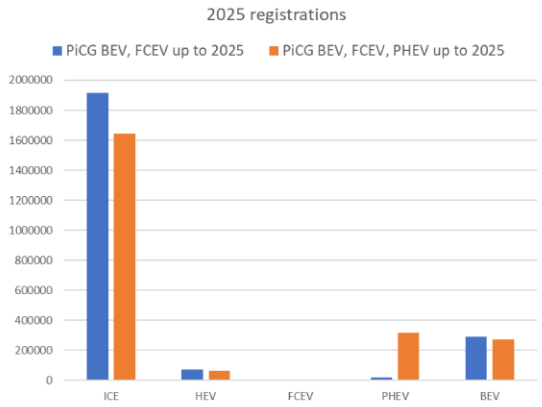
Averaged over 36 months, a small BEV is **£222** per month more expensive than an ICE vehicle, whereas a family BEV is **£194** and an SUV **£479** per month dearer than their ICE equivalents.



PLUG-IN HYBRID ELECTRIC VEHICLES

The important role that PHEVs can play in reducing CO_2, both now and in the future, must not be forgotten. PHEVs provide a choice for those consumers with specific driving needs (e.g. regular long journeys, towing, demanding driving) or those concerned over lack of charging infrastructure and range anxiety, increasing their zero emission miles driven and helping them gain confidence in EVs. Having paid a premium price for these vehicles, consumers benefit in taking every opportunity to charge the electric motor to benefit from the fuel savings available to them.

Frost & Sullivan modelling found that re-introducing the PiCG for PHEVs would reduce the number of ICE registrations in 2025, through **consumers choosing to switch to PHEVs with no reduction in the number of BEV registrations**. Without the PiCG for PHEVs consumers are more likely to purchase an ICE vehicle.



Manufacturers have undertaken studies to determine how frequently PHEVs are charged by consumers. Data from one manufacturer shows:

- **92%** of owners charged their PHEV **at least 2-3 times per week**;
- **63%** charged **once per day**.

PHEVs can be particularly useful for fleets where vehicles may need to drive longer distances, or into the cities from the suburbs. A trial of plug-in hybrid vans found:

- **71%** of journeys in Central London were driven in **zero-emission mode**;
- **45%** in Greater London were driven in **zero-emission mode**.

British Vehicle Rental and Leasing Association (BVRLA) data underlines the impact of switching to both PHEVs and full HEVs can have on CO_2 reduction. Their Q4 2019 report shows average new car emissions for the BVRLA lease fleet fell to **113g/km CO_2** almost 4g in a single quarter. This rapid decrease was achieved through a surge in the shift from petrol and diesel vehicles to both HEVs and PHEVs.

Further success of PHEVs reducing emissions is evidenced by the uptake in the LEVC taxi, particularly in London, where there are now over **3,500** of these vehicles in use. This has helped contribute to a **6% overall reduction** in CO_2 emissions within Central London since April 2019.

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LONDON SW1A 2AA

If you are unhappy with the level of service you have received from this office in relation to any aspect of your request, you may ask for an internal review.

You should contact:

Eirian Walsh Atkins
Cabinet Office
1 Horse Guards Road
London
SW1A 2HQ

Email: foi-team@cabinetoffice.gov.uk

You should note that the Cabinet Office will not normally accept an application for internal review if it is received more than two months after the date that the reply was issued.

If you are not content with the outcome of the internal review, you have the right to apply directly to the Information Commissioner's Office for a decision. The Information Commissioner can be contacted at:

Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow
Cheshire
SK9 5AF