Leeds CITY COUNCIL

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Report of Director of Environments and Housing

Report to Licensing Committee

Date: 11th July 2016

Subject: DEFRA UK Air Quality Improvement Plan

Are specific electoral wards affected? If relevant, name(s) of ward(s):	☐ Yes	☒ No
Are there implications for equality and diversity and cohesion and integration?	☐ Yes	☒ No
Is the decision eligible for call-In?	☐ Yes	☒ No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	☐ Yes	☒ No

Summary of main issues

- The UK Government published a plan to improve the UK's air quality in December 2015, with the aim of reducing health impacts, and crucially fulfilling legal obligations to meet EU Directives on emissions. The UK Plan set out by DEFRA has determined an approach for meeting these goals by implementing a new statutory programme of Clean Air Zones. It is estimated by Public Health England that over 30,000 deaths annually can be linked or attributed to poor air quality.

- Under this plan by 2020 the most polluting diesel vehicles - older polluting buses, coaches, taxis, private hire vehicles and lorries - will be discouraged from entering the centres of cities identified as having poor air quality. Newer vehicles that meet the latest emission standards, and private cars, will be unaffected.

- In order to bring the UK into legal compliance and to reduce concentrations of nitrogen dioxide below 40 µg/m3 Defra have obliged five UK cities to introduce Clean Air Zones. The five cities obliged to introduce these Clean Air Zones are, Birmingham, Derby, Leeds, Nottingham and Southampton. The aim of these zones is to discourage older, higher emission vehicles from operating in city centres whilst encouraging replacement of these vehicles with newer, cleaner vehicles.

- Taxi and Private Hire vehicles will be impacted by Clean Air Zones in all named cities, with the emissions from these vehicles determined as being disproportionately high due to the significant mileage travelled by vehicles in this industry.

1 Recommendations

1.1 It is recommended that the Licensing committee;

1.2 Note the contents of this paper that outlines the government's plans to improve air quality nationally and in Leeds.

1.3 Support the work of the council in its engagement activity with the Taxi & Private Hire Trade in communicating the impact of this decision

2 Purpose of this report

2.1 This report aims to highlight the impact upon the Taxi and Private Hire trade within Leeds that the governments requirement to introduce a Clean Air Zone will bring.

2.2 The report further aims to illustrate the steps that need to be taken to ensure that Taxi & private Hire operators and licensees will need to take in order to be compliant with a Clean Air Zone.

2.3 The report considers the impact upon Taxi & Private Hire licensing in Leeds.

3. Background information

3.1 Department for Environment, Food and Rural Affairs (DEFRA) Air Quality Plans

3.1.1 In Birmingham, Leeds, Southampton, Nottingham and Derby, Clean Air Zones will cover old diesel buses, coaches, taxis, private hire and lorries. Vehicles that do not comply with engine standards will be required to pay a daily fee, or levy to enter the zone. Newer vehicles that meet the latest emissions standards will **not** need to pay and, under this plan, **no private car** will have to pay.

3.1.2 DEFRA and local authorities will determine charges for non-compliant vehicles entering the Clean Air Zone at levels designed to reduce pollution, but not to raise revenue (beyond recovering the costs of the scheme). Additionally Birmingham and Leeds must also implement other measures including park and ride schemes, signage, changes in road layouts and provision of infrastructure for alternative fuels.

3.1.3 DEFRA plans are based on the UK achieving EU standards for NOx emissions, the driver for ensuring that the UK meets these standards is the threat of infraction fines being handed down by the EU for failure to meet these targets by 2020. The fines could be in the tens of millions, with the UK government indicating that these could be delegated to failing local authorities utilising the Localism Act.

3.1.4 The referendum result clearly raises questions in relation to this. Whilst there are now some 'unknowns' in relation to the requirement to meet EU Directives on Air Quality there remains several reasons to support DEFRA's current stance that nothing has changed due to the 'Brexit' decision. The EU Air Quality targets were

passed into UK law, as such the targets will stand regardless of our officially remaining or leaving the EU. The UK's relationship may also mean that we could still face infraction fines even if we initiate Article 50. If we remain in the EEA we would still be bound by directives and as such fines could still be levied. On this basis the view of DEFRA is that the legislation to introduce a CAZ will not be reconsidered.

