

**GREATER MANCHESTER AIR QUALITY ADMINISTRATION  
COMMITTEE**

**DATE:** Wednesday, 26th October, 2022

**TIME:** 11.00 am – 12.00 pm

**VENUE:** Council Chamber, Manchester Town Hall Extension,  
M2 5DB

**SUPPLEMENTARY AGENDA**

- 5. GM CLEAN AIR PLAN - OCTOBER 2022 UPDATE** 1 - 16

Report of Councillor Andrew Western, Portfolio Lead for Clean Air.  
To be presented by Megan Black, Head of Logistics, TfGM.

- 6. GM CLEAN AIR PLAN - EXPENDITURE UPDATE** 17 - 34

Report of Eamonn Boylan, Chief Executive of GMCA & TfGM.

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## GM Air Quality Administration Committee

Date: 24 October 2022

Subject: GM Clean Air Plan – October 2022 Update

Report of: Councillor Andrew Western, Portfolio Lead for Clean Air

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### Purpose of Report

This report provides an update on the Case for a new Greater Manchester Clean Air Plan.

### Recommendations:

The Air Quality Administration Committee is requested to:

1. Note the non-compliant vehicles that have been upgraded through Clean Air Funds.
2. Note the targeted engagement being undertaken with key stakeholders to inform the policy development process.
3. Note the feedback from the engagement session and analysis of the vehicle-owning groups survey will be reported at a future meeting.
4. Note that Greater Manchester Police have advised that the disclosure requests from the Clean Air Zone ANPR cameras have been very useful in detecting crime.

### Contact Officers

Eamonn Boylan – Chief Executive, GMCA and TfGM –  
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Megan Black – Interim Head of Logistics & Environment -

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## **Equalities Impact, Carbon and Sustainability Assessment:**

The GM CAP is a place-based solution to tackle roadside NO<sub>2</sub> which will have a positive impact on carbon.

## **Risk Management**

Initial risk register set out in Clean Air Plan OBC (March 2019).

## **Legal Considerations**

On 8<sup>th</sup> February 2022 *The Environment Act 1995 (Greater Manchester) Air Quality Direction 2022* was issued. The new direction requires that the GM local authorities:

- review the measures specified in the existing Plan; and
- determine whether to propose any changes to the detailed design of those measures, or any additional measures.

The GM authorities must ensure that the Plan with any proposed changes will secure that:

- compliance with the legal limit value for NO<sub>2</sub> is achieved in the shortest possible time and by no later than 2026; and
- exposure to levels above the legal limit for NO<sub>2</sub> is reduced as quickly as possible.

This new direction revoked the direction dated March 2020 which required the ten Greater Manchester Local Authorities to implement a Category C Clean Air Zone to achieve compliance with the legal limit value for NO<sub>2</sub> in the shortest possible time and by 2024 at the latest.

## **Financial Consequences – Revenue**

Initial Financial Case set out in Clean Air Plan OBC (March 2019), with all development and delivery costs to be covered by central Government.

## **Financial Consequences – Capital**

Initial Financial Case set out in Clean Air Plan OBC (March 2019), with all development and delivery costs to be covered by central Government.

**Number of attachments to the report:** none

## **Comments/recommendations from Overview & Scrutiny Committee**

Not applicable.

## Background Papers

- 17 August 2022, Report for AQAC: GM Clean Air Plan – August 2022 Update
- 1 July 2022, Report for AQAC: GM Clean Air Plan – July 22 Update
- 23 March 2022, Report for AQAC: GM Clean Air Plan – March 22 Update
- 28 February 2022, Report for AQAC: GM Clean Air Plan – February 22 Update
- 2 February 2022, report to CACC: GM Clean Air Plan – update to the temporary exemption qualification date for GM-licensed hackney carriages and private hire vehicles
- 20 January 2022, report to AQAC: GM Clean Air Plan – A628/A57, Tameside – Trunk Road Charging Scheme update
- 20 January 2022, report to AQAC: GM Clean Air Plan – Financial Support Scheme Jan 22 Update
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- 18 November 2021, report to AQAC: GM Clean Air Plan – GM Clean Air Funds assessment mechanism
- 18 November 2021, report to CACC: GM Clean Air Plan – GM Clean Air Plan Policy updates
- 13 October 2021, report to AQAC: GM Clean Air Plan – Operational Agreement for the Central Clean Air Service
- 13 October 2021, report to CACC: GM Clean Air Plan – Showmen’s Vehicle Exemption
- 13 October 2021, report to CACC: GM Clean Air Plan – Clean Air Zone daily charge refund policy
- 13 October 2021, report to CACC: GM Clean Air Plan – A628/A57, Tameside – Trunk Road Charging Scheme
- 21 September, report to AQAC: GM Clean Air Plan – Clean Air Zone: Camera and Sign Installation
- 21 September, report to AQAC: GM Clean Air Plan – Bus Replacement Funds
- 25 June 2021, report to GMCA: GM Clean Air Final Plan
- 31 January 2021, report to GMCA: GM Clean Air Plan: Consultation
- 31 July 2020, report to GMCA: Clean Air Plan Update
- 29 May 2020, report to GMCA: Clean Air Plan Update
- 31 January 2020, report to GMCA: Clean Air Plan Update

- 26 Jul 2019, report to GMCA: Clean Air Plan Update
- 1 March 2019, report to GMCA: Greater Manchester's Clean Air Plan – Tackling Nitrogen Dioxide Exceedances at the Roadside - Outline Business Case
- 11 January 2019, report to GMCA/AGMA: Clean Air Update
- 14 December 2018, report to GMCA: Clean Air Update
- 30 November 2018, report to GMCA: Clean Air Plan Update
- 15 November 2018, report to HPEOS Committee: Clean Air Update
- 26 October 2018, report to GMCA: GM Clean Air Plan Update on Local Air Quality Monitoring
- 16 August 2018, report to HPEOS Committee: GM Clean Air Plan Update
- UK plan for tackling roadside nitrogen dioxide concentrations, Defra and DfT, July 2017.

