



Office for  
Low Emission  
Vehicles



# Road to Zero Update

## November 2018

Dear Colleagues,

2018 has been an extremely busy year for OLEV so far, with publication of the Government's Road to Zero strategy in July 2018, the Automated and Electric Vehicles Act passing into the statute book, and the UK's International Zero Emission Vehicle Summit in September. As we move into implementation of Road to Zero, this is the first of what will be a regular written update from OLEV to summarise in one place the progress we are making, live issues and next steps. Our aim is to formalise the way we share information with our stakeholders. If you have any feedback, please feel free to share it with us.

The updates will generally be set out below under four headings, which mirror the main themes of the Road to Zero and our industrial strategy mission:

- Support the development of one of the best electric vehicle infrastructure networks in the world;
- Put the UK at the forefront of the design and manufacture of zero emission vehicles;
- Drive demand for the cleanest vehicles so that by 2040 all new cars and vans sold are effectively zero emissions at the tailpipe; and
- Leadership at all levels.

There are lots of opportunities to get involved in our work, including through upcoming consultations on key pieces of work as set out below. We hope that you find the update helpful and we look forward to continuing to work with you to deliver the ambitions set out in the Road to Zero.

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## 1. Support the development of one of the best electric vehicle infrastructure networks in the world



### Charging infrastructure

**Changes to Building Regulations:** We are currently developing a consultation on changes to Building Regulations to:

- implement the Road to Zero commitment for every new home to have a chargepoint, where appropriate;
- transpose the chargepoint provisions in the EU Energy Performance in Buildings Directive.

Steer have been hired to produce a report on the potential costs of different policy options. Thank you to those stakeholders who are contributing data and expertise to the development of this report.

We are aiming to launch the consultation in early 2019. We are planning to hold a pre-consultation roundtable on Monday 28 January between 12.30 and 2.30 to update interested stakeholders on our policy options. If you are interested, please contact [Communications@OLEV.gsi.gov.uk](mailto:Communications@OLEV.gsi.gov.uk)

**Charging Infrastructure Investment Fund:** The deadline for request for proposals to manage the fund has closed. The Infrastructure Projects Authority are now in the process of carrying out the necessary due diligence and engaging with the relevant parties, ahead of selecting the preferred bidder(s). For more information, [click here](#)

**On-street residential Scheme:** The scheme has now had applications from 26 local authorities. For more information, [click here](#)

**Planning:** The Ministry of Housing, Communities and Local Government (MHCLG) have launched a consultation on increasing the height limit for the permitted development right for chargepoint installations from 1.6m to 2.3m. We would encourage interested stakeholders to respond to the consultation, available [here](#) (relevant section is section 1.37-38 on page 19. The consultation closes at 11.45pm on 14 January 2019).

**Enhanced Capital Allowances:** Budget 2018 confirmed that the government will extend Enhanced Capital Allowances for companies investing in chargepoints to 31 March 2023. HMRC are planning to produce guidance in 2019.

**Alternative Fuels Infrastructure (AFI) Regulations:** The [AFI Regulations](#) require infrastructure operators of recharging points and/or refuelling points which are accessible to the public to comply with technical and customer experience standards from November 2018. The enforcement authority (Office for Product Safety and Standards) will be seeking views on draft guidance on the Regulations shortly.

**National Chargepoint Registry (NCR):** We will be launching a re-procurement for the management of the NCR shortly.

## Energy system

**EVHS goes Smart:** We announced in January 2018 and again in the Road to Zero our intention to amend the technical specifications for the Electric Vehicle Homecharge Scheme (EVHS) so that all government supported domestic chargepoints are smart. We have been consulting with industry over the summer, and will confirm the new technical specifications soon.

**Electric Vehicle Energy Taskforce (EVET):** The EVET is chaired by Phil New, CEO Energy Systems Catapult, with an aim to bring together government, the energy and automotive industries, in order to plan for future electric vehicle uptake and ensure the electricity system can meet future demand in an efficient and sustainable way. It will report in 2019.

- Work package sponsors and leaders have been appointed and work is underway
- Our first wider stakeholder event was held on 22 October, attended by over 120 stakeholders. The next wider stakeholder session will take place W/C 21 January 2019. Please see the [LowCVP website](#) for further details

**Motorway Service Area (MSA) Pilot:** As announced in the Road to Zero, we are running a pilot working closely with Highways England to increase electrical capacity at an MSA in the Road Investment Strategy (RIS) 1 period (2015-2020). The pilot will consider what combination of increased network connection, technologies and storage could be pursued for the increased number of rapid chargepoints. The project is currently in the scoping phase, which we expect to conclude in early 2019.

