

Strategy 2010-13

The final draft Strategy 2010-13 is provided for final comments by the Bus Working Group.

1 Status

This paper comprises the final draft of the Low Carbon Vehicle Partnership (LowCVP) Strategy to 2013. It is based upon input from the Secretariat, members (provided through working groups and the Members Council) and Board meetings. The Bus Working Group are asked for final comments and agreement.

2 Mission, Aim and Objectives

LowCVP is a not for profit, multi-stakeholder partnership which exists *to accelerate a sustainable shift to lower carbon vehicles and fuels and create opportunities for UK businesses.*

The Partnership delivers this mission by working with stakeholders throughout the automotive and fuel supply chains, vehicle users, academics and civil society. Specifically, the Partnership seeks to increase the market adoption of lower carbon vehicles, fuels, technologies and techniques, by:

- A. Enabling the development and deployment of more effective market transformation policies and programmes
- B. Stimulating and leading market transformation interventions by relevant stakeholders
- C. Strengthening consumer information and incentives to encourage their purchase, deployment and use
- D. Creating opportunities from which UK business benefits from the new market opportunities which arise from lower carbon road transport
- E. Enhancing stakeholder knowledge, understanding and engagement

3 Work Programme Themes

The range and activities LowCVP could usefully pursue will always outstrip its available resources. LowCVP's unique multi-stakeholder membership structure makes it ideally qualified to identify and tackle market barriers but its limited resources require interventions to be targeted where it can be most effective. To be effective the Partnership must therefore reduce the number of activity areas in which it is focused whilst retaining a breadth of activity acceptable to its diverse membership.

The low carbon vehicle and fuel agenda is also crowded with several new and well resourced publicly funded organisations entering the space since the last strategy. For example, the Technology Strategy Board, Energy Technologies Institute, Carbon Trust and Renewable Fuels Agency. There are also new forums such as the Automotive Council and associated Supply Chain and Technology Groups. LowCVP will actively seek opportunities to work with other organisations. In particular it will actively encourage other organisations to engage and consult with LowCVP members as a diverse, expert community to strengthen their own programmes and projects.

To 2013 LowCVP will focus its activities in six work programme themes which complement the programmes of other organisations. Our activity themes are:

- I. Incentivising and informing lower carbon car choices
- II. Building the market for lower carbon commercial and public service vehicles
- III. Facilitating the creation of a successful UK supply chain for low carbon vehicle and fuel technologies
- IV. Tackling market barriers to use of lower carbon fuels
- V. Building consensus and understanding as to the optimum pathways and appropriate milestones for decarbonising transport
- VI. Enhancing stakeholder knowledge and understanding (to increase engagement and build consensus for sustainable change).

The matrix below illustrates how our activity themes align with the strategy objectives

Objective / Theme Matrix

Themes/ Objectives	I	II	III	IV	V	VI
A	●	●	●	●	●	●
B	●	●	●	●	○	●
C	●	●	○	●	○	●
D	●	●	●	●	○	●
E	●	●	●	●	●	●

- Objective largely delivered through this work programme theme
- Objective partially delivered through this work programme theme
- Objective not delivered through this work programme theme

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| <ol style="list-style-type: none"> A. Enabling the development and deployment of more effective market transformation policies and programmes B. Stimulating and leading market transformation interventions by relevant stakeholders C. Strengthening consumer information and incentives to encourage their purchase, deployment and use D. Creating opportunities from which UK business benefits from the new market opportunities which arise from lower carbon road transport E. Enhancing stakeholder knowledge, understanding and engagement | <ol style="list-style-type: none"> I. Incentivising and informing lower carbon car choices II. Building the market for lower carbon commercial and public service vehicles III. Facilitating the creation of a successful UK supply chain for low carbon vehicle and fuel technologies IV. Tackling market barriers to use of lower carbon fuels V. Building consensus and understanding as to the optimum pathways and appropriate milestones for decarbonising transport VI. Enhancing stakeholder knowledge and understanding (to increasing engagement and build consensus for sustainable change) |
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Responsibility for delivery of each work programme theme will be allocated to one or more of the Partnerships working groups or Council as summarised over-page. The Council will continue to oversee delivery of the work programme. Where appropriate, LowCVP will also seek to establish networks of stakeholders, such as investors or local authorities which make an important contributory role to the work of LowCVP and members but are unlikely to formerly contribute formerly to working groups. We will also seek to promote better cross-sectoral working between groups.