## **Tracking/ Process**

Does this report relate to a major strategic decision, as set out in the GMCA Constitution

No

## **Exemption from call in**

Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency? No

**GM Transport Committee** – Not applicable

**Overview and Scrutiny Committee** – Not applicable

# 1 Background

- 1.1 The Government has instructed many local authorities across the UK to take quick action to reduce harmful Nitrogen Dioxide (NO<sub>2</sub>) levels following the Secretary of State (SoS) issuing a direction under the Environment Act 1995. In Greater Manchester, the 10 local authorities, the Greater Manchester Combined Authority (GMCA) and Transport for Greater Manchester (TfGM) are working together to develop a Clean Air Plan to tackle NO<sub>2</sub> Exceedances at the Roadside, herein known as Greater Manchester Clean Air Plan (GM CAP).
- 1.2 The development of the GM CAP is funded by Government and is overseen by Joint Air Quality Unit (JAQU), the joint DEFRA and DfT unit established to deliver national plans to improve air quality and meet legal limits. The costs related to the business case, implementation and operation of the GM CAP are either directly funded or underwritten by Government acting through JAQU and any net deficit over the life of the GM CAP will be covered by the New Burdens Doctrine, subject to a reasonableness test<sup>1</sup>.
- 1.3 The GM CAP is a package of measures to deliver NO<sub>2</sub> reductions to within legal limits within the shortest possible time and by 2026 at the latest.
- 1.4 Throughout the development of the GM Clean Air Plan the ten GM local Authorities have made clear the expectation that the UK Government would support the plans through:
  - Clear arrangements and funding to develop workable, local vehicle scrappage / upgrade measures;
  - Short term effective interventions in vehicle and technology manufacturing and distribution, led by national Government;
  - Replacement of non-compliant buses; and

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<sup>1</sup> The new burdens doctrine is part of a suite of measures to ensure Council Tax payers do not face excessive increases. [New burdens doctrine: guidance for government departments - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/guidance/new-burdens-doctrine)

- A clear instruction to Highways England<sup>2</sup> to implement measures which deliver compliance with legal limits for NO<sub>2</sub> on the strategic road network, for which they are responsible, in the shortest possible time<sup>3</sup>.
- 1.5 The GMCA Clean Air Update report of 29 May 2020<sup>2</sup> detailed that in March 2020 the government provided initial funding of £41m for clean vehicle funds to award grants or loans to eligible businesses: £15.4m for bus retrofit, £10.7m for Private Hire Vehicles, £8m for HGVs, £4.6m for coaches and £2.1m for minibuses. These figures include Joint Air Quality Unit (JAQU) estimated delivery costs at 5%.
  - 1.6 The GMCA – Clean Air Final Plan report detailed that GM had been awarded £14.11m for Hackney Carriages and £73.5m for Light Goods Vehicles. The Hackney Carriage award comprises £10.61m to support grants and loans to upgrade vehicles. These figures include JAQU estimated delivery costs at 5%.
  - 1.7 The GMCA – Clean Air Final Plan report on 25 June 2021<sup>4</sup> endorsed the GM Final Clean Air Plan and policy following a review of all of the information gathered through the GM CAP consultation and wider data, evidence and modelling work. This included the GM Clean Air Plan Policy, that outlined the boundary, discounts, exemptions, daily charges of the formerly proposed Clean Air Zone (CAZ) as well as the financial support packages offered towards upgrading to a compliant vehicle, including the eligibility criteria to be applied. The aim of the funding is to support an upgrade to a compliant vehicle and to mitigate the negative socio-economic effects of the former GM CAZ.
  - 1.8 The 25 June 2021 GMCA report set out that the Air Quality Administration Committee has the authority to establish and distribute the funds set out in the agreed GM Clean Air Plan policy.
  - 1.9 On 21 September 2021 the Air Quality Administration Committee approved the establishment and distribution of the bus replacement funds.
  - 1.10 On 13 October 2021 the Air Quality Administration Committee agreed the distribution of Clean Air funds set out in the agreed GM Clean Air Plan policy as follows:

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<sup>2</sup> On 19 August 2021 it was announced that Highways England changed its name to 'National Highways' reflecting the new focus the company has on delivering the government's £27bn strategic roads investment programme, while also continuing to set highways standards for the whole UK.

<sup>3</sup> GM Authorities are directed to take action on the local road network. Those roads managed by National Highways, such as motorways and trunk roads are excluded from the Clean Air Plan.

<sup>4</sup> Also considered by the GM authorities through their own constitutional decision-making arrangements.

- From 30 November 2021 applications for funding would open for HGVs.
  - Opened the funds to applications from LGV, Hackney, PHV and Minibus owners who were detrimentally impacted by the decision of the AQAC to defer the wider opening of the Financial Support Scheme.
- 1.11 On 18 November 2021 the Air Quality Administration Committee agreed the assessment mechanism to allow for Clean Air Funds to be adapted, if necessary (including a process for considering whether additional funding is required), if the impacts of the Clean Air Zone prove to be more severe than forecast once opened.
- 1.12 On 20 January 2022 the Air Quality Administration Committee considered the findings of an initial review of conditions within the supply chain of Light Good Vehicles which is impacting the availability of compliant vehicles. The Committee agreed that a request should be made to the Secretary of State (SoS) for Environment, Food and Rural Affairs to agree to pause the opening of the next phase of Clean Air Funds to enable an urgent and fundamental joint policy review with Government to identify how a revised policy can be agreed to deal with the supply issues and local businesses' ability to comply with the GM CAP.
- 1.13 On 28 February 2022 the Air Quality Administration Committee noted the submission of a report "*Issues Leading to Delayed Compliance Based on the Approved GM CAP Assumptions*", attached as Appendix 3. The report concluded that on balance, the latest emerging evidence suggests that with the Approved Plan [Summer 2021 Clean Air Plan] in place, it is no longer more likely than not that compliance would be achieved in 2024. The Government subsequently issued a new direction which stated that a revised plan was required to be submitted to the SoS by 1<sup>st</sup> of July, requiring the achievement of compliance with the legal limit value for NO<sub>2</sub> in the shortest possible time and by no later than 2026. The committee also noted the interim arrangements for delivery arrangements for the Clean Air Zone in the meantime, including signage, funding and discount/exemption applications.
- 1.14 On 23 March 2022 the Air Quality Administration Committee noted the scope of the review of the Clean Air Plan and the participatory policy development approach, as well as delivery arrangements, including signage and funding.
- 1.15 On 1 July 2022 the Air Quality Administration Committee noted the 'Case for a new Greater Manchester Clean Air Plan' document and associated appendices would be submitted to the Secretary of State on the 1 July as a draft document subject to any comments of Greater Manchester local authorities.

