

Low Carbon Vehicle Partnership

Bus Working Group Meeting
Wednesday, 19 November 2008, 10.30 to 13.30
Department for Transport
Great Minster House, 76 Marsham Street, London, SW1P 4DR

BWG-M-08-11

MINUTES

Attending

Alan Ponsford – Capoco Design
Bob Bryson (chair) – ADL
Bob Davis – SMMT
David Martin – STS
Frank Thorpe – Go-Ahead
Greg Archer - LowCVP
Jonathan Murray - LowCVP
Paul O’Sullivan – DfT

Rayner Mayer – University of Reading
Simon Rowlands – Millbrook
Stephen Powton – DfT

Apologies

Adrian Wicken – Volvo
David Lemon – TfL

1. Welcome & apologies

The Chair welcomed the Bus Working Group and thanked the DfT for hosting the meeting. Apologies were noted for the record.

2. Minutes and Matters arising

The Minutes (BWG-M-08-05) were accepted as a true record of the previous meeting and it was ascertained that there were no outstanding actions.

Clarification was sought on whether the Local Transport Bill gave local transport authorities the right to own buses, and it was requested that the relevant sections of the Bill be circulated to group. It was confirmed that the bill is expected to be put on the statute book before December.

Action: Secretariat to circulate the relevant sections of the Local Transport Bill to BWG.

3. BSOG Review update

Paul O’Sullivan, from DfT, provided an update on the review of the Bus Service Operator Grant (BSOG) and started by thanking the LowCVP for its valuable input to the review to date which was been very helpful to the department.

It is anticipated that there will be an announcement in the Pre Budget Report on how BSOG will be revised and that this will include an incentive for low carbon buses, along with a number of other measures.

Assuming this is the case it will need to be confirmed the level of incentive and the basis for qualification. This is expected to be undertaken by a DfT organised working group which may have a technical groups looking at specific issues.

With regard to the LowCVP's proposal that incentives for Low Carbon Buses should avoid boundary affects, PO indicated that the DfT had looked at this carefully and considered whether they wished encourage less dramatic improvements in fuel consumption and CO2 or more dramatic improvements.

There was then a discussion about policy in this area.

It was asked why Government was more inclined to amend BSOG now whereas previously they had decided not to? The reason given was that CO2 and Climate Change had been given a higher priority since the Stern Report and the introduction of the Climate Change Bill. This imposed binding targets on the UK and fell under the non-traded target of a 20% cut in CO2 emissions.

In addition the metric is the cost of meeting the target rather than the cost effectiveness of the measure based upon the shadow price of carbon.

The fleet fuel efficiency of buses has deteriorated and has put a burden on the BSOG budget.

4. LowCVP update

4.1 Activity report

Greg Archer provided the group with an update of the Partnership's activities during the previous three months, this is detailed in BWG-P-08-12. Highlights include the following;

- Report on the LowCVP's annual conference, which was deemed to be very successful.
- Staff changes with in the Secretariat. Jessica Chalmers has left the Partnership and has been replaced by Roy Williamson. In addition a new post of Stakeholder Relations Manager for the Act on CO2 campaign has been funded by DfT on a fixed term contract and Chris Brown has been appointed for that role.
- Activity at party conferences, which focused on the 'Climate Clinic'. This year LowCVP collaborated with other organisations to hold fewer more focused events.
- Car dealer and car buyers surveys which showed that 91% of dealerships have adopted the new car fuel economy label and 44% of car buyers were aware of it.

4.2 Membership changes Q&A

Greg Archer outlined the key changes resulting from incorporation and the implications for members. These were detailed in paper BWG-P-08-13 which was provided for information. The timetable was outlined broadly as follows:

- Board to confirm decision to incorporate Nov 2008,
- LowCVP Co established with founding members from Board in early 2009,
- All members invited to join Q1 2009,
- Application for charitable status to follow soon after incorporation.

However, it was reported that Government had indicated that they wished to reduce funding in FY2009-10 by between £100,000 and £150,000. This would make incorporation a necessity to

achieve the efficiency savings to offset funding cuts. Failure to incorporate would result in a severe cut back in the work programme and in the Secretariat staff.

