



PRESS RELEASE

Thursday 26th February 2004

**KOMMUNENES INTERNASJONALE MILJØORGANISASJON
LOCAL AUTHORITIES INTERNATIONAL ENVIRONMENTAL
ORGANISATION**

Abandoned Cars - Massive Bill for Councils

At a Conference addressing a new EU Directive¹ about redundant cars KIMO UK will today raise concerns about the significant extra costs to local Councils as a result of how the UK Government plans to implement the EU ELV Directive². The Directive will put the responsibility of dealing with old vehicles on producers by 2007.

KIMO UK will also promote what it believes would be a long-term solution to the problems of the increased costs to owners of old cars. The proposal is to introduce a bond on new vehicles that will be tied to the DLVA Registration Document and which will remain with the vehicle until it is delivered to an authorised disposal site. This would result in a positive value for old unwanted cars encouraging the last owner to dispose of them responsibly.

In the short term however KIMO UK has highlighted the deficiencies in the UK implementation of the Directive and problems with the ELV Directive itself. Increased costs to authorised disposal facilities due to the Directive will increase gate prices that owners of old vehicles will have to pay impacting on families in lower income brackets. This combined with low scrap prices and the cost of collection of increased numbers of abandoned cars will continue to be a problem until old cars have a positive rather than a negative value as is currently the case. Councils are also concerned that the Directive will only apply to complete vehicles and not cover incomplete cars or ones that have been destroyed by fire.

In a statement issued today Chairman of KIMO UK Councillor Angus Nicolson said, *"It is clear that the Government and the car industry want to carry on as*

¹ THE ELV Directive Conference – 26th February 2004 – Renaissance Solihull Hotel 651 Warwick Road Solihull B91 1AT email mrwconferences@emap.com www.elvconference.com

² *Regulatory Impact Assessment (RIA) on Implementation Options pe-2007 for Directive 2000/53/EC of the European parliament and of the Council on End of Life Vehicles (the 'ELV' Directive)*, Department of Trade and Industry, London, 20 June 2002

normal without any significant changes despite the requirements of the Directive. What we don't want is a similar situation to the fridge mountain that occurred recently. The difference here is that this problem will be highly visible with abandoned cars littering our streets, countryside and seascides.

The chosen arrangements will unfairly disadvantage the poorest motorists, many more old cars will be abandoned or torched as a result – perhaps over a quarter of a million per year – and the Government appears to have underestimated these figures, the cost to the taxpayer of removing these additional vehicles will run into tens of millions, even after the cost of treatment of ELV's is taken on by the industry. In the short term Local Authorities will foot the bill despite Ministerial promises of more funds but in any case we may still have to pay for incomplete abandoned cars in 2007 after the manufacturers become responsible. KIMO UK is calling today for a much more equitable approach which would involve the introduction of a bond scheme³ on new vehicles that would be carried through to the final disposal. This is a well tested method of dealing with similar problems which our Scandinavian cousins have had in place for many years.”

Editor Note - A representative of KIMO UK will be attending the conference and will be available for interviews.

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³ KIMO UK proposes that the UK Government should take this opportunity to introduce a bond scheme on new cars similar to those run in other European countries. When an owner bought a new car and registered it with the DVLA, he or she would also pay a bond (i.e. £100), which would be tied to the cars Registration Document. The bond, which would be linked to inflation, would follow the car and be reclaimed by the last owner upon receiving a Certificate of Destruction. This income could be invested during the life of the vehicle and the proceeds would more than cover the administration of the scheme and inflation.