- 1.16 On 17 August the Air Quality Administration Committee agreed to submit the 'Case for a new Greater Manchester Clean Air Plan' to the Secretary of State as a final Case for a new Greater Manchester Clean Air Plan and Approved the Case for a New Plan - Air Quality Modelling Report for submission to the government's Joint Air Quality Unit.

## 2 Overview

2.1 The primary focus of the 'Case for a new Greater Manchester Clean Air Plan' is to achieve compliance in a way that considers the current cost of living crisis and associated economic challenge faced by businesses and residents. An investment-led approach will be combined with all the wider measures that GM is implementing and aims to reduce NO<sub>2</sub> emissions to within legal limits, in the shortest possible time and at the latest by 2026. Unlike the previous charging-led scheme defined by Government guidance, the investment-led scheme seeks to factor in the cost-of-living crisis, it will actively consider the impacts of the pandemic and wider global economic instability on supply chains, can be delivered from summer 2023, and crucially considers the significant beneficial effects that the delivery of electric bus can have along key routes. In particular:

- The **cost-of-living crisis** means that businesses are less able to afford to invest in vehicle upgrades, whilst households are less able to absorb any costs that may be passed on to them.
- This is exacerbated by **rising vehicle prices** and – for some vehicle types – lower residual values of non-compliant vehicles. There is evidence that illustrates the demand for new and compliant second-hand vehicles is exceeding supply, leading to longer wait times and rising prices.
- A charging Clean Air Zone could therefore cause **unacceptable financial hardship** and contribute to business failures.
- In addition, **new opportunities have arisen** – via the approval of bus franchising and new funding for electric buses – this means that GM has the opportunity to tackle emissions in a different way.
- The exceedances become more localised in 2025 and 2026, therefore **action can be targeted** at those locations suffering the worst air quality.
- It is clear that the GM-wide Clean Air Zone category C as approved in summer 2021 could lead to hardship in GM and that implementing a materially revised charging

CAZ, for example with a different boundary, vehicles in scope or discounts and exemptions, would take time to design and consult upon and then implement.

- 2.2 The 'Case for a new Greater Manchester Clean Air Plan' will use the £120 million of Clean Air funding that the Government has awarded to Greater Manchester to deliver an investment led approach to invest in vehicle upgrades, rather than imposing daily charges and in particular through the delivery of zero emission buses in the Bee Network (a London-style integrated transport network). The new plan will ensure that the reduction of harmful emissions is at the centre of GM's wider objectives.

### **3 Feedback from Government**

- 3.1 Greater Manchester Authorities are awaiting government feedback on the documents provided.
- 3.2 In line with AQAC recommendations noted at the July meeting, GM is continuing to progress the policy development for the new GM CAP in support of a non-charging, investment-led approach, subject to Government feedback.

### **4 Clean Air Funds**

- 4.1 As has been reported previously the emissions reduction for an HGV or bus changing from a non-compliant vehicle to a Euro VI model is greater than for lighter vehicles such as taxis and vans, therefore, the air quality benefits to GM per successful fund application are maximised. Funding for HGV and bus replacement and retrofit for eligible people and businesses remain open. To date:
- 106 non-compliant HGVs have been upgraded, through £0.677m funding.
  - 704 non-compliant buses have been retrofitted with technology to provide compliant level of emissions. This has been facilitated with £9.833m of funding
  - 64 buses have been replaced with compliant vehicles with £0.912m of funding provided.
- 4.2 Members requested that arrangements were put in place for those vehicle owners who had already placed orders pending funding opening at the end of January as originally planned to be able to contact Clean Air GM for advice to ensure they are not detrimentally impacted by the decision to pause the opening of the funds. It was also agreed that funding awards can be made by the Chief Executive of the GMCA and TfGM, in consultation with the Committee chair, where appropriate.

4.3 44 awards have been made for funding using the scheme eligibility criteria as set out in the current GM Clean Air Plan Policy<sup>5</sup> and of those 31 awards have been paid following confirmation of receipt of the compliant vehicles. Total expenditure under this arrangement has been £171,000.

## 5 Participatory approach to the development of a new plan

5.1 GM leaders have committed to a participatory approach to the development of the new Plan to ensure that GM's proposals are well-grounded in evidence in terms of the circumstances of affected groups and possible impacts of the Plan on them, and therefore the deliverability and effectiveness of that Plan.

5.2 GM is now undertaking targeted engagement with key stakeholders – vehicle-owning groups and other impacted individuals, such as community, business, environment and equality-based groups. This engagement consists of:

- Stakeholder engagement sessions – all groups
- An online survey and supporting qualitative research activity – vehicle-owning groups only

5.3 The objectives of the approach

- Raise awareness and gather feedback on the proposed new GM CAP.
- Assess interest in funding and what factors are considered when purchasing a vehicle and any barriers (e.g. availability of vehicles, purchase costs, market conditions).
- Gather feedback on retaining funding principles from the previous Clean Air Plan.
- Assess support for proposal to use ANPR cameras to identify vehicles frequently travelling on routes where there are persistent exceedances.
- Explore perceptions and experiences of current vehicle market conditions, vehicle availability and costs of upgrading.
- Understand what measures other than vehicle funding would help vehicle owners to upgrade.

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<sup>5</sup> [GM Clean Air Plan Policy following Consultation](#)

- Understand unintended impacts of the proposed plan on people with protected characteristics GM-wide and within local geographies to inform the Equalities Impact Assessment.
- Understand any spatial considerations with particular emphasis on the locations where there are projected to be persistent exceedances in NO<sub>2</sub>.

5.4 Input from those engaged will inform the policy development process and GM will develop a package of measures forming a proposed new GM CAP. A public consultation on the new Clean Air Plan proposals will take place in early 2023.

5.5 GM will then review the responses to the consultation and, if needed, make any adaptations to the proposals as necessary. It is anticipated that a decision could be made to proceed with the new GM CAP thereafter.

## **6 Update on participatory approach to the development of a new plan**

6.1 Stakeholder engagement sessions – each group has been taken through an update to Greater Manchester’s current position regarding the investment-led non-charging Clean Air Plan (CAP), that is subject to Government feedback. This included the legal direction, what has changed since the previous Plan was agreed in Summer 2021, the updated forecast of future air quality if no action was taken, and the circumstances that dictate why a new Plan is needed. Vehicle owner groups were given a recap on what Clean Air Funding was offered to them under the previous Plan, which included the potential to retain the funding principles of the previous policy and the proposal to use the ANPR cameras to allocate funding under the investment-led approach.

