

Report of: Director of Resources and Housing and Director of City Development**Report to Executive Board****Date: 21 October 2020****Subject: Improving Air Quality in the City (Clean Air Charging Zone (CAZ) update)**

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Has consultation been carried out?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Will the decision be open for call-in?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Summary**1. Main issues**

- The Leeds Clean Air Charging Zone (CAZ) has been the subject of a joint review with Central Government to determine whether the scheme was still required to meet legal limits of air quality.
- The review has concluded and as a result of the Air Quality improvements the city has made over the past two years, the Council and Central Government jointly agree that Leeds has achieved compliance with the Government's EU compliance (PCM) model and will maintain compliant into the future. As a consequence, the CAZ is no longer required.
- The city's fleet has improved far faster than anticipated. This has been in part due to the anticipation of a CAZ being implemented and also as a result of the Clean Air Funding which the government has made available.

- Air Quality in the city remains an important agenda item. The CAZ was always a tool to meet legal compliance only – legal compliance for NO₂ is defined at 40 microgram/m³ in national legislation. In this respect the Council’s position remains the same – there are no safe levels of air pollution and public health is paramount. However, residents in Leeds are now breathing considerably cleaner air than two years ago as a result of the improvements to the city’s fleet and the other ancillary air quality measures that have been delivered in support of cleaner air. These include:

Fleet upgrade that has exceeded expectations of the CAZ including:

- First Leeds operating 184 CAZ compliant buses (9 of which are electric and 30 of which are hybrid), with a further 5 electric ordered for the Stourton Park and Ride service next summer.
- Taxi fleet now contains over 2300 Petrol Hybrids and the remainder are Euro 6 / 4 (Diesel/Petrol).
- The Council’s own fleet that would have been affected by the CAZ is fully compliant, and in the main, the remainder of the fleet meets or exceeds the CAZ standards – we boast the largest electric vehicle fleet in the UK of any local authority (we operate c300 electric vans).
- Businesses in Leeds are now trialling Electric Vans with the “try before you buy’ scheme run by the Council.
- All of these initiatives are supported by the hundreds of electric vehicle charge points across Leeds to use, many of which have multiple charge bays available. This includes 19 7kW charge points and 1 50kW (rapid) charge points at council car parks. Dozens more charge points—both slow and rapid—will be introduced at Elland Road, Temple Green and Stourton park and ride sites. Additionally, the council is working in partnership with the West Yorkshire Combined Authority and ENGIE to install at least 30 new rapid charge points across Leeds by the end of 20/21. The commercial charging network is significant and continues to grow. The council has also updated its planning policies so that all new developments with parking in Leeds need to include electric vehicle charge points. There are now just under 10,000 ultra-low emission vehicles drivers in Leeds—a tenfold increase since the first quarter of 2016.

Investment in Sustainable and Active Transport

- The council continues to work with partners to invest £270 million in schemes that will transform transport and travel and improve air quality as part of the Connecting Leeds strategy, working towards a vision of making Leeds a city where residents don't need to use a car. This includes adding 2,000 additional park and ride spaces, new bus priority lanes to improve reliability, and more than 800 kilometres of new cycle network. The strategy has ambitious targets to reduce transport-related emissions by 27%. Notable work underway or completed to date includes:
 - Introducing 2 new rail stations at Kirkstall Forge and Apperley Bridge.
 - Reprioritising roads across the city centre to promote public transport and active travel including Infirmary Street, the Headrow, Park Row, Cookridge Street, Corn Exchange, York Street.
 - Introducing popular park and ride hubs at Elland Road and Temple Green. An additional hub at Stourton is also in development.
 - Bike parking spaces, training sessions and other infrastructure as part of City Connect's Bike Friendly Schools and Bike Friendly Businesses schemes.
 - Launch of a pop-up bike hub in Kirkgate Market to support people accessing the city centre by bike and a 'try before you buy' E-Bike Trials scheme that received around 250 applicants within a week of launch.