Theme	Principally delivered by
Incentivising and informing lower carbon choices for cars	Passenger Cars Working Group
Building the market for lower carbon commercial and public service vehicles	Bus Working Group Commercial Vehicles Working Group
Tackling market barriers to use of lower carbon fuels	Fuels Working Group
Facilitating the creation of a successful UK supply chain for low carbon vehicle and fuel technologies	Innovation Working Group
Monitoring progress and tracking pathways to lower carbon transport	Members Council
Enhancing stakeholder knowledge and understanding (to increase engagement and build consensus for sustainable change)	Secretariat

3.1 Incentivising and informing lower carbon choices for cars

This theme builds upon LowCVP's extensive and successful activities to strengthen consumer information through showroom labelling, advertising research, marketing best practice and consumer attitudes surveys. This programme area will become the Partnership's principal area of activity on passenger cars.

The activities will seek to extend the quality and quantity of information about low carbon car choices provided to consumers through both Government programmes and voluntary initiatives. This includes extending the reach of current consumer information activities. LowCVP will not seek to become directly publicly facing but work through publicly facing bodies to increase their awareness of low carbon options and encourage their active engagement in promoting and incentivising low carbon car choices. LowCVP will specifically target action by influential third parties such as local authorities and consumer and community organisations to promote more public interest and understanding of low carbon vehicles.

LowCVP will in particular seek to ensure that regulations and Government programmes are informed by the best available evidence on consumer attitudes and behaviour. This will include engaging with processes at both a UK and EU level to ensure forthcoming revisions to regulations, such as the Car Labelling Directive are evidence-based and take account of consumer preferences and best practice. We will also encourage the voluntary adoption of best marketing practice.

LowCVP will also seek to build understanding and agreement regarding the optimum ways in which car-buyers can be encouraged to choose low carbon options. Securing adequate, targeted incentives for purchasers of low carbon vehicles continues to be a major barrier to their increased uptake. The Partnership will seek to develop consensus on a long-term framework for vehicle taxation to reward low carbon choices and build political support for adopting this framework. We will examine whether, when and how to move from tailpipe to alternative life-cycle measures of performance and seek buy-in to our recommendations.

3.2 Building the market for lower carbon commercial and public service vehicles

LowCVP has, and continues to undertake, a broad spectrum of work on buses, trucks and vans. The Partnership has played a key role in defining a low carbon bus and provided extensive support to DfT in the revisions to the Bus Service Operators grant and successful Green Bus Fund. LowCVP will continue to support the bus sector to enable it to deliver lower carbon buses into operation. LowCVP will also seek to identify and promote opportunities for UK businesses providing low carbon buses or technologies into the international market building upon the technology lead the UK is establishing.

LowCVP has recently commenced an extensive programme of work with DfT to define low carbon trucks and technologies and develop incentives schemes. This work is likely to form

an important element of our work over the strategy period during which new EU regulation is also anticipated. With a strong portfolio of work on HGVs LowCVP will be well placed to inform this debate with evidence based inputs.

On vans LowCVP has managed work for DfT CO₂ emissions from new vehicles and awaits the outcome of forthcoming EU regulation. Once this regulation is in place we anticipate new opportunities will emerge for the Partnership to encourage the purchase of lower carbon models which will enter the market – probably through improving access to information on low carbon choices and possibly purchase incentives.

3.3 Facilitating the creation of a successful UK supply chain for low carbon vehicle and fuel technologies

Since its creation LowCVP has undertaken a diverse portfolio of work to support research activities and supply chain companies with early work focused on supporting the successful establishment of Cenex. Activities to support innovation in the sector have comprised a larger element of the work programme in recent years with a range of valuable outputs including: the Technology Challenge, support for technology road mapping, guides to UK investment and a Directory of Low Carbon Automotive companies. Cleantech Automotive SMEs now represent the largest constituency within the Partnership with Innovation Working group meetings attracting over 40 delegates. The Strategy to 2013 will seek to utilise this interest building upon previous successful initiatives with 3 programme areas concerned with strengthening:

- UK supply chain for low carbon automotive technologies
- The support available to cleantech automotive SME's
- Networking between members and within the wider community.

