

22.11.22

5 Deputy R.J. Ward of the Minister for the Environment regarding electric bike schemes (OQ.114/2022)

Will the Minister advise whether funding for any planned electric bike schemes will be taken from the budget for speeding up adoption of electric vehicles, and whether the active travel budget of £1.7 million will be untouched by any such scheme; will the Minister further indicate what consideration will be given to those on lower incomes, struggling families and those with disabilities to ensure they are included in any scheme?

Deputy J. Renouf of St. Brelade (The Minister for the Environment):

I can confirm that work is underway to develop a further e-bike incentive scheme under Policy TR1 in the carbon neutral roadmap. But the eligibility, timing, value and further details of the scheme have yet to be finalised. However, I can also confirm that money used to fund such a scheme would come from the electric vehicle or E.V. (electric vehicle) part of the Climate Emergency Fund, for which over £4 million has been allocated and not from the active travel budget. As far as the second part of the question is concerned, any scheme to incentivise the purchase of e-bikes will necessarily support those who have the resources to pay a significant part of the cost of an e-bike. I recognise that this is unlikely to include people on very low incomes. However, the policies being developed as part of the carbon neutral roadmap need to be considered as a whole. Different policies are designed to target different groups. I would also emphasise that one of the reasons for encouraging the rapid take up of e-bikes is to help the development of a significant second-hand market, which will lower the price barrier to entry. Finally, in terms of people with disabilities, we are looking at ways to ring-fence a proportion of the funding to go towards e-bikes that are adapted to meet the needs of the mobility impaired and those with disabilities in recognition of the particularly high cost of this kind of bike.

3.5.1 Deputy R.J. Ward:

I thank the Minister for the reassurance that the active travel fund will not be touched with this scheme. Can I ask the Minister to confirm some idea of this type of subsidy? Because an e-bike can be over £2,000, they are often over £2,000 and to many even a subsidy of half of that would make them really inaccessible. Therefore, would he extend this scheme to non-e-bikes as well to get people cycling and use, for example, some of the charities like Acorn, who can refurbish bikes, to make bikes almost free for people with their small subsidy?

Deputy J. Renouf:

I would rather not get drawn at this stage on the precise details of policy under development. It risks giving advice to people, so to speak, that might not come to pass and I think that would be unfortunate. On the more general point though, I would take issue with the idea that every single thing we have to do in the carbon neutral roadmap should be equally applicable. I think the idea is that we target different schemes of different segments of the population and indeed different end-users. We will have schemes to help people with removing carbon heating systems, high carbon heating systems. We will have schemes for transport and those schemes for transport will be targeted in different ways. We already have schemes, thanks to the Deputy, to do with bus subsidies. We will have schemes to do with active travel and we will have schemes to do with e-bikes and, in the fullness of time, with E.V.s. Those are all different schemes aimed to target different groups. I do feel that we should offer incentives also to people higher up the income scale

to try and nudge their behaviour in the direction that we know they need to go, that we know the Island needs to go. I do think that that spread of incentives needs to be borne in mind.

3.5.2 Deputy G.P. Southern:

What I noticed there was the use of what appears to be free electric bikes for the wealthy, is that not the case?

Deputy J. Renouf:

No, it is not the case. I specifically said I was not going to get drawn on the details of what the subsidy schemes might involve. I can say that that is not an example that is currently within our range of considerations.

3.5.3 Deputy G.P. Southern:

But, nonetheless, the Minister suggests that the wealthy are a target.

Deputy J. Renouf:

I think I explained quite comprehensively that we need to target a range of measures. The need is to encourage people at all income scales to make changes in behaviour. There is, therefore, a spread of measures designed to go right across the income distribution and right across many different forms of transport, and indeed home heating when we come to that as well. I do think that this will be a balanced set of proposals when they come forward. They will also be available to scrutinise through the Scrutiny Panel. We are indeed consulting with different actors in each sector to make sure that we arrive at schemes that are appropriate, that cover a wide range of the options and a wide range of people so that everybody can contribute.

3.5.4 Deputy S.Y. Mézec:

By the Minister's admission that there will be measures, you are proposing that some may be more progressive than others. Could he confirm whether anything is being considered in such a scheme as this to ensure that the on-Island benefit is maintained as much as possible and that there is not any inadvertent subsidising of electric bikes for people who will not use them on Island but perhaps could even locate them off-Island at their second homes, rather than focusing on active travel and stopping people from driving their cars in Jersey?

Deputy J. Renouf:

I think that is something that we should certainly bear in mind. There are limits when you design these schemes to how prescriptive you can be. We want to encourage the use of e-bikes and indeed other forms of electric transport. It is possible that people will take those forms of transport off-Island. Were they to take them off-Island as their sole use, then that would obviously be a problem, as would people trying to sell them for a profit. That is why we have to judge the level of support that we give in order to make sure that it is enough to incentivise a change in behaviour but not too generous to encourage perverse outcomes.

3.5.5 Deputy R.J. Ward:

May I ask the Minister what the timescale is for a programme and what the lead-in will be for bicycle shops that will be asked to stock what is extremely expensive stock with no guarantee that perhaps the people they are targeting will be part of the scheme to buy it? What would the lead-in be for

those shops? What assurance can the Minister give to those shops that they are not going to buy stock that will not be used and what is the timescale for final scheme?

Deputy J. Renouf:

The scheme I think is we are looking at a timetable of within the next few months, certainly well within the first quarter of next year. The Deputy may also be aware that we are also in conversation with retailers and with bicycle advocacy groups, precisely to make sure that nothing in our scheme comes as a surprise. We are able to match the scheme that we come up with, with the ability of the market to supply the vehicles. I hope very much that we get that right. I certainly look forward to further discussions. Our officers will be having further discussions with those representative groups and of course the Scrutiny Panel will also be able to tackle us on any proposals we bring forward to make sure that we have stayed within the sensible parameters.