**Smart Charging Secondary Legislation:** In the debates for the Automated and Electric Vehicles Act, we stated our intention to take forward secondary legislation for smart chargepoints straight away. We will publish in the New Year a consultation on what measures this secondary legislation should cover.

**Chargepoint Usage Data:** Following the publication of the first tranche of data in June, we will be publishing shortly statistics on usage of local authority rapid plug in

vehicle chargepoints that OLEV have funded, as well as aggregated data from domestic chargepoints we have funded.

**Current opportunities to get in touch:**

- **Changes to Building Regulations:** preparations to consult in 2019 – please contact Tone Langengen in the Infrastructure Policy team  
[Communications@OLEV.gsi.gov.uk](mailto:Communications@OLEV.gsi.gov.uk)
- **Planning:** MHCLG consultation on permitted development right for chargepoint installations is [here](#) (relevant section is section 1.37-38 on page 19. The consultation closes at 11.45pm on 14 January 2019)

## 2. Put the UK at the forefront of the design and manufacture of zero emission vehicles



**Wireless and On street feasibility programmes:** Following the announcement of £40m R&D funding at Budget 2017, the Office for Low Emission Vehicles (OLEV) is working with Innovate UK (IUK), as part of UK Research and Innovation (UKRI), to support new integrated technologies and infrastructure solutions. These will allow commercial and service vehicles in towns and cities to top up their EV batteries throughout the day without having to stop work to plug in and charge. We are also collaborating with IUK and UKRI to deliver creative new designs and technology for low-cost, scalable charging solutions for electric vehicle owners and users without off street parking. A range of four month feasibility studies will commence in January 2019.

**Integrated Delivery Programme (IDP15):** As announced by the Prime Minister at the Zero Emission Vehicles summit on 11 September, OLEV is working with Innovate UK, as part of UK Research and Innovation, to invest up to £22m to develop low cost highly integrated systems enabling zero emission journeys for cars and other vehicles, with a particular focus on power electronics, motors and drives.

This breaks down into [£16 million](#) available for collaborative research and development (R&D) projects. A separate [£2 million](#) is available for feasibility study projects and a further [£4 million](#) to support a single large research and development project. This is to enable industry-led research into on-vehicle technologies that accelerate the transition to zero emission vehicles in the UK and globally, including off-highway vehicles. This is part of the 15th competition in the Integrated Delivery Programme (IDP) series.

**Budget 2018:** The Budget included up to £78 million supporting innovation in Power Electronics, Motors and Drives. Further information will be made available in due course.

**Niche Vehicle Network:** OLEV funds annual research and development competitions in partnership with the Niche Vehicle Network (NVN). NVN is an independent association of over 900 niche vehicle manufacturers, specialist technology and design and engineering companies. The latest NVN Feasibility competition which offers grants for industry-led projects focusing on catalysing

innovative low carbon vehicle technologies closed in October 2018. It was over-subscribed with many high quality applications which are currently being assessed. The aim is to announce winners by the end of 2018.

**Hydrogen for transport (HTP) phase 2:** HTP is a £23m funding programme to increase the uptake of fuel cell electric vehicles and expand hydrogen refuelling infrastructure. The first phase of £9m funding was awarded in March 2018 and will fund four new hydrogen refuelling stations; upgrade five existing ones; and support the deployment of nearly 200 hydrogen vehicles. The £14m second phase was launched via competition in August to support additional station and vehicle deployment – this closed on 5 November. An assessment process is now underway and applicants will be informed in early 2019.

**Vehicle to Grid:** In January 2018, £30m innovation funding was awarded to 21 vehicle to grid projects, managed by Innovate UK. All but 2 projects are now live and we hope to see the first set of results in 2019.

**Current opportunities to get in touch:**

- **Integrated Delivery Platform (IDP) 15:** The deadline to apply for the competition is 6<sup>th</sup> December 2018:
  - [£16m R&D](#)
  - [£2m Feasibility Studies](#)
  - [£4m Large R&D](#)

### 3. Drive demand for the cleanest vehicles so that by 2040 all new cars and vans sold are effectively zero emissions at the tailpipe



**Plug-in Car Grant:** In October we announced [changes to the Plug-in Car Grant](#). Over the last seven years, over £0.5 billion of grant funding has supported the purchase of nearly 168,000 ultra low emission cars.