Although the UK supply chain is considered to be hollowed out, there are many new UK companies bringing technologies to the market and several existing companies with a strong capability to offer. In responding to the global market place and demand for low carbon automotive technologies, creating stronger relationships between UK suppliers will strengthen their position as well as identify new opportunities for collaboration and joint ventures delivering, for example, more integrated assemblies. This work will be taken forward in close collaboration with Office of Low Emission Vehicles and the Automotive Supply Chain Council.

3.4 Tackling market barriers to use of lower carbon fuels

One of the LowCVP's principal achievements has been its influence in recognising and developing practical regulations to encourage a market for sustainable biofuels. With the creation of the Renewable Fuels Agency, LowCVP's role in promoting a shift to sustainable biofuels is diminishing but in the short-term (2010-11) the Partnership will remain influential in providing multi-stakeholder input to design of forthcoming regulations. Recently, LowCVP highlighted the valuable role biomethane could play in reducing emissions from articulated trucks and has proposed an extensive programme of future work to DfT in this area. It is hoped that addressing barriers to market development of biomethane trucks will form an element of activities in this theme. In the longer term (2012-13) LowCVP will need to consider whether it should continue to devote a significant part of its work programme to biofuels issues.

Electrification of road transport is likely to represent a major change for the industry over the next 10 years. To date LowCVP has been prevented from undertaking activities in this area – but this remains a topic of key importance to members. Over the period of the 2010-13 strategy LowCVP should play an influential role in supporting the early market development but needs to identify its specific niche in this increasingly crowded agenda.

The third major alternative fuel option is hydrogen. It is unclear what role LowCVP could and should play in promoting this alternative – but the Partnership should keep developments under review and consider pursuing appropriate projects as these arise.

3.5 Progress and pathways to low carbon transport technologies

LowCVP has an important role as a multi-stakeholder Partnership in building consensus on the role and contribution of low carbon vehicle and fuel technologies to emission reductions and progress towards established. This area of activity is likely to take several forms:

- Monitoring the effectiveness of current policies and programmes.
- Assessing the role of competing technologies and providing an independent and authoritative voice on their anticipated contribution relative
- Examining long-term technology pathways and identifying enabling policies.

In undertaking work in these areas LowCVP will be mindful to draw upon, and where appropriate contribute to existing authoritative studies including by DfT, Automotive Council, Climate Change Committee and others. LowCVP does however have a uniquely broad membership encompassing both OEMs, energy companies, cleantech SMEs and NGOs with subtly different perspectives that LowCVP can build consensus around.

One important area of activity will be in providing independent reviews of the effectiveness of current policies and programmes with the aim of improving their overall outcomes. LowCVP has previously done this with the Powering Future Vehicles Strategy, Low Carbon Public Procurement Programme and Renewable Transport Fuels Obligation. Where such reviews are undertaken the broad views of stakeholders will be sought to obtain consensus views.

Work on informing low carbon choices will be extended to include measures which reduce emissions from the vehicle-in-use such as by encouraging use of low rolling resistance tyres, and activities by industry and other organisations to encourage eco-driving and good maintenance of the vehicle and tyres. Where possible, synergies will be built between the safety and low carbon agendas.

3.6 Enhancing stakeholder knowledge and understanding (to increase engagement and build consensus for sustainable change).

Enhancing stakeholder knowledge and understanding is a key precursor to increasing engagement and building consensus for a sustainable shift to low carbon vehicle and fuel technologies and techniques. This theme is delivered through the Partnerships external communications activities delivered by the Secretariat and overseen by the Council. The overwhelming majority of these activities are delivered for the benefit of the wider stakeholder community and involvement is not limited to LowCVP members. To 2013 LowCVP will continue to make the majority of activities under this these open to all – but where appropriate will provide enhanced services for members.