Communication and Engagement

- Since 2017, Leeds has seen a number of events and communications campaigns organised by the council to raise awareness of air quality and the actions that residents and businesses can take to reduce their own emissions. Communications have also played an important role to increase awareness of the CAZ and encourage businesses to upgrade their vehicles.
- Collectively, the 'Clean Air Leeds' campaigns have reached hundreds of thousands of residents and secured significant media coverage. A dedicated website provides a hub of resources for residents to learn more about air pollution.
- A wide range of different stakeholders have been engaged and different advertising channels have been used to ensure that all audiences

have been reached. These include radio advertisements, outdoor billboards, bus shelter advertising, paid social media ads, digital content, and editorials.

Focused work with schools:

- The Council works with all schools in the city to promote and enable sustainable travel by developing tailored travel plans for pupils and staff. Additionally, schools are encouraged to sign up to national sustainable travel accreditation and to participate in active travel initiatives.
- To encourage safe scooting over being driven, 30 primary schools have introduced free training, parking and 400 pool scooters. Participating schools saw a 6% reduction in pupil car usage.
- The Council has also led a number of educational schemes related to air quality. The council has trialled and published well-received toolkits for primary schools. Educational performances and workshops have also been delivered to 20 schools.
- To reduce air pollution outside of the school gates and promote sustainable travel, 14 schools have introduced restricted access to cars during the start and end of the school day as part of the 'School Streets' initiative.
- 300 anti-idling banners were produced and issued to schools, nurseries and other education facilities in order to encourage parents to consider the impact of the school run and switch of engines at the school gates.
- The Council has been in discussions with Central Government to ensure that funding is retained from the Clean Air Fund for a number of air quality measures. The Council has written to request just under £7 million to continue to support a number of measures across the City, including further vehicle upgrades.
- Leeds will remain in the National NO₂ Programme. This means that we will continue to work in partnership with Central Government to retain air quality and traffic monitoring capability within the city.
- The Council will also seek to further build on the achievements of the complementary air quality measures that have been delivered to support

compliance; therefore this report lays out the future direction for the City's "Air Quality Strategy 2021 – 2030".

2. Best Council Plan Implications (click [here](#) for the latest version of the Best Council Plan)

- The impact of the plans to implement the Leeds Clean Air Charging Zone and other complementary measures directly contribute to the following area of the Best Council Plan:
 - Sustainable Infrastructure : Improving Air Quality

3. Resource Implications

Implementation

- The implementation of the Leeds CAZ and all associated activity was fully funded by Central Government, therefore there has been no negative impact on Council budgets.
- There are contractual liabilities to settle and other ancillary items that will be financed by underspent budgets provided by Central Government.
- Central Government have agreed a finance package to use a number of the ANPR cameras for ongoing fleet/air quality monitoring. The Council is also exploring whether there are any further uses or city partnerships that can be put in place to maximise the benefit of the network. Any such arrangements will not adversely impact Council budgets and will require the necessary due diligence to be undertaken, including satisfying local decision making procedures.
- The remaining, unspent Implementation funding will be returned to Central Government.

Clean Air Funding

- The package of financial support schemes was funded by Central Government (c£18m). To date the Council has spent c£7.5m.
- The Council has requested to retain circa £7m underspend from the Clean Air Fund to support the maintenance of fleet upgrade and incentivise continued fleet improvements.
- The taxi loan scheme was partially supported by the Clean Air Fund, however the loan monies provided to applicants was financed by Council prudential borrowing.
- Subject to the c£6.5m being approved for retention, the remaining, unspent Clean Air Funding will be returned to Central Government.

Recommendations

Executive Board is requested to:

- a) Note the outcome of the review into Leeds air quality compliance achieving legal compliance requiring the cancellation of the proposed Leeds Clean Air Charging Zone (“Leeds CAZ”).
- b) Delegate authority to the Director of City Development in conjunction with the City Solicitor to take any formal steps under the Transport Act 2000 to revoke the Leeds Clean Air Zone Charging Order (No. 01) that was made on the 19th December;
- c) Note the funding repurposing package that has been requested from Central Government.
- d) Approve the high level approach to the development of the “Air Quality Strategy 2021 – 2030”.

