

CCC report calls for reversal of budget decision on EV company car tax exemption

The Committee on Climate Change has published "Meeting Carbon Budgets – 2012 Progress Report to Parliament", their fourth annual progress report to Parliament. The report highlights the good progress made on new car emissions, and the positive conditions in place to support the electric vehicle market. The report calls on government to reverse the decision made in the 2012 budget on the removal of the exemption of electric vehicles from company car tax, stating: "This decision will not raise significant revenue, given low sales of electric vehicles. However, it will undermine incentives for purchase of electric vehicles as company cars, a market niche where there is a potentially high share of early adopters. Given the importance of electric vehicles, scope for uptake as company cars, and limited tax revenues from electric vehicle sales, the budget decision should be reversed". The report also highlights the need to improve van emissions, stating that government needs to consider option to strengthen incentive for the purchase of more efficient vans. Other recommendations include, retaining the Carbon Reduction Commitment, setting a clear carbon objective for Electricity Market Reform, engaging with EU partners to strengthen the carbon price in the EU ETS, and including eco-driving as a key element in the practical driving test. (Source: Committee on Climate Change)

<http://www.theccc.org.uk/reports/2012-progress-report>

Apprenticeships programme continues to grow

The Department for Business, Innovation and Skills has published statistics that illustrate a continued increase in the number of people starting apprenticeships. The provisional data set indicates that in the first nine months of the 2011/12 academic year, 383,200 people undertook an apprenticeship. The rise in numbers was registered across all regions and at all levels, with particularly strong growth at

advanced and higher levels. The data also showed higher levels of learners on Skills for Life courses, with 1,374,200 participating in skills improvement trainings during the first three quarters of the 2011/12 academic year. Commenting on the figures, Skills Minister John Hayes stated: "Government has put apprenticeships at the heart of (its) skills policy because they equip people with the skills they need for a prosperous future and provide businesses with the expertise they need to grow." (Source: BIS)

<http://news.bis.gov.uk/Press-Releases/Apprenticeships-programme-continues-to-grow-67c07.aspx>

Government reverse budget decision to raise fuel duty

Chancellor George Osborne has reversed the decision made in the 2012 budget to raise fuel duty by 3p in August, following a concerted campaign by road users' groups and the Labour Party, who stated that a tax increase would cause detrimental effects on the economy, and lower living standards. In the 2011 Autumn Statement Mr Osborne cancelled a 3p rise in fuel duty for January this year, but had planned a rise this August – although it would be cut from 5p to 3p. In response to criticism by Ed Balls MP, Labour's Shadow Chancellor, over government's perceived "u-turn", the Chancellor stated that fuel duty would still be 10p per litre lower than Labour had planned. The reversal in government's position has been enthusiastically received by organisations including the RAC Foundation, the Road Haulage Association, and the Freight Transport Association. (Source: BBC)

<http://www.bbc.co.uk/news/uk-politics-18588855>



Businesses state “burden of regulation is beginning to lift”

The fifth Business Perceptions Survey (2012), a report carried out independently for the National Audit Office and the Department for Business, Innovation and Skills (BIS), indicates that a number of businesses have begun to regard regulation as less of a burden. In the survey, fewer firms cited regulation as an obstacle this year, expecting the burden to remain constant or decrease over the next years. Specifically, around 55% of companies perceived the level of regulation as an obstruction to their business, which constitutes a reduction from the peak of 62% in 2009. Moreover, 41% of businesses deemed the balance of regulation about right. Only one in nine businesses, however, has made contact with a body or organisation to advance suggestions for improving the regulatory regime. The report supports the Primary Authority scheme, as a means for businesses to get advice, and also the extension of the scheme to include trade associations, a proposal which forms part of the Enterprise and Regulatory Reform Bill. (Source: BIS)
<http://news.bis.gov.uk/Press-Releases/Burden-of-regulation-is-beginning-to-lift-say-businesses-67c1b.aspx>



Report calls for feebate scheme for electric vehicles

The Campaign for Better Transport has launched a report that states that a new kind of financial incentive scheme is needed to promote the transition to low carbon vehicles. The feebate scheme proposed by the report would entitle buyers of low emission cars to a significant rebate – potentially several thousand pounds – whereas buyers of high emission cars would be exacted to pay an extra fee. With the UK Government committed to reducing greenhouse gas emissions 80% on 1990 levels by 2050, electric and

hybrid vehicles constitute one of the main aspects of government's carbon reduction strategy. However, despite several financial incentives designed to encourage the uptake of low carbon cars, including the graduated Vehicle Excise Duty (VED), Plug-In Car Grants and graduated company car taxation rules, there is scope for the market to grow much faster than current levels. Commenting on the report, Stephen Joseph, Campaign for Better Transport, Chief Executive, noted: “The UK has the opportunity to become a leader in electric and hybrid vehicles, which could help the Government meet its aim to rebalance and green the economy (...) now is the perfect time to consider a more radical approach and a feebate system could work”. (Source: Campaign for Better Transport)

<http://www.bettertransport.org.uk/media/26-jun-feebates>

Week ahead

Commons Chamber

Thursday 5 July - Environment, food and rural affairs questions (11:05am)

Commons Committees

Monday 2 July

Science & Technology Committee (11:15am, Sheffield) – Bridging the valley of death

Tuesday 3 July

Business, Innovation and Skills Committee (10:30am, room 6) – Trade & investment: Brazil

Transport Committee (10:45am, room 17)
Road Freight

Wednesday 4 July

Science & Technology Committee (9:15am, room 8) – Bridging the valley of death

Work & Pensions Committee (9:30am, Grimond room)
Subject: Youth unemployment and the Government's Youth Contract

Business, Innovation & Skills Committee (3:00pm, Thatcher room) – Government reform of higher education: Follow-up

House of Lords

No relevant activity