3.2 Clean Air Zone Categories

3.2.1 DEFRA has determined that Clean Air Zones are grouped into classes covering different vehicle types and are set out in the table below.

Clean Air Zone class	Vehicles included
A	Buses, coaches and taxis (Including Private Hire)
B	Buses, coaches, taxis and heavy goods vehicles (HGVs)
C	Buses, coaches, taxis, HGVs and light goods vehicles (LGVs)
D	Buses, coaches, taxis, HGVs, LGVs and cars

3.3 Clean Air Zone Requirement by City

3.3.1 DEFRA has identified which Clean Air Zone class should be applied in each of the five mandated cities.

CITY	MEASURE REQUIRED BY 2020
Birmingham	Class C and additional local action
Leeds	Class C and additional local action
Nottingham	Class B
Derby	Class B
Southampton	Class B

3.4 Vehicles in Clean Air Zones

3.4.1 To ensure that only the cleanest vehicles are encouraged to enter the Clean Air Zones, vehicle standards will be based around Euro standards, either directly or through using vehicle manufacture dates as a proxy (similar to the approach currently taken in London). The minimum emission standards proposed for the most common conventional vehicles are set out in the table below. Vehicles which do not meet these standards will be charged to enter the Clean Air Zone in line with the class of Zone in place.

Vehicle Type	NOx Emissions limit
Bus/coaches	Euro VI

HGV	Euro VI
Van (1305-3500kg)	Euro 6 (diesel) Euro 4 (petrol)
Car/light commercial (up to 1305kg)	Euro 6 (diesel) Euro 4 (petrol)

3.4.2 A joint DEFRA and Department for Transport unit is leading and co-ordinating implementation planning for the Clean Air Zones across the UK. This core team is drawing wider policy, procurement, commercial and legal support from across government departments to support this planning, with the unit responsible for delivering plans and determining and assessing local compliance. The unit is designed to support Local Authorities in their own planning for delivery of Clean Air Zones through providing financial, legislative and traffic and air quality emission modelling expertise.

3.4.3 Whilst the focus of improving air quality is focused on transport, with this sector identified as a major contributor to emissions, DEFRA is also tasked with implementing national actions. These include; reducing building emissions, reducing industrial emissions, freight emissions, incentivise ULEVs and alternative fuel, improve road networks, encouragement of public and green transport planning, influencing infrastructure and land use planning to consider emissions as well as supporting local actions.

3.4.4 Clean Air Zones have been identified as the governments preferred method to deliver focused action in the most challenging areas with the aim of encouraging the cleanest vehicles operating in these areas.

4 Main issues

4.1 The specifications of the Clean Air Zone essentially mean that taxi and private hire vehicles who wish to operate within and enter the CAZ must either ensure that their vehicles are compliant with the engine standards in the above table, or pay a daily charge for non-compliance.

4.2 This essentially means that any **diesel** vehicle manufactured prior to September 2015 is likely to be non-compliant (i.e. not Euro 6 standard). Therefore diesel engine taxi and private hire vehicles older than this would need to be replaced, used only outside the zone, or be liable to pay a daily non-compliance charge.

4.4 **Petrol** vehicles registered prior to January 2006 are similarly likely to be non-compliant (i.e. not Euro 4 standard). As such petrol engine vehicles older than this would need to be replaced, used only outside the zone or be liable to pay a daily non-compliance charge.

4.5 Euro 6 (diesel), Euro 4 (petrol) and ultra-low emission vehicles (e.g. electric vehicles) would be categorised as compliant and as such not liable to a daily charge and would be free to enter the Clean Air Zone.

4.6 Analysis of vehicles operating at locations across the city is being conducted. This is based on collection of data from ANPR cameras; this will be compared with licensing data for taxi and private hire fleets and will provide details of the

age, engine and vehicle profile of the fleets. This analysis will provide details of the current proportion of vehicles that would be compliant with the Clean Air Zone and projections for compliance at 2020.