Purpose of this report

1.1 This report:

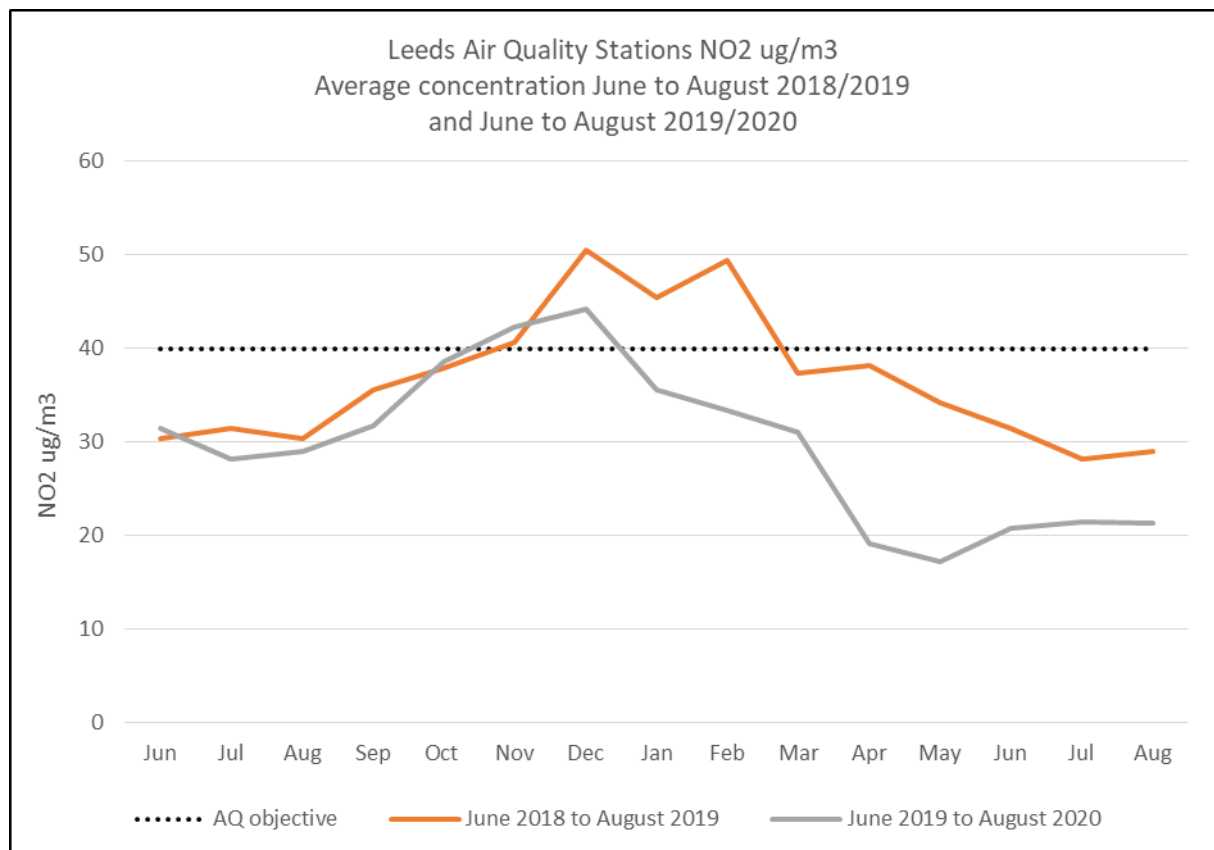
- Provides a summary of the findings from the review into the Leeds CAZ.
- Details the strategy to ensure compliance will be maintained.
- Confirms progress on the distribution of financial support to affected sectors.
- Confirms the CAZ budget position.
- Confirms the funding repurposing package that has been requested from Central Government.
- Provides an update to the Executive on other air quality measures that have been progressed in the City.
- Sets out the approach to a long-term “Air Quality Strategy” to drive continual improvements now and into the future.