Key audiences for LowCVP's communications programme are:

- Government/legislators (esp. key stakeholder department ministers, MPs with interest/committee involvement, statutory body post-holders, European policy makers)
- Other related 'delivery' organisations (Cenex, TSB/KTN network, EST, RFA, Carbon Trust etc)
- Industrial, commercial and NGO stakeholders (including members and potential members)
- Other 'communicators' (Transport, trade and other media, other specialist Newsletter providers, events companies, third-party websites etc)

LowCVP is not, and to 2013 does not intend to be directly public facing. It will however seek to work with public facing organisations and channels to disseminate key messages.

LowCVP seeks to reach its key audiences through a range of both LowCVP-led and third party activities. Principal activities include:

- The LowCVP newsletter and news updates (which are linked to the website). These 'push' relevant content to stakeholders to stimulate action. All news-related rely on the Secretariat operating an effective information/intelligence function. Now disseminated to over 2300 individuals monthly
- The annual conference – now an established focal point on the low carbon transport agenda, providing a marker to the 'state of play' and pointing to future directions
- Seminars and conferences – one and half-day events focusing in detail on specific issues. LowCVP has now diversified these activities to operate regular webinars, 1 hour seminars to inform stakeholders about key developments
- Press and media activities to leverage and amplify the LowCVP's messages when the opportunities arise (proactive and reactive)
- Third party seminars, exhibitions and other events organised in collaboration with third parties usually as part of larger events on sustainability, low carbon or transport. Recent examples include seminars at Sustainabilitylive! and BASE
- Speaking at or promoting third party events – often involving some form of contra-deal benefiting the Partnership or members
- Public affairs, including Climate Clinic: The Partnership carries out a limited programme of communications activities focused on leading policy makers to ensure that they are aware of the LowCVP's views and of its potential to deliver useful, evidence-based support to policy formulation
- Occasional networking events and receptions
- The LowCVP website (including members' only area) forms the hub of the Partnership's communications activities, seeking to both raise awareness and understanding of key issues and stimulate participation and action
- Production of materials, brochures, exhibitions etc to support the delivery of the Partnership's messages
- Ad hoc initiatives e.g. The 'Challenges': policy, marketing, community and the 2010 LowCVP Awards as other tools for stimulating practical outcomes and raising awareness of LowCVP's contribution to the low carbon shift
- Opinion surveys to monitor stakeholder views on the activities of the LowCVP and on the wider agenda

To 2013, within the available resources LowCVP will seek to extend our communications activities to take account of:

- The need to enhance and increase awareness of the benefits of LowCVP membership and the Partnership's achievements to help ensure the organisation secure a strong stakeholder base
- Increased use of information communications technology e.g. webinars, Twitter, LinkedIn etc to maximise the effectiveness and reach of communications
- Improve participation, collaboration with third-party organisations and most effective networking
- Continue to extend awareness of the Partnership and its work to an international organisation particularly promoting examples of UK best-practice

4 Measuring success - key performance indicators

There are multiple, international factors and actors which influence the market for low carbon vehicles and fuels; and the outcomes for UK businesses. Disengaging LowCVP's specific contribution and measuring the Partnership's impact is therefore highly uncertain.

One useful measure of overall impact is the greenhouse Gas (GHG)-savings from road transport arising directly from LowCVP activities. Recent analysis of major LowCVP achievements indicates that LowCVP has cumulatively delivered approaching 750kT CO₂ eq since its creation (in 2003) at an overall cost effectiveness of under £6/TCO₂. This is comparable with the most efficient programmes in any market sector and exceptional cost-effectiveness in transport. *For the period 2010-13 LowCVP aims to deliver further carbon savings of 1MTCO₂eq directly through its activities.*

Closer analysis of the carbon savings reveals a small number of activities (new car labelling and biofuels sustainability reporting) make a disproportionate contribution to the level of savings reported and do not represent the entirety of the partnership's achievements. For example a carbon saving measure does not recognise any economic benefits to UK business arising from LowCVP activities; or longer-term carbon savings arising from market transformation activities. A direct carbon saving measure also does not accommodate savings accruing where the Partnership was one of a number contributing entities. To measure the overall effectiveness of the LowCVP's contribution a wider range of KPIs are proposed as tabulated over-page.