There then followed a discussion relating to the position of the incorporated LowCVP. It was noted that there were significant benefits which accrue from incorporation which include the ability to apply for funding from a range of sources which LowCVP are prohibited from doing currently. It was also noted that incorporation had little expected implications for relationships with Cenex beyond that LowCVP could apply to be a member of Cenex.

5 Current Work Programme

5.1 Promotion of a common LCB spec – COMPRO response

Jonathan Murray presented paper BWG-P-08-15 which provided comments from the COMPRO project on the LowCVP performance specification for a low carbon bus which COMPRO had adopted as a starting point for developing their specification for an environmental bus.

A key issue raised by COMPRO was the use of the MLTB drive cycle which was known to bus manufacturers, was not well known to bus operators on continental Europe. It was noted that there were other test cycles which could be used but that LowCVP had developed the definition of a low carbon bus based on the largest body of evidence available to it, which was from the MLTB made available through TfL.

COMPRO had suggested the use of drive cycles developed by UTIP as a more internationally acceptable basis.

It was noted that UNEC107 was an alternative route to European harmonisation as apposed to 2001/85/EC construction and use.

It was agreed that the reasons for LowCVP opting for MLTB should be explained but the BWG would not undertake work to try to translate the definition of the low carbon bus into another drive cycle.

Action: LowCVP Secretariat to feedback comments to COMPRO procurement group.

5.2 Survey of interest in procurement of LCBs – draft project brief

Jonathan Murray outlined the draft project brief to conduct a survey of interest in procurement of a low carbon buses, detailed in paper BWG-P-08-16.

It was agreed that brief was appropriate and that it was appropriate timing given the potential revision of BSOG, although the budget was thought to be too low. It was suggested that a number of local authorities and municipal bus operators should be approached, Reading, Nottingham, Lothian and Cardiff were suggested.

It was proposed that a sub-group be formed to develop the brief and oversee a tendering process. Having developed brief, expressions of interest should be invited and assessed.

However, it was noted that in the run up to the end of the FY resources were constrained both from Secretariat and budget and if review of BSOG proceeded a decision would need to be made in terms of prioritisation.

Action: Secretariat to invite expressions of interest in participating in sub group to oversee survey of interest in procuring LCBs.

5.3 Euro Bus Expo review

Bob Bryson provided a review of the group's involvement in the Euro Bus Expo 2008, which is outlined in presentation BWG-P-08-17. It was reported that the original proposal and what actually transpired changed considerably due to the events company dramatically changing the conference structure and seminars as a result of losing keynote speakers as a result of a Cabinet reshuffle. Originally LowCVP had provided speakers of the conference and organised a supporting seminar, only the supporting seminar was in fact delivered at the request of the organisers.

It was concluded that;

- LowCVP with help from members had provided a good seminar,
- However, the seminar attracted a poor turn-out ,
- This was probably due to a seminar with a similar scope being held earlier in the day (speakers originally intended for the conference), and
- The seminar being scheduled for the end of the day.
- However, turn out for other seminars was also low and indicated that the primary interest of visitors was to do business.

It was concluded that LowCVP does not participate in seminars at vehicle shows in future.

5.4 Electrification of transport stakeholder group

Jonathan Murray outlined the proposed cross cutting activity relating to the development of a stakeholder group on the emerging Government policy on electrification of transport. This is detailed in paper BWG-P-08-18.

Action: Expressions of interest invited from the BWG and should be sent to the Secretariat.

6. Work plan review

Jonathan Murray outlined the proposed LowCVP work plan for 2009-10 for comment by the BWG members. This is detailed in paper BWG-P-08-19. The scoping paper had been developed earlier than normal to meet requests coming for Government to allow them to seek funding approval ahead of the new FY.

Action: Comments were invited from the members on the work plan and should be sent to Jonathan Murray.

7. Biofuels, post Gallagher Review

Greg Archer provided the Bus Working Group with an update on biofuel policy as a result of the Gallagher Review. Details of the update can be found in paper BWG-P-08-20.

**Next meeting:
4th March 2009
Energy Saving Trust
21 Dartmouth Street, London, SW1H 9BP**