2. Background information

- 2.1 The Air Quality Standards Regulations 2010 (“the Regulations) brought Directive 2008/50/EC of the European Parliament and of the Council on Ambient Air Quality and Cleaner Air for Europe in to UK Law. Regulation 26 of the Regulations requires the Secretary of State to draw up and implement an air quality plan to achieve the relevant limit or target value of pollutants in ambient air within the shortest possible time. Under the Secretary of State’s plan for tackling roadside nitrogen dioxide concentrations certain local authorities were required to implement Clean Air Zones or other equally effective measures to achieve statutory NO₂ limit values within the shortest possible time.
- 2.2 The Council has fully complied with its legal duties in this regard under the Environment Act 1995 (Leeds City Council) Air Quality Direction 2017 (“2017 the

Direction”) which directed the Council to prepare and submit to the Secretary of State a full business case in connection with its duties in respect of air quality under Part 4 of the Environment Act 1995 (“the Act”) and as part of the UK Plan.

- 2.3 On approval of the Council’s Final Business Case, a new Ministerial Direction 2019 was issued requiring full implementation as soon as possible, and at least in time to bring forward compliance by 2020 to ensure compliance with the legal limit value for nitrogen dioxide is achieved in Leeds in the shortest possible time. The Council has since then continued to work towards meeting this obligation. Leeds is compliant for 2020.
- 2.4 Throughout 2019 and 2020, a series of reports were brought to the Executive outlining implementation progress and scheme refinements. The latest being March 2020, where a go-live date was recommended but subsequently not approved due to the Covid-19 pandemic.
- 2.5 Leeds continued to be the subject of a Ministerial Direction to implement the CAZ in parallel to the review into Air Quality Compliance projections taking place in order that it could work to implement the scheme in the shortest possible timescales if the review concluded that the CAZ was still required.
- 2.6 Pollution in the city is measured at various points using a mixture of air quality monitoring stations and diffusion tubes. The graph below shows air quality trends over the last two years:



3. Main issues

Air Quality Compliance Review

- 3.1 The Leeds Clean Air Charging Zone proposals were approved by Central Government in January 2019; this approval followed on from an extensive consultation and business case development phase to ensure the scheme, when implemented, would accelerate compliance with legal air quality limits (40 micrograms annual mean average on key link roads). At the time, Leeds was forecast to achieve natural compliance (arising from natural fleet turnover and corresponding improvements to vehicle technology) in 2022, meaning the CAZ, if launched in January 2020 as originally planned, would have brought forward legal compliance by two years.
- 3.2 Mid-2019 the planned launch of the scheme was delayed due to issues with the development of supporting digital systems that would enable the operation and enforcement of the scheme. As a consequence of these delays the anticipated launch date was confirmed as no sooner than July 2020 (a delay of at least 6 months). Detailed reports on implementation progress and dissemination of financial support were brought to the Executive in June and September 2019, and March 2020.
- 3.3 In March 2020, the launch date was recommended for 28 September 2020. At the exact time Executive Board were due to approve the launch of the scheme, the Covid-19 pandemic struck the UK. Executive Board took a decision not to approve go-live and a subsequent delay to no sooner than January 2021 was proposed and approved by Central Government. This pause was primarily put in place to ensure any impacts of the pandemic on the delivery timetable could be understood and managed.
- 3.4 During the Covid-19 lockdown the air quality benefits and reduced traffic levels were, and continue to be, evident. Traffic flows fell materially in late March, with weekday volumes down by 61% compared with the same period in 2019, and although they have risen since then, in September they remain 16% below the same period last year. Morning peak volumes in September are down by 28% and the evening peak by 16%.
- 3.5 CAZ Implementation activity continued despite the pandemic pause however, there was some uncertainty around how to elect a new go-live date for the scheme due to the environmental benefits being caused by the pandemic. Emissions data collected earlier this year placed Leeds in a position of being within legal compliance for 2020 (based on annual averages).
- 3.6 It was determined that the CAZ should be launched to ensure compliance beyond 2020 as is the Council's legal duty. In order to understand when in 2021 might be the right time to launch the scheme, a review of the Council's emissions modelling was performed by Central Government. This review examined a range of scenarios and determined that there was a chance the compliance year may alter one way or another dependent on the level of fleet upgrade and traffic. It was concluded that a more robust investigation using modelling and local data, undertaken by the Council, would be required to understand the true picture.
- 3.7 The review carried out by Central Government did not include local real world local data such as the level of fleet upgrade that has occurred in the city since the CAZ was initially announced, traffic volume data, and highways schemes that affect traffic flows and concentrations.