In view of the importance of securing new sources of income to support the programme LowCVP will also set targets for income generation.

5 Membership

LowCVP's primary strength and uniqueness derives from its large, influential, expert, multi-stakeholder membership. In essence, *the stronger and more engaged is the membership, the stronger and more effective is the Partnership.* LowCVP welcomes participation from all credible businesses, environmental and consumer organisations and public sector bodies which are actively working to promote the shift to low carbon vehicles and fuels. In addition, membership of LowCVP shall be dependent upon:

- Approval by the Members Council
- Signing the Memorandum and Articles of Association
- Agreeing to the Membership Commitments and Principals
- Making an appropriate membership contribution.

Continuing to grow and diversify membership by providing demonstrable value to members is a central element of this strategy. LowCVP total membership (currently over 350) will decline to about 150 from April 2010 (when membership contributions become obligatory). Rebuilding membership numbers and subsequent active engagement is important both for credibility and income generation. By 2013 the target is to increase membership numbers to over 250. To grow membership and achieve the target membership level recruitment activities will be particularly focused upon:

- I. Under-represented stakeholder groups, e.g.:
 - NGOs
 - Transport operators including those in the public sector
- II. Stakeholders with a direct interest in new areas of the work programme:
 - Freight
 - Improving the efficiency of vehicle operation
 - Local authorities
 - Electric vehicles
 - Investors

III. Large companies paying a membership fee (for the purpose of income generation).

Key performance metrics

Objective	Indicator	Target
Enabling the development and deployment of more effective market transformation policies and programmes	Number of areas in which LowCVP has made an effective contribution to policy or programme development and implementation	5 per year
Stimulating and leading market transformation interventions by relevant stakeholders	Voluntary initiatives to support the market transformation	1 per year
	Value of member in-kind contributions to projects & working groups	£425k (2011); £450k (2012); £475k (2013)
Strengthening consumer information and incentives to encourage their purchase, deployment and use	Increased use of energy-efficiency labelling in dealerships	>90% of new cars labelled 3000 used car dealers actively labelling vehicles (2013) Use of labelling extended to other media and/or vehicle types (2013)
	Increased awareness of and demand for low carbon vehicles	Increase of 10% (compared to 2009/10) in both awareness of label; and consumers indicating information is "somewhat" or "very important" in their purchase decision by 2013
Creating opportunities from which UK business benefits from the new market opportunities which arise from lower carbon road transport	Number of members expressing the view "LowCVP has made a valuable contribution to supporting our businesses objectives"	10% increase per year on 2010 baseline
	Membership numbers	200 (2011), 225 (2012), 250 (2013)
	Member attitudes survey satisfaction rating	80% of members believe LowCVP "offers good or excellent value for money"
Enhancing stakeholder knowledge, understanding and engagement	Value of member in-kind contributions from communications activities	£325k (2011); £350k (2012) £375k (2013)
	Satisfaction rating for LowCVP events, newsletter, webinars & website	>80% Good or Very Good

Organisations become, or remain, LowCVP members for diverse reasons, a common factor being their interest in the work programme - which must therefore continue to reflect the breadth of stakeholders' diverse interests whilst remaining focused. The Secretariat will regularly survey member activity, interests and views and seek to deliver activities directly responding to member needs. The table below summarises reasons for membership and proposed strategy response.

Annual work programmes will specifically identify activities and actions designed to support and build membership. For example expanding member services to include: policy briefings (both written and through webinars), member only webinars (or charging for non-members), discounted conference fees and creating unique marketing opportunities. LowCVP will also seek to develop tools and services to improve networking *between members* for the purpose of identifying potential project partners or technology providers (building upon initiatives such as the Technology Challenge).