6.2 All groups were then asked for their views along the lines of a series of questions in a facilitated discussion, and the comments noted for the policy development process. All groups were asked for their views on the investment-led non charging CAP approach overall. All groups were asked for their feedback on the proposal to use ANPR cameras for allocating funding under the investment-led approach.

6.3 Topics covered with the vehicle groups sought to find out feedback specifically on their likelihood to retrofit or replace non-compliant vehicles under a non-charging plan, using CAP funds if they became available, and particularly, feedback on the funding principles and grant levels offered under the previous plan.

6.4 Engagement with equality-based, Voluntary, Community and Social Enterprise sector (VCSE), health and environmental groups asked for their insight on the possible

impacts – unintended or other – of the proposed CAP, as well as their insight on whether any individuals or communities they represent have specific concerns about air quality, that GM should be aware of with regards to the Clean Air Plan.

6.5 With the GM Chamber of Commerce and the Federation of Small Businesses, questions also focused on challenge around the increased cost and availability of compliant vehicles in the new and second-hand market, as well as their insight on the best way to target funding.

6.6 Stakeholder engagement sessions have been undertaken with:

- Minibus (Community Transport Association)
- Private Hire Vehicle representatives from across GM
- Hackney Carriage vehicle representatives from across GM
- OneBus – Representative body of bus operators in GM
- TfGM's Disability Design Reference Group (DDRG)
- Institute of Couriers – stakeholder group representing couriers (LGV)
- GM Older People's Panel
- Greater Manchester Equality Alliance
- Asthma and Lung UK including representatives from Clean Air Parents Network
- Road Haulage Association - trade association for road transport and freight logistics operators.
- Confederation of Passenger Transport – representing coach trade
- GM Directors of Public Health
- Caribbean African Health Network
- 10GM – supports the voluntary, community and social enterprise (VCSE) sector
- GM Race Equality Panel
- GM Chamber of Commerce and Federation of Small Businesses
- GM VCSFE Leadership Group - promotes the role of the VCSE sector and communities in Greater Manchester devolution

6.7 Stakeholder engagement sessions are also planned/ being scoped with:

- Friends of the Earth - environmental campaigning non-profit
- Finishes and Interiors Sector – representing LGV sector
- GM groups representing young people

6.8 Neighbouring Authorities briefings have been undertaken with:

- High Peak Council
- St Helens Council
- Rossendale Borough Council
- Warrington Borough Council
- Lancashire County Council
- Liverpool City Region Combined Authority

6.9 Neighbouring Authorities briefings are also planned with:

- Cheshire East Council

6.10 Survey – Two surveys for vehicle-owning groups were developed, one for the Hackney and Private Hire Vehicle trade as well as one for the HGV and Coach trade. The surveys ran from Monday 5<sup>th</sup> September – Monday 10<sup>th</sup> October while the engagement activity was ongoing. The objectives of the survey were as follows:

- Gather information on current vehicle usage within Greater Manchester and upgrading plans for vehicles in scope;
- Understand what factors are considered when purchasing a vehicle and any barriers (e.g. availability of vehicles, purchase costs, market conditions);
- Understand vehicle owners' attitudes towards Electric Vehicles and propensity to upgrade to electric rather than cheapest possible compliant vehicles;
- Gauge levels of awareness around existing HGV funding package to upgrade vehicles (HGV only); and
- Understand what measures other than vehicle funding would help vehicle owners to upgrade.

6.11 The details and survey links were promoted through a variety of contacts and networks to ensure the largest response numbers as possible. Both surveys were sent to those who took part in the engagement process and were asked to encourage

those in their networks to respond. In addition, the survey aimed at the taxi trade was shared by Greater Manchester Licensing Managers, to their licensed trade.

6.12 For the HGV/Coach survey, details were shared with the Road Haulage Association, the ten Greater Manchester local authority business teams, GM Business Representative Organisations, the Freight Forum Network (freight contacts from across GM), previous CAP HGV fund applicants, recipients of the GM CAP newsletter and GM HGV Freight companies. Furthermore, details were also shared with the neighbouring local authorities, who were encouraged to share links with businesses in their districts but who may be frequent travellers to Greater Manchester.

6.13 Table of survey response numbers

<b>Where are your vehicle (s) licensed?</b>	<b>Taxi / PHV</b>	<b>Coach / HGV</b>
Bolton	117	17
Bury	62	13
Manchester	383	38
Oldham	31	13
Rochdale	24	14
Salford	154	12
Stockport	16	15
Tameside	69	11
Trafford	43	15
Wigan	39	25
Outside GM	32	60
<b>Total</b>	<b>900</b>	<b>233</b>

6.14 Feedback from the engagement session and analysis of the survey will be reported at a future meeting.

## 7 ANPR Cameras

- 7.1 Members have previously discussed the ANPR cameras that were installed for a charging Clean Air Zone. Paragraph 10.4.4 of the Case for a New GM Clean Air Plan set out that “Under an investment-led non-charging GM CAP the ANPR cameras installed for the Class C charging CAZ could be used to inform and support the development of investment-led solutions- for example, ANPR cameras could help determine eligibility for upgrade funding by identifying those non-compliant vehicles travelling most regularly through areas of NO2 exceedance. GM would also want to utilise the ANPR cameras for potential law enforcement activity related to the detection of crime, subject to the consideration of the outcome of public consultation.”
- 7.2 With regard the ANPR cameras and Greater Manchester Police (GMP), it should be noted that GMP does not have direct access to ANPR camera data. Instead, where GMP wishes to obtain information on a vehicle, they must submit a formal request for disclosure of personal data, to include sufficient information in order for TfGM to identify the correct data. When such a request is received from GMP, the same is assessed by TfGM to ensure that the sharing of any personal data is in line with data protection legislation, in line with the published privacy policy<sup>6</sup> which allows personal data to be shared with the police and/or other law enforcement agencies for the purpose of crime prevention or detection and apprehension or prosecution of offenders.
- 7.3 Since February 2022 TfGM have received 99 disclosure of personal data requests from law enforcement agencies and to date 63 have been fulfilled.
- 7.4 GMP have recently notified the Mayor of Greater Manchester, who has responsibilities around their governance and budgets, to advise that the disclosure requests from the Clean Air Zone ANPR cameras have been very useful in detecting crime and has been used in at least:
- 2 murder investigations;
  - 1 high risk missing person case;
  - 1 county lines drugs supply case;

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<sup>6</sup> [Greater Manchester Clean Air Plan privacy policy | Clean Air Greater Manchester \(cleanairgm.com\)](#)

- 2 different fatal road traffic collisions where the offending vehicles have failed to stop at the scene; and
- an aggravated burglary.