4.7 This exercise is not limited to taxi and private hire, data on all vehicle categories is being collected in order to determine emission impacts and therefore inform recommendations for the size and location of the Clean Air Zone. It should be noted that the data is anonymised based on vehicle, engine and emission information rather than details of individuals. This data has been captured and is being processed in conjunction with the DVLA and Department for Transport. The results of this analysis are expected to be received autumn 2016.

4.8 The charge to be applied is yet to be determined, with DEFRA leading on consultation work to set this figure. Advice to local authorities is that the charge must be set at a level that discourages non-compliant vehicles to enter the Clean Air Zone and that it would be set at a level that would make replacement of non-compliant vehicles the preferred option.

4.9 The final location of the Clean Air Zone has not yet been determined, however DEFRA have identified particular areas of concern, including the Inner Ring Road that will inform the location of the zone. DEFRA's consultation paper also made the recommendation that the Clean Air Zone may need to cover the entire area of the city that is within the Outer Ring Road. It is anticipated that the final zone is likely to be based around the need to manage emissions along the inner ring road and at the declared Air Quality Management Areas in the city. (See appendix for map).

4.10 Scoping work on the geographical location of the Clean Air Zone that will ensure that Leeds becomes complaint with EU Air Quality Directives has commenced. Modelling of air quality, transport and weather have all been initiated to determine the measures that will be needed to deliver Air Quality improvements in Leeds.

4.11 Failure to achieve Air Quality standards means that the UK would be liable to pay EU infraction fines, which may potentially be in the millions of pounds per day as long as standards continue to be breached. These fines may be handed down from the UK government to local authorities through the Localism Act.

4.12 The Clean Air Zone will be enforced in line with DEFRA recommendations through a network of ANPR cameras. DEFRA have stated that they have funding to support the scoping and implementation costs of the installation and setup of the zone. Once implemented the zone needs to be administered and maintained utilising the daily fees raised by non-compliant vehicles entering the zone. DEFRA are consulting nationally on what these daily charges should be, so at this stage a figure for daily charging has not been determined. DEFRA advise that the scheme should not raise revenue for local authorities, but that the charge will be set at a level that provides an incentive to transfer to compliant vehicles and is sufficient to raise the required revenue to maintain the scheme and potentially support additional low emission projects.

4.13 The cost of installing and operating ANPR systems depends to a considerable extent on the existing infrastructure available to support the systems. Start-up

costs include the cost of cameras, site preparation, signage, mounting structures and associated civil engineering, security provision, back office accommodation and equipment, and back office training of enforcement and administration staff. Operating costs include maintenance of the cameras and back office staff, accommodation and supervision costs.

4.14 It has been estimated that installation costs of £10,000 per camera plus operating costs associated with four full time staff equivalents at approximately £160,000 per year. The net present value (base 2015) of installing and operating 22 cameras in Leeds over the period 2016-2021 is estimated to be £1,065,000. However this figure is indicative at this stage only, rather than a final cost as the precise size of the Clean Air Zone and the number of cameras required is to be determined.

4.15 Engagements with existing services and resources that may be utilised to support the scheme have commenced. Parking services, who already carry out traffic enforcement activity and already deliver the Ultra-Low Emission Parking Permit are aware of the need for a Clean Air Zone and the potential enforcement activity that may be required to deliver this.

4.16 A report will be presented to Executive Board in February 2017 that makes recommendations on the size of the Clean Air Zone, the charge to be applied for non-compliance, enforcement processes and implementation plans. Wider consultation on these recommendations will follow and implementation planning for the delivery of the Clean Air Zone before the end of 2019 will be initiated.

5 Corporate considerations

5.1 Consultation and engagement

5.1.1 The Taxi & Private Hire Licensing Service has issued guidance to the trade in terms of the Clean Air Zone being required by government. Forums with the trade have been utilised to raise awareness and literature has been issued to provide early advice in terms of the decision to implement a Clean Air Zone in Leeds. Consultation will need to be ongoing as further development of the Clean Air Zone is progressed.