Reasons for membership & Strategy response

Reason for membership	Strategy response for recruitment & retention
Demonstrating leadership and their serious intent to encourage a low carbon transport future	Retain high credibility and profile as a respected and influential organisation through the outputs of the work programme and communications activities
Keeping abreast of UK and European policy developments including advance notice of the direction of thinking from officials	Maintain close relationship with UK and EC officials. Develop added value information services on policy developments to members
Being able to raise and take forward specific concerns with a wider, and therefore more influential, group of stakeholders	Maintain broad stakeholder base including leading companies in their sectors
Effectively influencing the direction of policy and scope of programmes and regulations	Effective input to key Government policies and programmes
Influencing the content and delivery of the LowCVP work programme to ensure this is focused upon members' key concerns and priorities	Member driven annual work programme Effective programme delivery with extensive member input and engagement
Ensuring the outcomes of Partnership initiatives are effectively heard in relevant EU discussions	Providing effective input to key European debates
Engaging with and developing effective working relationships with other members including supply chain companies, major fleets and environmental organisations	Provision of unique networking activities – both formal and informal. Extending the scope, number and engagement of members
Receiving timely news updates on key developments, a monthly newsletter and access to the wealth of knowledge within the “Members Only” section of the website	Provision of timely, added value information services. Quality papers distributed to members through working groups
Financial and marketing benefits of membership	Building and maintaining LowCVP's network of contacts beyond membership. Negotiating member discounts of third party events; creating unique marketing opportunities

6 Strengths and challenges

Alongside its membership LowCVP's other key attributes are its:

- Independence – from both Government and narrow interests of individual stakeholders or groups
- Expertise and activity across the low carbon innovation pathway
- Proven track record in implementing successful schemes and providing decision-relevant policy advice
- Exceptional cost-effectiveness
- Close relationship with Government.

The Secretariat's expertise in innovative stakeholder consultation along with the Partnership's broad membership can provide considerable added value to other organisations which LowCVP will seek to develop as a potential new revenue stream.

Incompatibilities between LowCVP's purpose, activities, membership and resources nevertheless create creative tension and organisational challenges. This strategy recognises and seeks to address these as shown in the table below.

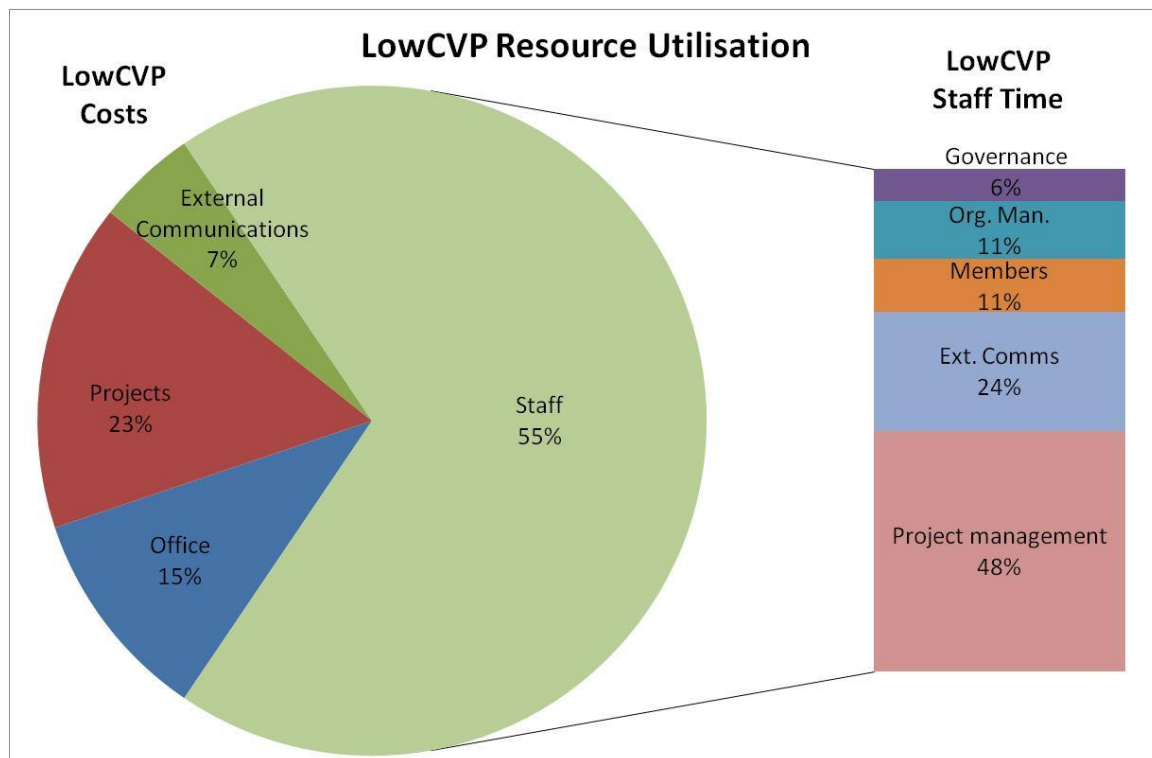
Strategy solutions to challenges & contradictions in LowCVP's purpose, membership and activities