## **8 Recommendations**

The recommendations are set out at the front of the report.

## GM Air Quality Administration Committee

Date: 26<sup>th</sup> October 2022

Subject: GM Clean Air Plan – Expenditure Update

Report of: Eamonn Boylan, Chief Executive of GMCA and TfGM

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### Purpose of Report

This report provides an update on the funding received from Government, the expenditure made and the funding requirements that have emerged as the new Greater Manchester Clean Air Plan is developed.

### Recommendations:

The Air Quality Administration Committee is requested to:

1. Note the funding received from Government, the expenditure made and the funding requirements that have emerged as the Greater Manchester Clean Air Plan has been developed;
2. Note an additional c£4 million of expenditure, for the FY 2022/23, requires funding from JAQU and is subject of an additional funding request to cover the additional development work that the new Direction and review has brought;
3. Note that TfGM are in active discussions with JAQU over the funding required to fill the gap that would have been covered by the CAZ revenues for items such as the CAZ Operational Costs and the operation of the Financial Support Scheme;
4. Note that until the Secretary of State has provided feedback on the 'Case for a new Greater Manchester Clean Air Plan', TfGM is unable to materially change or terminate the contracts that have been put in place for the delivery of a charging Clean Air Zone.

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5. Note that whilst much of the activities on the implementation of the CAZ and Financial Support Scheme have been paused, any requirement to remobilise will result in increased costs as the contracts were established on the basis of a fixed price with the suppliers taking the financial risk associated with implementation.

## Contact Officers

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Simon Warburton – Transport Strategy Director, TfGM – [simon.warburton@tfgm.com](mailto:simon.warburton@tfgm.com)

Frank Tudor – GM Clean Air Plan Co-Sponsor (Delivery) – [frank.tudor@tfgm.com](mailto:frank.tudor@tfgm.com)

## Equalities Impact, Carbon and Sustainability Assessment:

The GM CAP is a place-based solution to tackle roadside NO<sub>2</sub> which will have a positive impact on carbon.

## Risk Management

Initial risk register set out in Clean Air Plan OBC (March 2019).

## Legal Considerations

On 8<sup>th</sup> February 2022 *The Environment Act 1995 (Greater Manchester) Air Quality Direction 2022* was issued. The new direction requires that the GM local authorities:

- review the measures specified in the existing Plan; and
- determine whether to propose any changes to the detailed design of those measures, or any additional measures.

The GM authorities must ensure that the Plan with any proposed changes will secure that:

- compliance with the legal limit value for NO<sub>2</sub> is achieved in the shortest possible time and by no later than 2026; and
- exposure to levels above the legal limit for NO<sub>2</sub> is reduced as quickly as possible.

This new direction revoked the direction dated March 2020 which required the ten Greater Manchester Local Authorities to implement a Category C Clean Air Zone to achieve compliance with the legal limit value for NO<sub>2</sub> in the shortest possible time and by 2024 at the latest.

### **Financial Consequences – Revenue**

Initial Financial Case set out in Clean Air Plan OBC (March 2019), with all development and delivery costs to be covered by central Government.

### **Financial Consequences – Capital**

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**Number of attachments to the report:** None

### **Comments/recommendations from Overview & Scrutiny Committee**

Not applicable.

### **Background Papers**

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- 18 November 2021, report to CACC: GM Clean Air Plan – GM Clean Air Plan Policy updates
- 13 October 2021, report to AQAC: GM Clean Air Plan – Operational Agreement for the Central Clean Air Service
- 13 October 2021, report to CACC: GM Clean Air Plan – Showmen’s Vehicle Exemption
- 13 October 2021, report to CACC: GM Clean Air Plan – Clean Air Zone daily charge refund policy
- 13 October 2021, report to CACC: GM Clean Air Plan – A628/A57, Tameside – Trunk Road Charging Scheme
- 21 September, report to AQAC: GM Clean Air Plan – Clean Air Zone: Camera and Sign Installation
- 21 September, report to AQAC: GM Clean Air Plan – Bus Replacement Funds
- 25 June 2021, report to GMCA: GM Clean Air Final Plan
- 31 January 2021, report to GMCA: GM Clean Air Plan: Consultation
- 31 July 2020, report to GMCA: Clean Air Plan Update
- 29 May 2020, report to GMCA: Clean Air Plan Update
- 31 January 2020, report to GMCA: Clean Air Plan Update
- 26 Jul 2019, report to GMCA: Clean Air Plan Update
- 1 March 2019, report to GMCA: Greater Manchester’s Clean Air Plan – Tackling Nitrogen Dioxide Exceedances at the Roadside – Outline Business Case
- 11 January 2019, report to GMCA/AGMA: Clean Air Update
- 14 December 2018, report to GMCA: Clean Air Update
- 30 November 2018, report to GMCA: Clean Air Plan Update
- 15 November 2018, report to HPEOS Committee: Clean Air Update
- 26 October 2018, report to GMCA: GM Clean Air Plan Update on Local Air Quality Monitoring

- 16 August 2018, report to HPEOS Committee: GM Clean Air Plan Update
- UK plan for tackling roadside nitrogen dioxide concentrations, Defra and DfT, July 2017.