- 3.8 As a consequence, it was agreed between the Council and Central Government that a specific, time limited piece of work would be carried out to investigate compliance using our own higher resolution tools and resources to determine whether a CAZ was in fact a suitable measure to bring about compliance in Leeds, or if alternatives would be more suitable. The review has concluded that as a result of the level of fleet upgrade in the city, Leeds is predicted to be comfortably below the 40 microgram legal limit on all roads that form part of the Government's EU compliance model. The situation is helped by the implementation of highways schemes (that were not confirmed at the time the CAZ was approved) and by traffic reductions linked to Covid-19 but is not dependent on them. The modelling has assumed traffic flows returning to normal levels to ensure the review is robust (detail on modelling and emissions is described in further detail later in the report).
- 3.9 To this end, sensitivity analysis of the review has been performed to ensure compliance is maintained even if there is a wholesale shift away from public transport to private cars as a consequence of Covid-19 recovery. It is important to note that even if this risk materialised and compliance was placed at risk, the CAZ-B scheme would not have offered a solution as private cars are only included in a CAZ-D.
- 3.10 Having gone through this detailed work with Central Government and reaching a joint consensus, the Council has written to Government Ministers outlining the position and have requested a revised Ministerial Direction to confirm Leeds has achieved legal compliance and is expected to remain compliant now and into the future.
- 3.11 ANPR camera installation has concluded (with the exception of a small number of sites where install has come into conflict with highways schemes). The ANPR cameras have varied functionality and can be reused to support the city's traffic management, road safety and crime reduction ambitions. Options in this regard are currently being investigated. Should repurposing be possible (both lawfully and without adversely impacting Council budgets) then officers will consider available options work to implement the change. Should there be cost implications it is proposed that the network of cameras remain in-situ (but not operational) for a further review into repurposing to take place during 2021. The cameras have an operational lifespan of 8 years.
- 3.12 In a scenario where the Council wished to implement a Charging Clean Air Zone to go beyond legal compliance there would be no funding support available from Government to implement the scheme, or to help affected persons and/or businesses to upgrade. A new consultation exercise would also be required (as from a legal perspective this would be a new scheme to be delivered for a new purpose – we would not be able to rely on the consultation already undertaken), in addition to a new business case and all associated implementation activity.

Modelling and Emissions

- 3.13 The 2018 Full Business Case for the CAZ scheme modelled a compliance assessment for both 2020 and 2022. This assessment found that 'natural' compliance was achieved in 2022 (natural compliance is the point at which it is anticipated that normal fleet turnover brings about the necessary emissions improvements).

- 3.14 Therefore, the CAZ needed to be designed to bring forward compliance as fast as possible. Had the CAZ launched in January 2020 as originally planned, this is the point at which it was predicted compliance would be achieved as a consequence of the measure being introduced.
- 3.15 Due to go-live being delayed to 2021 it was prudent to assess when in 2021 that a CAZ might be required to maintain compliance, to determine a suitable go-live date (described above at 3.6).
- 3.16 The original CAZ modelling work identified the Regent Street bridge area as an area where legal limits would continue to be breached without the introduction of a CAZ.
- 3.17 When the CAZ business case was written, we were reliant on older fleet data that was collected in 2016, and assumptions for the projected 2020 fleet. The data has been refreshed using the new network of ANPR cameras. Data captured in January 2020 has been used to inform the Air Quality Compliance review. The January dataset is more representative of the current fleet operating in Leeds than the projections made in 2017.
- 3.18 The composition of the Leeds fleet taken from January 2020 ANPR data is shown below:

Vehicle type	Petrol Hybrid / EV	Euro 6*	Euro 5*	Older
Buses	-	93%	7%	-
Coaches**	-	100%	-	-
Heavy Goods Vehicles	-	88%	10%	2%
Light Goods Vehicles	-	70%	20%	10%
Taxi and private hire	46%	26%	28%	-
Cars	3.2%	50%	30%	20%

*Euro standards = petrol and diesel combined. ULEV / Euro 6 meet CAZ compliance (except Taxi and PH who were required to go to ULEV in 4 seater saloons).

