

Rt Hon Patrick McLoughlin MP

Secretary of State for Transport
Department for Transport
Great Minster House
33 Horseferry Road
London SW1P 4DR

Date: 01 OCT 2015

Dear Patrick

London's Go Ultra Low City Scheme bid

We are jointly submitting a bid for £20m from the Office for Low Emission Vehicles (OLEV) Go Ultra Low City Scheme on behalf of London. The bid is supported by major companies, small businesses, public partners and stakeholder organisations from across the capital. Our joint vision is for London to be Europe's ultra low emission vehicle (ULEV) capital and our bid is vital to making this vision a reality. We welcome your support in securing the funding needed to unlock London's full ultra low emission vehicle potential which will deliver economic benefits for the whole of the UK.

The capital already has a world-leading set of policies and initiatives to incentivise cleaner vehicles. In recent years we have implemented a Congestion Charge, Low Emission Zone and parking policies that favour ultra low emission vehicles. The world's first Ultra Low Emission Zone, which will come in to force in 2020, heralds a significant step change in London's ambitions. Our Go Ultra Low City Scheme bid seeks to build on the UK's most comprehensive supporting policy framework to encourage ULEV uptake.

At the heart of the bid is our determination to accelerate London's journey to an ultra low emission future through installing the right infrastructure in the right place and implementing ambitious area-based schemes. Our bid allocates:

- £8m to install residential charging infrastructure using a new pan-London delivery vehicle;
- £4m to create strategic rapid charging hubs across London to service commercial fleets;
- £4.5m to help car club operators to meet a commitment for 50 per cent of their vehicles to be ULEVs by 2025; and
- £3.5m for Neighbourhoods of the Future, borough-led schemes combining this infrastructure investment with behaviour change interventions to encourage local businesses and residents to make the switch to ultra low emission vehicles.

Our bid will help us to realise independent projections for 70,000 ULEVs to be sold in London by 2020 and set us on the path to an almost entirely ultra low emission vehicle fleet by 2050. It will complement our ongoing efforts to bring about a holistic transformation of all London's vehicle fleets, including next generation buses, taxis and minicabs. This scale of transformation, in the UK's global gateway, is a unique opportunity for OLEV.

Building on the extensive action already taken to improve air quality in the capital, I have been working with Government to identify what action is needed to make London compliant with European legal requirements for nitrogen dioxide (NO₂). This bid is an essential part of the overall package of Government funding and support required. Securing the transition to ULEVs in London will also bring wider social and environmental benefits of nearly £30m by 2025.

Our efforts to clean London's vehicles will also deliver benefits across the whole of the UK, with total economic benefits of around £230m a year by 2050 and over 3,000 net jobs created or safeguarded across the country. This potential can only be realised by a fair and reasonable settlement for the UK's global gateway.

Our bid makes a compelling case that London is the best market, with the right demographics and policy conditions, in which to meet OLEV's ambitions to boost uptake of ultra low emission vehicles. It is backed by an evidence base of research and business engagement carried out at local and regional levels, which demonstrate a need both for the initiatives proposed and London's commitment to addressing issues that have held back the ULEV market in the capital. Through this bid we will continue our history of innovation and ambitious policy making to deliver real change, further enhancing London's position as one of the world's leading ultra low emission cities.

Should you or your officials require any further information please contact Lilli Matson, Head of Strategy and Outcome Planning at Transport for London, on 020 3054 4707 or by email at lillimatson@tfl.gov.uk, or Steve Craddock, Principal Policy Officer Transport, Infrastructure and Environment at London Councils, on 020 7934 9832 or by email at steve.craddock@londoncouncils.gov.uk.

We have copied this letter to Oliver Letwin MP, Liz Truss MP, Andrew Jones MP, Anna Soubry MP and Rory Stewart MP.

With best wishes,



Boris Johnson
Mayor of London



Mike Brown
Commissioner, Transport for London



Cllr Julian Bell
Chair of London Councils' Transport and Environment Committee (TEC)