

GM Clean Air Charging Authorities Committee

Date: 13th October 2021

Subject: GM Clean Air Plan – Clean Air Zone daily charge refund policy

Report of: Simon Warburton, Transport Strategy Director, TfGM

PURPOSE OF REPORT:

To outline the reasons that vehicle owner could apply for a refund of a Clean Air Zone (CAZ) daily charge; the position of the Government's Joint Air Quality Unit (JAQU) who along with DVLA provide the CAZ Central Service and central payment portal; and the approach taken by Bath and Birmingham in their charging schemes. The report also sets out the fees incurred in the processing of the refund transaction.

RECOMMENDATIONS:

The Clean Air Charging Committee is requested to:

1. Agree that Clean Air Zone daily charge User Error Refund requests will be allowable as long as they are requested before the journey date, so in the pre-journey window of 6 calendar days ahead of the journey date, with an administrative fee of £3.10.
2. Agree that Clean Air Zone daily charge Service Error or a Hybrid Error Refund requests are processed at no charge once the Service or Hybrid Error is agreed by DVLA.

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BOLTON

BURY

MANCHESTER

OLDHAM

ROCHDALE

SALFORD

STOCKPORT

TAMESIDE

TRAFFORD

WIGAN

Equalities Impact, Carbon and Sustainability Assessment:

The GM CAP is a place-based solution to tackle roadside NO₂ which will have a positive impact on carbon.

Risk Management:

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

Legal Considerations:

The legal consideration has been set out in the GMCA report of the GM Clean Air Plan, published on 21 June 2021¹

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: 0 (zero)

Comments/recommendations from Overview & Scrutiny Committee:

Not applicable

BACKGROUND PAPERS:

- 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

¹ <https://democracy.greatermanchester-ca.gov.uk/documents/s15281/GMCA%20210621%20Report%20Clean%20Air%20Plan%20-%20FINAL%20FINAL.pdf>

- 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? N/A
GM Transport Committee N/A
Overview & Scrutiny Committee N/A

1. BACKGROUND

- 1.1 Greater Manchester is to introduce a charging Clean Air Zone (CAZ) category C which will target the most polluting commercial vehicles including heavy goods vehicles, buses, out of town taxis and private hire vehicles from May 2022, and coaches, minibuses and GM Licensed taxi and private hire vehicles from 2023.
- 1.2 Owners of vans, private hire vehicles, hackney carriages, HGVs, buses, and coaches which do not meet emissions standards will pay a daily charge to travel in the Zone (private cars, motorbikes and mopeds are not included).
- 1.3 The Clean Air Zone Charge will be £7.50 per day for taxis, private hire vehicles, £10 per day for minibuses and light goods vehicles and £60 per day for heavy goods vehicles, buses, and coaches.
- 1.4 Payments will be made via the Central government payment portal, which is being run by the Government's Joint Air Quality Unit (JAQU). The payment window for journeys in/within a CAZ is set by JAQU as follows:
 - a pre-journey window of 6 calendar days ahead of the journey date;
 - The date of the journey within the CAZ; and
 - A retrospective window of 6 calendar days following the day of the journey within the CAZ.
- 1.5 As part of the development of the GM Clean Air Zone GM needs to decide its local approach to dealing with requests for refunds that may be made by vehicle owners.
- 1.6 This paper outlines the reasons that vehicle owner could apply for a refund; the position of the Government's Joint Air Quality Unit (JAQU) who along with DVLA provide the CAZ Central Service and central payment portal; the approach taken by Bath and Birmingham in their charging schemes and sets out the fees incurred in the processing of the refund transaction.

2. INFORMATION

- 2.1 There are three possible scenarios where a refund may be requested by a vehicle owner which JAQU have categorised as follows:
- 1) User Error: the user either mistakenly pays for CAZ/vehicle/date(s), or they decide that they will not be travelling into the CAZ on the paid for date.
 - 2) Service Error: there is a system/service error which is beyond the user's control i.e., DVLA records incorrectly list vehicle as non-compliant.
 - 3) Hybrid Error: where there is a combination of user error which is not picked up by the system, for example, duplicate payments or payments made for non-chargeable/compliant vehicles.
- 2.2 JAQU have set out that Service Errors (scenario 2) should always be eligible for refund. They also advise that they have configured the central payment portal so that Hybrid errors (scenario 3) have been designed out. However, should a Hybrid error occur this should also be eligible for a refund.
- 2.3 JAQU also determined that User Error (scenario 1) refunds will only be allowable as long as they are requested before the journey date, so in the pre-journey window of 6 calendar days ahead of the journey date.
- 2.4 It has been agreed by JAQU that an administrative fee can be applied to refunds. Authorities need to decide their local approach to dealing with User Error refunds and the administrative fee that will apply to all refunds.

3. THE APPROACH OF BATH AND BIRMINGHAM

3.1 The table below sets out the approach taken in Bath and Birmingham to dealing with requests for refunds that may be made by vehicle owners.

Refund Scenario	Bath	Birmingham
Policy	“You can apply for a refund if you have paid for a journey in advance, but then choose not to enter the zone on that day. You must apply for a refund before the journey date. We cannot give refunds on the day of travel or afterwards.”	Will only issue a refund if “Your vehicle details were incorrect on the GOV.UK vehicle checker and you have paid to drive in the zone”.
User error	Refund, £2.50 admin fee	No refund
Service error	Refund, £2.50 admin fee	Refund, no admin fee
Hybrid error	Refund, £2.50 admin fee	Refund, no admin fee

4. GM CAZ PROCESSING REFUND TRANSACTIONS

4.1 The fees Greater Manchester would incur in the processing of the refund transaction are:

- £0.11 plus either 0.45% of transaction value for debit cards or 0.78% of transaction value for the processing original charge by the Gov.Pay Payment Service Provider (Stripe).
- £0.48 for the transaction of the original charge made (Egis)
- £2 for the Charging Clean Air Zone (CCAZ) processing fee (JAQU)²
- £0.48 for the transaction of the refund (Egis)
- £0.00 for the refund processing by the Gov.Pay Payment Service Provider (Stripe)

4.2 The total cost to GM for administering refunds will be:

Vehicle Type	Payment made by Debit Card	Payment made by Credit Card
Taxi / PHV (£7.50 Daily Charge)	£3.10	£3.12
LGV / Minibus (£10 Daily Charge)	£3.11	£3.14
HGV, Bus, Coach (£60 Daily Charge)	£3.34	£3.54

5. RECOMMENDATIONS

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

² The CAZ Central Service processing fee is not recovered from GM by JAQU for System/Hybrid errors