5.2 Equality and diversity / cohesion and integration

5.2.1 There is no direct impact upon equality, diversity and integration implicit in this report which is being submitted for information. The DEFRA / DfT joint unit is considering any impacts on equality, diversity and inclusion at a national level. Any recommendations made in respect of local actions required, for example the implementation of a Clean Air Zone would go through screening processes to determine any impacts.

5.3 Council policies and best council plan

5.3.1 The requirement to introduce a Clean Air Zone links with work already undertaken by the Council, in particular the Cutting Carbon and Improving Air Quality breakthrough project.

5.4 Resources and value for money

5.4.1 Work that the local authority is undertaking to deliver scoping and feasibility studies that will inform and prepare for the implementation of the Clean Air Zone are being funded by DEFRA. Leeds must bid for this funding from the Defra Air Quality unit and demonstrate value for money.

5.5 Legal Implications, access to information and call In

5.5.1 None

5.6 Risk management

5.6.1 The key risk for Leeds is failure to achieve compliance with Air Quality standards as defined in EU directives, which have also been incorporated into National legislation. This failure would mean that significant infraction fines could be passed to the local authority by the government utilising the Localism Act.

6 Conclusions

6.1 It is recommended that the Licensing Committee notes the significance of the UK Air Quality Plans that are being incorporated into UK legislation and in particular the impact upon the Taxi and Private Hire trade in Leeds.

6.2 Ongoing consultation and engagement with the taxi and private hire sector will be required. DEFRA will be publishing a Draft National Framework on their Clean Air Zone plans; they will be inviting consultation on this from key stakeholders. Engagement with the trade to ensure that they are aware of this publication will be required. Additionally recommendations for a Clean Air Zone and additional actions in Leeds will be made to Executive Board in February 2017, once approved these will need to be shared with the trade.

6.3 Information should be provided to the trade in relation to opportunities to replace non-compliant vehicles with newer, cleaner vehicles. Any funding that can be secured to support this, for example through the OLEV Clean Taxi Fund should be shared with the trade.

6.4 No changes to licensing are required to support the Clean Air Zone. Taxis and private Hire vehicles may still be licensed in line with current procedures and standards; however drivers need to be aware that a licence does not guarantee compliance with the Clean Air Zone. Licensed vehicles may still operate freely outside the Clean Air Zone even if non-compliant.

7 Recommendations

7.1 It is recommended that the Licensing committee;

7.1.1 Note the contents of this paper that outlines the government's plans to improve air quality nationally.

7.1.2 Support the work of the council in its engagement activity with the Taxi & Private Hire Trade in communicating the impact of this decision.