## **Tracking/ Process**

Does this report relate to a major strategic decision, as set out in the GMCA Constitution

No

## **Exemption from call in**

Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency? No

**GM Transport Committee** – Not applicable

**Overview and Scrutiny Committee** – Not applicable

# 1 Introduction

- 1.1 The Government has instructed many local authorities across the UK to take quick action to reduce harmful Nitrogen Dioxide (NO<sub>2</sub>) levels following the Secretary of State (SoS) issuing a direction under the Environment Act 1995. In Greater Manchester, the 10 local authorities, the Greater Manchester Combined Authority (GMCA) and Transport for Greater Manchester (TfGM) are working together to develop a Clean Air Plan to tackle NO<sub>2</sub> Exceedances at the Roadside, herein known as Greater Manchester Clean Air Plan (GM CAP).
- 1.2 The development of the GM CAP is funded by Government and is overseen by Joint Air Quality Unit (JAQU), the joint DEFRA and DfT unit established to deliver national plans to improve air quality and meet legal limits. The costs related to the business case, implementation and operation of the GM CAP are either directly funded or underwritten by Government acting through JAQU and any net deficit over the life of the GM CAP will be covered by the New Burdens Doctrine, subject to a reasonableness test<sup>1</sup>.
- 1.3 In July 2017 the Secretary of State issued a Direction under the Environment Act 1995 requiring seven Greater Manchester local authorities to produce a feasibility study to identify the option which will deliver compliance with the requirement to meet legal limits for nitrogen dioxide in the shortest possible time<sup>2</sup>.
- 1.4 GM has been awarded a total of £190.5m in respect of the Clean Air Plan which is made up of awards across the following areas:

Clean Air Plan Development Phase	£29.6m
Early Measures	£3.0m

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<sup>1</sup> The new burdens doctrine is part of a suite of measures to ensure Council Tax payers do not face excessive increases. [New burdens doctrine: guidance for government departments - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

<sup>2</sup> Oldham Metropolitan Borough Council (MBC) was not directed along with the other Greater Manchester local authorities (alongside Rochdale MBC and Wigan MBC) in 2017, however following a court ruling in 2018 the UK Government was ordered to produce supplements to the UK 2017 Air Quality Plan. Consequently, Oldham MBC was directed to conduct a feasibility study and provide the Secretary of State with a document setting out the measure(s) that would achieve compliance with the Legal Limits in the shortest possible time. In October 2018 the UK Government produced a supplemental plan, which acknowledged that, as Oldham MBC is part of the Greater Manchester Plan, the Oldham exceedances were being considered as part of the GM CAP. Local modelling in the Target Determination exercise also identified exceedances in Rochdale and Wigan.

Clean Air Zone Implementation	£26.0m <sup>3</sup>
Vehicle Funds (including Bus)	£122.3m
Vehicle Funds Administration	£6.1m
Taxi Electric Vehicle Charging Infrastructure	£3.5m

- 1.5 The purpose of the report is to provide an update on the funding received from Government, the expenditure made and the funding requirements that have emerged as the Greater Manchester Clean Air Plan has been further developed.
- 1.6 The report outlines the funding received and the expenditure made to the end of September 2022 unless otherwise stated. It should be noted that during the programme the grants and their expenditure have been closely monitored by JAQU.

## 2 Scheme Design, Development, Evidence, Programme Management and Public Engagement Funding & Expenditure

- 2.1 The individual funding awards made by JAQU for the Development phase are outlined below:

Date	Funding Received
26-Oct-17	£ 100,000
20-Feb-18	£ 1,200,000
16-Oct-19	£ 2,450,000
27-Mar-19	£ 4,000,000
28-Mar-19	£ 2,000,000
15-Nov-19	£ 9,980,000
25-Mar-20	£ 6,500,000
25-Mar-21	£ 3,400,000
<b>Total</b>	<b>£ 29,630,000</b>

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<sup>3</sup> JAQU agreed that the initial tranche of £36m of funding from Government to deliver the CAZ and other GM CAP measures awarded in March 2019 was to be split £26m for CAZ Implementation and £10m for the feasibility study.

2.2 To end of September 2022, these funds have been spent against the following high-level work packages:

<b>GM CAP Development phase Expenditure (£000)</b>							
	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>Total</b>
Programme Management	-	639	1,427	1,514	952	(86)	4,446
Business Case & Measures development	78	1,239	5,526	7,140	1,475	20	15,478
Communications	2	269	1,074	730	191	0	2,266
Customer Experience	-	-	100	318	155	0	573
Data, Evidence & Modelling	218	952	1,537	1,039	961	(4)	4,703
Legal / Governance / Policy	1	127	1,058	510	311	43	2,050
Review of CAP	-	-	-	-	-	793	793
<b>Total</b>	<b>299</b>	<b>3,226</b>	<b>10,722</b>	<b>11,251</b>	<b>4,045</b>	<b>766</b>	<b>30,309</b>

2.3 The difference of £0.679m between the value of the funding awarded and the total expenditure represents the spend to date on the work required subsequent to the agreement with Government on the review of the Clean Air Plan.

2.4 The level of expenditure has been necessary to deliver a feasibility study that met JAQU's technical and assurance requirements. Also, due to the complexity of the subject being tackled, the feasibility study has required a deep level of expertise in specialist areas such as Air Quality science and modelling which was not available within TfGM or the Local Authorities.

- 2.5 Developing the economic, air quality and equality impacts across a scheme that is region wide has been complex and time consuming. There has been a public conversation in addition to two statutory consultations. These have informed the development of the “Green Book”<sup>4</sup> compliant Business Cases. There has also been the requirement to implement the CAZ, including the preparatory procurement arrangements together with the design of the CAZ which included 870 ANPR Cameras and 2200 signs.
- 2.6 The funding for the “Development phase” as described above was intended to see the development of the feasibility study through to the submission of a Final Business Case which was originally scheduled for March 2022.
- 2.7 In January 2022 GM requested that the Secretary of State (SoS) for Environment, Food and Rural Affairs agree to pause the opening of the next phase of Clean Air Funds to enable an urgent and fundamental joint policy review with Government to identify how a revised policy can be agreed to deal with the supply issues and local businesses’ ability to comply with the GM CAP.
- 2.8 In February 2022 the Government subsequently issued a new direction which stated that a revised plan was required to be submitted to the SoS by 1<sup>st</sup> of July, requiring the achievement of compliance with the legal limit value for NO<sub>2</sub> in the shortest possible time and by no later than 2026.
- 2.9 Greater Manchester submitted the ‘Case for a new Greater Manchester Clean Air Plan’ to the Secretary of State and as set out in the report *GM Clean Air Plan – October 22 Update* are awaiting Government feedback on the documents provided.
- 2.10 In line with AQAC recommendations noted at the July meeting, GM is continuing to progress the policy development for the new GM CAP in support of a non-charging, investment-led approach, subject to Government feedback.