** ANPR camera captures for coaches were a very small sample size.

- 3.19 The fleet upgrade that has taken place now demonstrates that the city comfortably achieves compliance at all target determination points in the city.
- 3.20 The situation around Regent Street is compliant with the updated fleet in normal conditions, however there is currently a further improvement due to the traffic management measures (contraflows) that are currently in place while the Regent Street bridge improvements take place, and the reduction in traffic as a consequence of the pandemic.

- 3.21 The modelling work has included a number of major highway schemes planned for delivery over the next two years and these do not reintroduce non-compliance at any target determination point.
- 3.22 It is important to note that legal compliance is not dependent on the highways schemes or the Covid-19 traffic reductions, however these factors are positive side-effects.
- 3.23 This conclusion has been sensitivity tested by predicting increases in private car use linked to Covid-19 recovery and reductions in the number of clean buses operating in Leeds.

Maintaining Compliance

- 3.24 The evidence and analysis confirms that the compliance position in Leeds has been brought about by a single factor:
- Level of fleet upgrade across all vehicle types in the city
- 3.25 While Covid-19 was the catalyst for exploring the air quality improvements in Leeds, the position of compliance is in no way dependant on traffic reductions linked to Covid-19 impacts. Covid-19 traffic reductions were not factored in to the review. Therefore, the AQ improvements seen in the city have lasting longevity. In regards to the emissions forecast there is sufficient headroom in the predictions for increases in emissions without risking non-compliance.
- 3.26 The sensitivity testing performed indicates that modal shift towards the private car in response to Covid-19 does not represent any risk to compliance. The key risk to compliance would be if there was a deterioration of the current standard of the bus fleet.
- 3.27 To support the taxi trade in continuing to operate CAZ compliant vehicles the following measures are proposed and will be funded by the underspent CAF funding (subject to approval from Central Government):
- 3.28 We propose that all Leeds licensed taxi and private hire drivers who have upgraded to achieve compliance with the CAZ (following the CAZ being approved for launch in October 2018) will be incentivised to continue operating their compliant vehicle by way of free licensing costs for two years.
- 3.29 Taxi and private hire transitional grants would continue to be available until funding is exhausted.
- 3.30 Under the proposals there would be funding available to allow drivers of non-compliant Wheelchair Accessible Vehicles to apply for a Transitional Grant should they upgrade to Euro 6 or better. This funding will again be on a first come first served basis and be subject to eligibility criteria.
- 3.31 Additionally, grants for large vehicle upgrades would continue to be available until funding is exhausted. In the first place these will be made available to companies

who already had applications in process when the funding was paused in June 2020.

- 3.32 The eligibility criteria and associated processes for managing the above mentioned schemes is currently in development. Communications messaging will be issued to confirm when the schemes are open for application in due course. The funding levels available are set out in the budget section below.
- 3.33 First Bus and Arriva have received funding from LPTIP and the Clean Bus Technology Fund to support their fleet upgrades. As part of the funding provision voluntary agreements were entered into to commit the operators to continue running these services in the City. Further discussions with the bus operators and Government will take place to ensure that the standard of fleet is maintained in the city.
- 3.34 Air Quality in the city will continue to be closely monitored to ensure that compliance is maintained.