The recent changes focus support on zero emission models like pure electric and hydrogen fuel cell cars. Consequently, plug-in hybrid vehicles currently on the UK market are no longer eligible for the grant. We have retained a substantial level of grant for the cleanest vehicles: up to £3,500 – reduced from £4,500. This reflects recent and anticipated reductions in the price of these vehicles

These changes came into effect on 21 October. During the time between the announcement and the new grant rates coming into effect we saw a considerable surge in orders. In total, there were c.13,000 PICG orders in October 2018, compared to c.3,500 in October 2017. We would like to thank dealers and manufacturers for their support and patience during this busy period. We are currently collecting feedback from industry on their experience of the transition process. If you would like to contribute please complete the survey [here](#). As set out in the Road to Zero Strategy, the plug-in car grant is guaranteed until at least 2020 and we will consider what is required beyond that point.

**Van Licence Derogation:** Over the summer, we introduced [legislation](#) that allowed Category B driving licence holders to drive electric vans that weigh up to 4.25 tonnes (an increase from 3.5 tonnes). The government published a [response](#) to our consultation on this earlier in the year, which sets out the change in more detail.

Drivers who wish to take advantage of this weight increase will need to complete a minimum of 5 hours training. We are now working with DVSA and DVLA to set out clear requirements for what this training should involve, and provide a way for drivers to evidence that they have undertaken it. We appreciate industry are very keen to take advantage of the new legislation, and we are working as quickly as possible to provide further information on this.

**Vehicle Excise Duty and new test cycle:** At the [Budget](#) in October, the Chancellor announced a review of vehicle taxation in light of the introduction of the new vehicle test cycle: WLTP (the Worldwide harmonised Light vehicles Test Procedure). WLTP is replacing the old NEDC test cycle, and should provide CO<sub>2</sub> and fuel consumption estimates that better match real world driving conditions. The review will look at the



CO<sub>2</sub> banding for Company Car Tax and Vehicle Excise Duty, to take account of the new test cycle.

**Plug-in Van Grant review:** Ultra low emission vans currently qualify for a grant of up to £8,000 (or up to £20,000 for vehicles that weigh more than 3.5 tonnes). We are reviewing the plug-in van grant offer to ensure that the rates are set at the right level for the current market. We have spoken to a number of stakeholders so far. If you would like to get in touch to discuss, please contact [Communications@OLEV.gsi.gov.uk](mailto:Communications@OLEV.gsi.gov.uk)

**Last Mile Delivery:** Following the Last Mile Call for Evidence over the summer a [£2 million fund](#) is planned to contribute up to 20% of the purchase price of e-cargo bikes up to a maximum of £5,000 of the purchase price: this gives a maximum grant of £1,000 per bike. Funding will be conditional on individual businesses following a code of cycle safety good practice.

**Vans Vehicle Excise Duty in the Autumn Budget:** At Autumn Budget the government published a response to the consultation that ran between May and July on reforming Vehicle Excise Duty (VED) for vans. Read the full consultation response [here](#).

**Government fleet commitment:** We have committed that 25% of all central government cars should be ULEV by 2022, and that 100% should be ULEV by 2030. Over the next few months we will be pressing ahead with our plans to implement this commitment. We have been speaking to fleet managers across government to agree a system of reporting, and the central support that we will be able to offer to government fleets. If you would like to get in touch to discuss, please contact [Communications@OLEV.gsi.gov.uk](mailto:Communications@OLEV.gsi.gov.uk)

**Measures to support EV sellers:** We have been working with the National Franchise Dealers Association on plans for an EV accreditation scheme. This will make clear to consumers which car dealers have invested in training their staff to sell and service electric vehicles. NFDA are running a trial period from November 2018 to February 2019. For more information on this scheme, you can contact the NFDA directly at [nfda@nfda.org](mailto:nfda@nfda.org)

**Go Ultra Low:** Government is planning to launch a new campaign for [Go Ultra Low](#) in early 2019. Go Ultra Low is a joint government and industry communications campaign to increase consumer and fleet purchase consideration of ultra low emission cars and vans. The new campaign is seeking wider industry representation than in previous years, with the aim to increase its reach and impact to audiences. Prospective members from the automotive, energy and chargepoint sectors can expect to hear from the Go Ultra Low team with further membership details in the



coming months. If you are an organisation interested in Go Ultra Low membership then please contact [Communications@OLEV.gsi.gov.uk](mailto:Communications@OLEV.gsi.gov.uk)

**Cars and Vans CO2 Regulations:** Negotiations are underway on [post-2020 CO2 Regulations](#) between the European Parliament, the Council and the Commission to agree a final text.