Attribute	Issue	Strategy solution
Consensual	Diverse membership	Member-led work programme with diverse input at key stages to specific projects
Diverse member interests and remit	Limited resources	Focus activities in a small number of topic areas within each themes
Broad membership	Narrow participation – little penetration within members	Secretariat to encourage members to engage wider expertise through project activity
Independent	Largely Government funded	Increase share of non-public funding through member contributions and other funding channels
Rapidly changing environment	Annual work programme agreed in advance	6-month rolling work programmes
Agenda changing	Cautious business membership	Strengthen participation amongst NGOs and leading businesses to enable Secretariat to adopt a clearer consensus building role. Focus on projects with clear and defined business benefits
Most successful influencing long-term policy agenda	Member focus on short-term policy detail	Maintain balance within the overall work programme

The Secretariat will build understanding between the Board, Members (and different stakeholder groups) and Government (as funders) to ensure each group recognises the value of multi-stakeholder working, the challenges which arise from this form of operation.

7 Resource allocation

Over the period of the 2007-10 Strategy broadly half of LowCVP available income was allocated for staff costs, a quarter for projects and the remainder cover office and external communications. Approximately half of the available staff resource is allocated to delivering the work programme, a quarter on external communications and the remainder mainly engaging with members and organisational management. The Strategy to 2013 will seek to main the balance of expenditure and staff resources at broadly these levels. This however assumes revenues are maintained at 2009-10 levels - since reductions in resources directly impact on the size and scope of the work programme. LowCVP financial and staff resources are used with very high efficiency and any intended "efficiency-improvements" will directly impact upon services, staff motivation and outcomes.



Pie-chart illustrates the breakdown of expenditure, bar-chart staff-utilisation in 2009. For staff time utilisation:

- Governance = Preparation, attendance and actions arising from Board, Member Council, Audit Committee, etc
- Organisational Management = team and 1-to-1 meetings, office admin, health and safety, finance, administrative liaison with funders
- Member Activities = preparation, attendance and actions arising from working group meetings, member engagements, government meetings (concerning policy)
- External Communications = newsletter, website, LowCVP and third party events, articles, etc
- Project management = all work programme related activities

7.1 Funding

LowCVP funding largely originates from its core Government grant and this is not expected to materially alter in the next 3-year strategy period. Whilst member contributions, conference income and revenues from specific project funding can supplement public funds it is unlikely any of these could grow to replace a large proportion of the core grant. Given public spending constraints a realistic scenario is only for inflationary increases in the LowCVP core budget over the period to 2013. (NB: for 2010-11 support is anticipated to be significantly less than 2009-10). A three-year budget for the Strategy period would greatly assist planning and will be sought from public funders.

An important additional source of income may be derived from Government Projects – largely derived from non-sponsoring Departments. For example, in recent years significant funds have been secured to support work on biofuels sustainability as part of the RTFO, commercial vehicles and the *Act on CO2* campaign. This is a possible important future income stream but highly uncertain to predict.

A material increase in member contributions is also unlikely to be acceptable to all stakeholder groups. The proposed budget to 2013 therefore assumes inflationary increases in membership fees but includes membership growth to 250 organisations. (NB: the Board has agreed to maintain 2010-11 fees at the full level for 2009-10 but there has been no discussion of fee levels beyond 2010-11.)

