## WRITTEN QUESTION TO THE MINISTER FOR TRANSPORT AND TECHNICAL SERVICES BY THE DEPUTY OF GROUVILLE ANSWER TO BE TABLED ON TUESDAY 21st FEBRUARY 2012

## Question

Would the Minister outline the various reasons underlying the original ministerial decision to introduce a car parking charge discount of 50% off parking scratch cards for hybrid vehicles which conform to band A and band B  $CO^2$  emissions and would the Minister explain what circumstances, if any, have changed to render those reasons no longer valid in view of the decision to abolish the discount for hybrid vehicles registered after 1st July 2012 which emit over 100 grams of  $CO^2$  per kilometre?

If the original decision was founded upon sound environmental policy that conforms with principles laid out in the Island's Strategic Plan, would the Minister explain his reasons for curtailing this incentive to encourage low emission vehicles as outlined in the Road Traffic (Public Parking Places – Charges) (Amendment No. 3) (Jersey) Order 2012 made by the Minister on 20th January 2012?

## Answer

The original scheme, introduced by Deputy De Faye as Minister for TTS in 2008, was consistent with the States commitment to reduce pollution. It provided an incentive for purchasers of new cars to opt for a vehicle with a low level of C02 emissions, by issuing an 'eco-friendly parking permit' providing half price parking to all vehicles with emissions up to 100gmCO2/km and to hybrid vehicles (diesel or petrol engine vehicles which can also run on an electric engine) which had emissions up to 120gmsCO2/km. The logic of applying a more generous level for hybrid vehicles was that as speeds are low in Jersey and pollution most significant in the town area, the use of hybrid vehicles, which would run on the electric engine at low speeds, could be expected to be particularly beneficial to Jersey's traffic pollution.

When the scheme was introduced it was recognised that it would require review, because of advancing technology. Inevitably the numbers of permits would go up as the percentage of qualifying vehicles increased and it would become necessary to either increase the cost for all other vehicles, or review the qualifying limit, as I am legally required to ensure that the Car Park trading fund does not fall into deficit.

I have now equalized the standard for hybrid vehicles so that, from July 2012, they will have to meet the same standard as other vehicles (up to 100gmsCO2/km) to qualify for half price parking. The change is not retrospective, so a qualifying hybrid car bought before July 2012 will continue to qualify, even if sold on.

In 2008 only 13 "eco-friendly parking permits" were issued. This has now risen to 123 at the last count, a significant rise with the cost to the Car Park Trading Fund now being approximately  $\pounds 10,000$  per annum.

The States Sustainable Transport Policy (STP) recommendation states:- "continue to provide discounted parking prices for low or zero emissions vehicles and increase cost of parking for other vehicles as the number of low emissions vehicles become significant". However an amendment to the STP instructs TTS not to increase the cost of parking disproportionately "until a viable method of transport is available to all". Improvements to the alternatives, particularly the bus service, are ongoing, but I believe that further work needs to be done before that requirement is satisfied.

There is also an issue of equity in increasing the cost of parking for all other vehicles, as someone who cannot afford to buy a new car will be penalised, at least until there is a plentiful supply of cheaper low emissions cars on the second hand market.

In the last 18 months the number of production cars falling within the under 100gmsCO2/km category, has increased more than fourfold.

A further amendment to the STP requires TTS to encourage 'smaller' as well as low emissions vehicles. Non hybrid qualifying vehicles tend to be smaller than the hybrids as they need to take more account of weight and therefore size to have lower emissions.

Most hybrid cars do currently fall within the 100gmsCO2/km level including some luxurious high performance models. A limited number fall within the range 101 to 120 and from July 2012 they will cease to qualify. So in the short term the change will have little or no effect, but inevitably more large luxurious vehicles will be produced with a hybrid version and the amendment I have approved will apply a more sensible limit to those eligible for the scheme.

The Jersey Motor Trades Federation was informed of the intention and raised no objections. By giving more than 6 months notice the change should not disadvantage any members of the public.

In conclusion, this is not an anti hybrid measure, it is a modification which continues to encourage the use of more environmental vehicles, including hybrids, but with a minor adjustment equalising the standard, respecting the amendments to the STP and bearing in mind the legal requirement I have to protect the car park trading fund income. The original concept was that the eco-permits should only be offered to those who are clearly making a lifestyle choice by acquiring a low emissions vehicle, and this is consistent with that principle. With rapidly advancing technology there is a risk that we will simply be favouring those who can afford to buy the latest and more expensive models and whilst not removing this risk, this amendment will reduce it.