**Current opportunities to get in touch:**

- **Plug-in Van Grant review and Government fleet commitment:** If you would like to discuss either the review or the commitment, please contact [Communications@OLEV.gsi.gov.uk](mailto:Communications@OLEV.gsi.gov.uk)
- **Go Ultra Low:** If you are interested in membership, please contact [Communications@OLEV.gsi.gov.uk](mailto:Communications@OLEV.gsi.gov.uk)

#### 4. Leadership at all levels



**Zero Emission Vehicle Summit:** The Prime Minister's [International Zero Emission Vehicle Summit](#) was held over two days at the International Conference Centre in Birmingham on 11 September and Millbrook Proving Grounds on 12 September. Attended by ministers from 10 national and regional governments, along with around 600 leaders and sector representatives from over 40 countries, the aim was to provide political impetus to the development of the low emission and electric vehicle market

The launch of a global declaration – known as the ‘Birmingham Declaration’ – was signed by 14 governments, committing to a zero emission future on road transport. Beyond the Summit, the Declaration will form the basis of increasing international engagement on zero emission vehicles.

The Prime Minister announced £106 million funding boost for research and development in zero emission vehicle technology; the intention to consult on ‘green licence plates’; and grant funding for last mile delivery e-cargo bikes.

Announcements by industry included a Clean Van Commitment from 16 of the UK’s largest van fleet operators; an offer from Lex Autolease of £1,000 off the first 1,000 battery electric vehicle car or van lease orders from January 2019; and new trials of London Electric Vehicle Company vans in London.

At a vehicle manufacturers roundtable held alongside the Summit, industry announced investment of over £500m in projects relating to low emission technology, creating 1,000 jobs across the UK

**Go Ultra Low Cities Scheme:** We continue to see GUL Cities across the UK deploy initiatives to support ULEV uptake. Recent highlights include Dundee City’s launch of a £330k charging hub of four 50kw and three 22kW chargepoints; Milton Keynes’ £700k charging hub of four 350kW superchargers and nine fast chargers of 80kW. Further background [here](#).

**ULEV Taxi Infrastructure Scheme:** 30 November 2018 is the deadline by which Local Authorities can submit bids for the £6m Round Two of the Ultra-Low Emission Taxi Infrastructure Scheme. More information [here](#).

**Plug-In Taxi Grant:** OLEV has issued over £1.2m in PiTG grant funding to 163 ULEV taxis up until the end of October 2018. Further background [here](#).

**VED for ULEV Taxis:** OLEV continues to undertake work to allow zero emission capable taxis to be exempt from the higher rate of VED, with the relevant changes to legislation being made in Spring next year. This exemption will hold retrospective powers and will include a rebate for zero emission capable taxis purchased from April 2018.

**Ultra Low Emission Buses:** The winners of the £48 million Ultra-Low Emission Bus Scheme are due to be announced by the end of the year.

**RTZ Roadshows:** OLEV is planning a number of roadshows over the next 12 months across the UK on best practice approaches to driving the uptake of ultra-low emission vehicles.

**Green number plates:** Following announcement by the Prime Minister at the ZEV Summit in September, OLEV is preparing for a consultation in early 2019 on introducing green number plates and how they could be used to promote awareness of ultra-low emission vehicles. Implementation timings will be considered in the consultation, but would be expected to be around 2-3 years as it is likely that related legislation would need amending. Further background [here](#)

**Defining ULEV:** As set out in the RtZ strategy, OLEV is taking forward work to provide guideline definitions of ultra-low and zero emission vehicles in early 2019, which local areas may choose to adopt in setting their own definitions.

**BEIS Select Committee:** Following their inquiry into electric vehicles, the House of Commons Business, Energy and Industrial Strategy Select Committee published their report on 19 October [Electric vehicles: driving the transition](#). Government has 60 days to respond to the Committee.

**Current opportunities to get in touch:**

- **ULEV Taxi Infrastructure Scheme:** Guidance for local authorities on bidding for the scheme is [here](#).