Appendix 1: Potential Clean Air Zone location

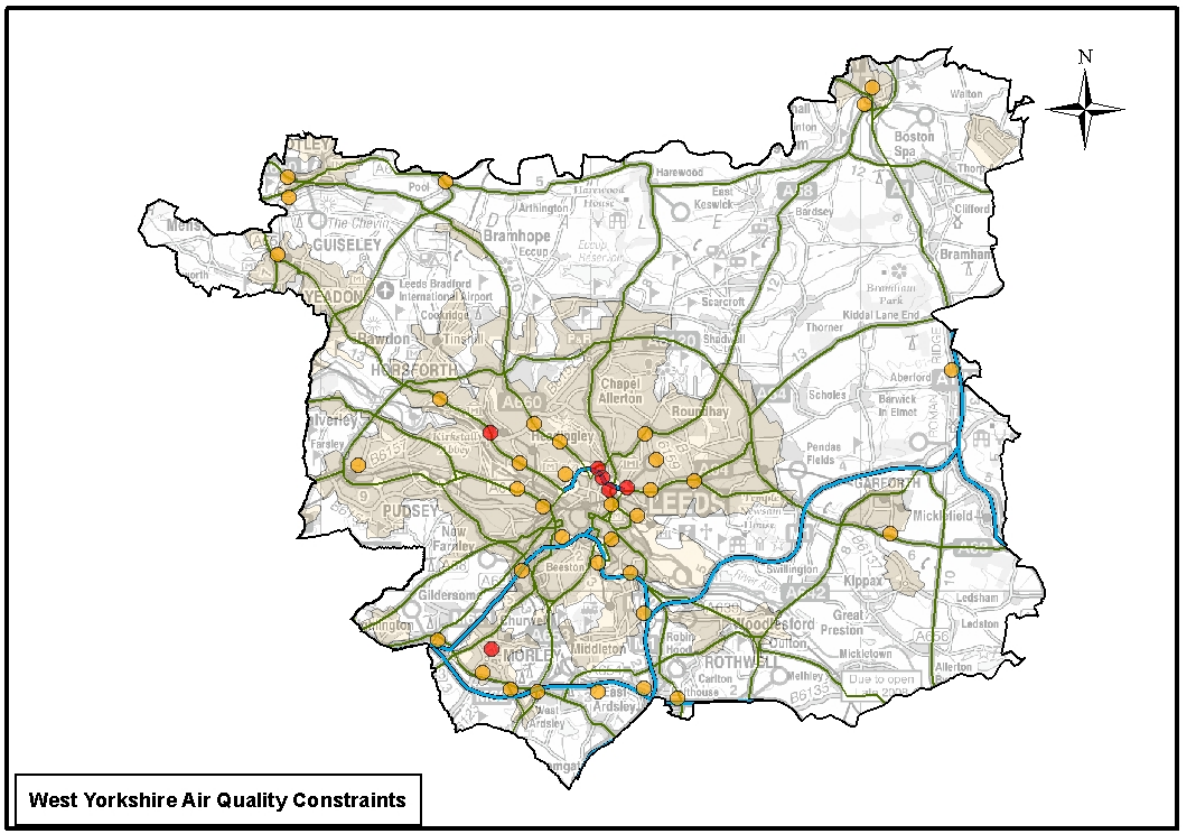
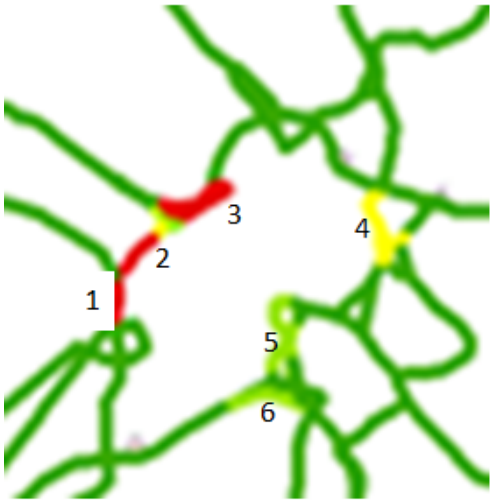


Figure 1: The map above indicate the current Air Quality Management Areas (Red) and areas of potential concern (yellow). These are therefore the locations that may determine the geographical parameters of the Clean Air Zone.

Figure 2 & 3: The maps below represent the central, city centre area of the above map highlighting the road links at greatest risk of failing to meet Air Quality standards.



Summary of key locations:

I. The road links numbered 1, 2 and 3, highlighted in red, represent the A58 and A58(M) and form part of the Inner Ring Road.
    a. Link 1, known as the Ingram Distributor links the A643 and A62 to the Armley Gyratory junction with the A647
    b. Link 2, runs between the Armley Gyratory and the A65 (Wellington Street/Kirkstall Road) junctions.
    c. Link 3, runs between the A65 (Wellington Street/Kirkstall Road) and the Park Lane/Westgate junctions.

II. Road links numbered 4, highlighted in yellow, represent Eastgate, St Peter's Street and Duke Street between the A64(M) (Inner Ring Road flyover) and Marsh Lane. This forms part of the City Centre Loop running directly past the City's main Bus Station.

III. Road link 5, highlighted in pale green, represents the section of the A653 between Junction 3 of the M621 and Water Lane.

IV. Road link 6, also pale green, represents the Westbound carriageway of the M621 from Junction 3 to 2A.

There is some concern that whilst the above links are identified as failing the EU Directive, they do not all coincide with the AQMAs declared under the UK Air Quality Regulations which are based on anticipated public exposure at residential properties and as such are determined based on different standards.