To obtain significant new sources of external income, LowCVP would probably need to materially change the nature of the organisation such as by administering Government programmes, offering consultancy services or developing a business activity associated with

its programmes – such as developing accreditation schemes. These are both outside the remit of the current organisation and would conflict with other organisations such as EST, Cenex and individual members. These approaches to income generation are not proposed as part of this strategy. LowCVP may, nevertheless be able to secure some project funding from charitable trusts (not currently budgeted) and in providing a consultative service to other organisations operating in the space looking for diverse expert opinions to inform their programmes of work. For example, assembling expert advisory groups for the Climate Change Committee or Energy Technology Institute. Alternative funding streams will be explored during 2010. The table below outlines anticipated annual revenues and expenditure for the 2010-13 Strategy period.

Projected annual revenues

	2009-10	2010-11	2011-12	2012-13
Members fees	£37,751	£50,701	£66,100	£89,813
Other from members	£25,300	£15,000	£90,000	£30,000
To reserves	-£63,051	-£25,000	-£25,000	-£10,000
Available non grant	£0	£40,701	£131,100	£109,813
Gov. grant	£699,000	£635,000	£650,000	£675,000
Gov. project	£89,070	£70,000	£50,000	£50,000
Gov. Total	£788,070	£705,000	£700,000	£725,000
Total	£788,070	£745,701	£831,100	£834,813

¹ 2010-11 figures are aspiration not current budget

Projected annual expenditure

	2009-10	2010-11	2011-12	2012-13
Staff	£407,569	£378,176	£423,084	£412,777
Office	£100,112	£97,081	£106,000	£113,000
Projects	£142,402	£150,000	£170,000	£170,000
Communications	£54,767	£41,500	£50,000	£55,000
Taxes	£82,852	£78,124	£83,593	£85,000
Total staff	5.3	5.4	6.1	5.9
Staff	52%	51%	51%	49%
Office	13%	13%	13%	14%
Projects	18%	20%	20%	20%
Communications	7%	6%	6%	7%
Taxes	11%	10%	10%	10%

8 New opportunities

The Partnership's existing resources are very constrained and extending the scope of activity into new areas will necessitate securing complementary funding. The expertise within the Partnership is nevertheless potentially valuable to new networks of stakeholders and low carbon transport challenges. Over the period the next strategy the Secretariat will, where possible, seek to identify and take-forward initiatives in new areas that complement our existing activities such as:

- Disseminating best practice internationally
- Off-road vehicles
- Low Carbon Motorcycles

- Sustainability of biofuels used in non-road transport sectors
- Low rolling resistant tyres
- Adaptation to climate change.

In each area progress would *be dependent upon attracting a core number of new members willing to fund and take forward the initiative.*

9 Priorities summary

This paper lays out the LowCVP Strategy to 2010 in which the Partnership continues to accelerate a sustainable shift to lower carbon vehicles and fuels and create opportunities for UK businesses by working with stakeholders to build the consensus for and facilitate change. Within this broad remit the Partnership will focus upon:

- Incentivising and informing lower carbon car choices
- Building the market for lower carbon commercial and public service vehicles
- Facilitating the creation of a successful UK supply chain for low carbon vehicle and fuel technologies
- Tackling market barriers to use of lower carbon fuels
- Building consensus and understanding as to the optimum pathways and appropriate milestones for decarbonising transport
- Enhancing stakeholder knowledge and understanding (to increase engagement and build consensus for sustainable change).

It will quantify its success by measuring the carbon savings arising from its activities with a target to deliver 1Mt CO₂ over the strategy period. This headline indicator will be complemented by a small suite of KPIs against which progress can be measured.

In particular the Partnership will build upon its primary strength – the influential, expert, multi-stakeholder membership – by acting to increase both membership numbers and engagement. It will balance the needs of members by constructing 6-month rolling work programmes that add value to its diverse stakeholders and complement those of other organisations. In constructing and delivering its programmes of work LowCVP will seek partners wherever possible to add value and share costs. Seeking to add to and diversify the range of funding streams.