CAZ budget position, Financial support, Funding reallocation

- 3.35 The Council was successful in securing £1.86m early measures funding and c£18m of Clean Air Funding to assist those affected by the CAZ in upgrading their vehicles.
- 3.36 The early measures funding has enabled the delivery of Electric Vehicle Charge Point installations; a package of measures supporting modal shift at 30 schools including scooters, storage and teaching materials, business modal shift competition, citywide communications campaigns in support of the Clean Air Zone scheme; and, as part of the wider EV trials scheme, incentives for taxi and private hire drivers to upgrade to ULEV and an e-bike trial scheme.
- 3.37 The c£18m financial support was disseminated in packages of grants and loans. Over 940 vehicles have been upgraded (over £7m cash) to date. The breakdown is set out below:

Table 1: Large Vehicle Grants

Large Vehicle Type	Paid	Payment pending	Evaluation pending (forecast)
HGVs	£4,288,000 268 vehicles	£928,000	£1,152,000
Non-scheduled bus/coaches	£1,040,000 65 vehicles	£272,000	

Table 2: Taxi and Private Hire Support Packages

Grants – funded from £700k early measures funding			
Recipient type	Paid	Payment Pending	Evaluation pending (forecast)

Drivers	£690,000 460 vehicles	£1,500	£33,000
Operators	£87,000 58 vehicles	£6,000	£6,000
Loans – funded from council capital			
Recipient type	Paid		
Drivers	£1,019,000 102 vehicles		
Operators	£0		

3.38 This financial assistance has been a contributing factor to the City achieving its Air Quality objectives.

3.39 The Council has requested a funding package from Central Government to repurpose part of our previous Clean Air Funding allocation.

3.40 At a high level the proposed funding reallocation package is as follows:

Measure	Funding available (c£7m TBC)
Transitional Grants (Taxi and Private Hire (inc WAVs), and Large Vehicles)	c£4.15m
Free licensing scheme	£1.8m
Miscellaneous (staffing, on-going public communications, etc)	c£900k

3.41 The unspent Implementation funding is to be returned to Central Government with the exception of values required to offset contractual liabilities.

Air Quality measures update

3.42 This section confirms the Air Quality measures that have been delivered in the city since March 20 and also confirms measures introduced in response to Covid-19 that support the City's Clean Air ambitions.

3.43 This year has seen an accelerated programme of investment in segregated cycle infrastructure including:

- Phase one (4.8kms) of the orbital cycle highway, on the outer ring road from Red Hall to King Lane nearing completion.
- Cycle superhighway facilities included on the Leeds to Stourton bus priority under construction.
- A65 Kirkstall Road scheme installed as part of an active travel response to Covid-19 piloting the use light segregation.
- Further light segregation schemes on A660 and Roseville Road installed in September.

- Successful Transforming Cities Fund bid for £7m to enhance the city centre network with early trial implementation happening this year.

3.44 Additionally, pedestrianisation of the city centre is taking place, with pedestrians seeing benefits with wider footways, new public spaces and more planting – making it more attractive to walk along the Headrow, Park Row and Infirmary Street. Also the transformation of Cookridge Street will realise car free public realm in heart of the city.

3.45 As part of the active travel response to Covid-19, 3 Active Travel Neighbourhoods are being trialled in Beeston, Chapeltown and Hyde Park. These schemes remove through traffic from areas, creating a better environment for active travel with safer, quieter, and healthier streets in these communities.

3.46 **Air Quality Strategy 2021 – 2030 proposal**

3.47 An air quality strategy will be brought to Executive Board in Spring 2021 which will set out the city’s ambitions to continually improve air quality with targets set at levels beyond legal compliance for NO₂, as well as particulate matter and will identify the key actions required against key headings such as:

- Modal shift, including active travel
- Communications and engagement
- Increasing the prevalence of alternative fuel, including hydrogen and electrification
- Reducing emissions from domestic heating, industry and services

3.48 The Council is now committed to achieving above the UK Government-legislated legal limits for Particulate Matter (PM) concentrations, striving to meet the more stringent World Health Organisation guideline values for PM_{2.5} and PM₁₀. The Council’s performance against the guidelines at its two PM monitoring sites are outlined below.