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<sup>4</sup> <https://www.gov.uk/government/publications/the-green-book-appraisal-and-evaluation-in-central-government>

- 2.11 An additional c£4 million of expenditure (not including any costs that might be incurred for a consultation), for the FY 2022/23, has been indicated as requiring funding and included in the latest letter sent to JAQU 6 October to fund the additional feasibility work that the new Direction and review has brought. This sum covers the anticipated value required to complete the review and participatory policy development (c£1.5m) and the additional project delivery costs as a result of implementation of the charging Clean Air Zone being revoked and Clean Air Plan being reviewed (c£2.5m).
- 2.12 JAQU Officers have advised that the financial settlement as a result of the additional work required due to the new Direction will be advised once the Minister has considered the new plan.

### 3 Clean Air Zone Funding & Expenditure

- 3.1 JAQU provided a single funding award for £26 million for the implementation of a category C charging Clean Air Zone, in November 2019, following Government approval of the Outline Business Case that was submitted in March 2019. The award allowed TfGM acting on behalf of the GM Authorities to procure the necessary contracts required to deliver the Clean Air Zone. There are three main contracts underpinning the Clean Air Zone all of which were competitively tendered with the GM Authorities approving the award of contracts in accordance with TfGM's existing Constitutional arrangements.

Date	CAZ Funding Received
15-Nov-19	£ 26,020,000

#### 3.2 Clean Air Zone Service Contract – Egis Projects SA

- 3.2.1 This is a contract for the delivery of three inter-related services.

- *GM CAZ Office*: that will provide 'end to end' service operations, management and maintenance of the GM CAZ Service, customer channels, scheme management for application and administration of business rules, integration of GM CAZ Services and supporting systems, integration to the Central CAZ Service (developed by JAQU) and the GOV.UK Pay Payment Service Provider.

- *Field Equipment and Vehicle Detection and Processing Service* to collectively enable the supply installation, configuration and deployment of ANPR cameras across Greater Manchester and the provision of a service to enable the detection and processing of Vehicle Registration Marks in accordance with the business rules of the GM CAZ Scheme,
- *The Penalty Enforcement Service*: that will enable the issue of Penalty Charge Notices to Registered Keepers (whose vehicles are liable for a CAZ Charge that has not been settled in accordance with the GM CAZ Scheme business rules), provide enforcement of the PCN's in the event that they are not settled by the Registered Keeper, and provide Debt Recovery Management.

3.2.2 This contract was awarded to Egis Projects SA in July 2021 at a total value of £48.1 million and covers the implementation, operation and decommissioning of the GM CAZ Service. The contract at the time of award was envisaged to be in place for 5.5 years, with three optional one-year extensions. The contract allows for decommissioning once the recommended levels of NO<sub>2</sub> have been achieved.

### 3.3 **Clean Air Zone Signage Contract – J McCann & Co Limited**

- 3.3.1 A contract for the manufacture, installation, maintenance and decommissioning of circa 2,200 signs required for the GM Clean Air Zone across 18 local Authorities. These included the ten GM Authorities and 8 the neighbouring Authorities of Calderdale, Kirklees, Derbyshire, Cheshire East, Warrington, St Helens, Lancashire and Blackburn with Darwen.
- 3.3.2 This contract was awarded to J McCann & Co Limited for the value of £3.04 million.
- 3.3.3 In February 2022, after the review of the GM CAP was announced, a further order under the contract was awarded to J McCann & Co Limited for £120,000 to manufacture the 1,309 “Under Review” Sticker and apply the stickers to the signs in Manchester, Oldham, Rochdale, Calderdale, Kirklees, Derbyshire, Cheshire East, Warrington, St Helens, Lancashire and Blackburn with Darwen. The following Local Authorities applied the stickers to the signs in their own jurisdiction at a total cost of £69,300; Bolton, Bury, Salford Stockport, Tameside, Trafford, Wigan.

#### 3.4 **Clean Air Zone Debt Recovery Contract**

- 3.4.1 The final CAZ contracts were for three Debt recovery companies to recover any debts and fees resulting from unpaid Penalty Charge Notices (PCN’s) through a Warrant of Control which would be issued by the Courts. These contracts were scheduled to be awarded in February 2022, however due to the review of the Clean Air Plan, no contracts have been signed. These contracts are effectively zero value as the fees for the debt recovery companies are set by legislation and paid by the debtor.

#### **Clean Air Zone Expenditure to end of September 2022**

- 3.4.2 The following table summarises the expenditure for the implementation of the Clean Air Zone:

	<b>Total to 30 September 2022</b>
Signage Contract	£2,216,277
CAZ Service Contract	£11,673,688
Staff/Advisor/Districts	£6,291,184
<b>Total</b>	<b>£20,181,149*</b>

\*includes accruals for anticipated spend

- 3.4.3 Additional Payments will be made to the suppliers over the next few months for work already completed. In addition, the review of the GM CAP has resulted to changes in the contract specification. These are currently estimated at £353,000 for the Signage Contract, which includes the £120,000 for the stickers outlined 3.3.33.3 above and £1,183,060 for the CAZ Service Contract which covers project elongation costs currently to the end of October. Funding for these changes is contained within the £26 million JAQU grant.
- 3.4.4 In line with JAQU Guidance, the Operational Costs of the Clean Air Zone, including the contractual and staff costs, were to be covered by CAZ Revenues. Due to contractual obligations, several of the CAZ Services have been fully commissioned even though the CAZ has not been activated. These include the discounts and exemptions system which was used for a short period at the end of January and the 407 deployed ANPR Cameras. As a result, Egis Projects SA have been paid £3,517,000 for the operational period February to September 2022; based on current numbers of deployed ANPR Cameras there is a monthly liability of c£375,000.
- 3.4.5 Across all operational elements of the CAZ, the current expenditure forecast that will require funding to March 2023 is c£7 million.
- 3.5 TfGM are in active discussions with JAQU over the funding required to fill the gap that would have been covered by the CAZ revenues for items such as the CAZ Operational Costs outlined above, and the operation of the Financial Support Scheme summarised below. A verbal update will be provided at the meeting.

