

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

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.

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BOLTON	MANCHESTER	ROCHDALE	STOCKPORT	TRAFFORD
BURY	OLDHAM	SALFORD	TAMESIDE	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

On 8th 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 NO₂ is achieved in the shortest possible time and by no later than 2026; and
- exposure to levels above the legal limit for NO₂ 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 NO2 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
- 20 January 2022, report to AQAC: GM Clean Air Plan Clean Air Zone Discount & Exemptions Applications
- 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

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 (NO₂) 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 NO₂ 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 test¹.
- 1.3 The GM CAP is a package of measures to deliver NO₂ 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

¹ 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)

- A clear instruction to Highways England² to implement measures which deliver compliance with legal limits for NO₂ on the strategic road network, for which they are responsible, in the shortest possible time³.
- 1.5 The GMCA Clean Air Update report of 29 May 2020² 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 2021⁴ 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:

² 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.

³ 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.

⁴ 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 1st of July, requiring the achievement of compliance with the legal limit value for NO2 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 NO₂ 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 Policy⁵ 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.

⁵ 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 NO2.
- 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.
- 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 5th September Monday 10th 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

Where are your		
vehicle (s)	Taxi / PHV	Coach / HGV
licensed?		
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
Total	900	233

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 policy⁶ 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;

⁶ 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.