## GM CAP Financial Support Scheme (FSS)

- 3.6 JAQU has awarded funding towards the upgrade of non-compliant vehicles. The breakdown of the awards is shown in the table below:

<b>Grant Awarded</b>	<b>Purpose</b>	<b>Value</b>
20-Mar-2020	HGV <sup>5</sup>	£ 8,000,000
	PHV	£ 10,744,811
	Coach and Minibus Admin Costs	£ 322,400
25-Mar-2020	Bus Retrofit	£ 15,439,200
	Coaches	£ 4,448,000
	Minibus	£ 2,000,000
26-Mar-2021	LGV Administration Costs	£ 3,500,000
	Hackney Administration Costs	£ 510,000
26-Mar-2021	LGV	£ 70,000,000
	Hackney	£ 10,100,000
	Taxi Electric Vehicle Charging Infrastructure	£ 3,000,000
	Hackney Try Before You Buy <sup>6</sup>	£ 500,000
15-Oct-2021	Bus Replacement	£ 3,248,000
	Bus Replacement Administration Costs	£ 162,400
		<b>£ 131,974,811</b>

3.7 These figures include JAQU estimated delivery costs at 5%. GM made a case to JAQU that the administration of the Financial Support Scheme would require greater than 5% of the fund value. JAQU subsequently agreed that the 5% would cover the implementation costs of the scheme and the operational costs would be recovered through by the anticipated CAZ Revenues.

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<sup>5</sup> The initial HGV and PHV funding awards also included 5% for the administration of the funds which was separated out in subsequent awards

<sup>6</sup> Following feedback from the public consultation Local Authorities approved the reallocation of funding from the Try Before You Buy scheme to provide additional electric vehicle charging points dedicated for use by taxis

### 3.8 Distribution of Grants at End of September 2022

3.8.1 To date the Air Quality Administration Committee approved the establishment and distribution of the bus retrofit, bus replacement and HGV funds. Grants have been made using the scheme eligibility criteria as set out in the current GM Clean Air Plan Policy<sup>7</sup> to impacted vehicle owners. Grants have also been made to a very small number of Hackney, PHV, LGV and Motorhome vehicle owners who had already placed orders pending funding opening at the end of January to ensure they are not detrimentally impacted by the decision to pause the opening of the funds, this is referred to as the Early Financial Support Scheme.

<b>Purpose</b>	<b>Value of Total Grant</b>	<b>Value Committed<sup>8</sup></b>	<b>Value Paid out<sup>9</sup></b>	<b>Vehicles Upgraded</b>
Heavy Goods Vehicles	£8,000,000	£2,640,135	£677,136	106
Private Hire Vehicles	£10,744,811	£29,000	£20,000	5
Coaches	£4,448,000	£0	£0	0
Minibus	£2,000,000	£5,000	£0	0
Light Goods Vehicles	£70,000,000	£68,000	£36,000	8
Hackney	£10,100,000	£115,000	£115,000	18
Bus Retrofit	£15,439,200	£15,154,000	£9,833,009	704
Bus Replacement	£3,248,000	£1,184,000	£912,000	64

### 3.9 Financial Support Scheme Implementation and Operational Costs

3.9.1 There are a number of technology contracts which were put in place to enable TfGM to effectively distribute grants to eligible customers and the most significant of these

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<sup>7</sup> [GM Clean Air Plan Policy following Consultation](#)

<sup>8</sup> Value Committed is the value of the total number of applicants who have applied and have been awarded a grant

<sup>9</sup> Value Paid out is the value of the total number of grants paid out once a non-compliant vehicle has been traded in for a compliant vehicle and is on the road.

is the Clean Vehicle Financial System (CVFS) which was contracted to Quotevine Limited after a competitive tender.

- 3.9.2 The contract value of £3,457,750 includes £467,750 for implementation and £2,990,000 for operational costs. From the total contracted figure inclusive of which c£984,000 has been paid to September 2022 inclusive of development and operational costs.
- 3.9.3 The CVFS system went live with its first wave of functionality in October 2021 and since then operational costs incurred to September 2022 (including staff, contract and administration) totals £1,687,665. The current contracted liability with the service provider is £49,750 per month.
- 3.9.4 Across all operational elements of the Financial Support Scheme, the current expenditure forecast that will require funding to March 2023 is c£2 million.

## **4 EV Charging Infrastructure**

- 4.1 The transition to low and zero emission vehicles is a key priority of Greater Manchester's Transport Strategy and ambition to become carbon neutral by 2038, as well as a key component of the GM Clean Air Plan.
- 4.2 JAQU have made 3 funding awards for the purpose increasing the number of publicly accessible of EV Charging Points and following feedback from the public consultation, Local Authorities approved the reallocation of funding from the Try Before You Buy scheme to the Taxi EV Charging scheme to provide additional electric vehicle charging points dedicated for use by taxis.
- 4.3 The funding awards received for EV Charging and the expenditure against them are summarised below:

<b>Date</b>	<b>Purpose</b>	<b>Value</b>	<b>Expenditure to date</b>	<b>Number of Chargers Planned / Installed</b>
22 March 2018	Early Measures – EV Awareness and Infrastructure	£3,000,000	£2,619,847	25/22
26 March 2021	Dedicated Taxi Electric Vehicle Charging Infrastructure	£3,000,000	£1,020,072	30/0
26 March 2021	Hackney Try Before You Buy (Repurposed)	£ 500,000 <sup>5</sup>		

## **5 Conclusion**

- 5.1 Until the Secretary of State has provided feedback on the ‘Case for a new Greater Manchester Clean Air Plan’, TfGM is unable to materially change or terminate the contracts that have been put in place for the delivery of a charging Clean Air Zone.
- 5.2 Whilst much of the activities on the implementation of the CAZ and Financial Support Scheme has been paused, any requirement to remobilise will result in increased costs as the contracts were established on the basis of a fixed price with the suppliers taking the financial risk associated with implementation. Similarly, the TfGM team working on the implementation has been effectively wound down and remobilisation will take both time and expense.
- 5.3 Negotiations with the suppliers, particularly Egis Projects SA, have been ongoing since the Government direction to review the GM CAP in February 2022. Those negotiations will continue in order to minimise the financial exposure until we have agreement with Government on the final plan and an ability to either fully or partly terminate the contracts as required.

5.4 JAQU is aware of the complex financial landscape of the contracts we have in place, and we have been advised that their funding deliberations are taking this issue in to account. TfGM have been clear that the GM Authorities will not be willing to fund any aspect of the Clean Air Plan including the costs associated with the review of the Plan, the pause in implementation and any termination costs that become liable. The Joint Head of JAQU confirmed by letter to TfGM's Strategy Director on 1st August that "JAQU will reimburse reasonable and appropriate costs that are incurred."

## **6 Recommendations**

6.1 The recommendations are set out at the front of the report.