Annual mean PM₁₀ ug/m³	WHO guidelines	2019
Leeds Centre	20 ug/m ³	16 ug/m ³
Headingley	20 ug/m ³	16 ug/m ³
Annual mean PM_{2.5} ug/m³		
	WHO guidelines	2019
Leeds Centre	10 ug/m ³	12 ug/m ³
Headingley	10 ug/m ³	12 ug/m ³

3.49 Building on the UK’s Industrial Clean Growth strategies will provide a key means of reducing emissions from road transport. The Road to Zero Strategy sets out the government’s approach to reducing carbon emissions, developing, manufacturing, and using zero emission road vehicles. The strategy sets out a series of actions required to transition from petrol and diesel vehicle fleets to ULEVs and zero-emission vehicles. Critically, the strategy sets out the following aims:

- 3.50 By 2030, at least 50%, and up to 70%, of new car sales, and up to 40% of new van sales, being zero or ultra-low emission.
- 3.51 -By 2040, all new cars and vans will be effectively zero emission and the sale of new conventional petrol and diesel cars and vans will have ended.
- 3.52 -By 2050, almost all cars and vans will be zero emission, have “significant zero emission capability” and the majority will be 100% “zero emission”.
- 3.53 The UK Government is considering bringing forward its ban on new fossil fuel vehicles from 2040 to 2030 to help speed up the rollout of electric vehicles across British roads, following assurances that the grid is capable of supporting the charging infrastructure required to support the change. The announcement is expected in November 2020.
- 3.54 A 2030 ban would be consistent with the Council’s previously stated policies on zero emission vehicles with regards to tackling the climate emergency.
- 3.55 Although the widespread use of ULEVs will be instrumental in reducing air pollutants produced by conventional vehicles, residents across Leeds should also be enabled to make changes to their travel choices that have additional benefits for them. This behaviour change and modal shift aligned to the decarbonisation of transport is detailed fully in the new Transport Strategy that is currently being drafted.
- 3.56 Although the current number of EVs on the road remains a small proportion of the national vehicle fleet, the UK is showing an increasing trend of ULEV uptake. The “take-off” period for uptake of significant new technologies is typically established when 5% of potential market is reached. In Leeds, ULEVs comprise just over 1% of the total vehicle fleet, which is in line with the national trend. In 2011 there were 74 ULEVs registered in the Leeds local authority which has significantly increased to 5,018 ULEVs in 2018, again in line with the national trend outside London. Accelerating the transition to alternative fuels forms a vital step towards reducing the carbon footprint from transport sector in Leeds, alongside measures to increase the use of public transport, walking and cycling.
- 3.57 Registrations of ULEV’s in Leeds is increasing rapidly, the DfT recorded that in Q1 of 2019 there were 5,497 ULEV’s registered in Leeds, by Q1 2020 this figure stood at 9, 270. In the entire North East there were 4,694 ULEVs registered by Q1 2020, 741 in Manchester, 525 in Liverpool, 809 in Leicester, 713 in Nottingham in comparison.
- 3.58 LCC has undertaken a series of actions to stimulate the use of alternative fuels in the transport sector. The LCC electric vehicle trials offer organisations an opportunity to borrow electric vans and electric bikes for a period of up to two months. Given that businesses or individuals may feel wary of making a financial investment in purchasing electric vehicles or bikes, the opportunity to trial them free of charge is a valuable way to encourage consumer confidence. The trial has recently been launched and will be subject to ongoing review. LCC is also offering top-up grants to assist in the installation cost of EV charging points at homes and workplaces. The Council has been transitioning its own fleet to alternative fuels for the past several years and now boasts the largest EV fleet in the country. A solution is required for sections of the fleet that are not suitable for electrification, mainly larger, heavier vehicles such as the refuse fleet. Successful trials have taken place

in the past of gas powered vehicles, the Council is now exploring options for using hydrogen as a low-carbon, low NO₂ fuel source.

3.59 In 2019, WYCA launched a project with the 5 regional districts for delivery of a network of at least 88 rapid EV charging points across West Yorkshire to encourage drivers to make the switch to electric vehicles (see Figure 3). The network provides both rapid and fast charging at every site and provides 2 charging bays at each location, with access for public and taxi & private hire vehicles. There are now 54 chargers installed across the region, with 12 live in Leeds and a further 2 due to be completed in October (weather permitting). There have been over 17,000 charge events across the Leeds network with an average of 6.4 charge events per day at each location. With 36 units to be delivered by the end of 20/21 in Leeds alone, this programme is contributing to Leeds having one of the highest ratios of public rapid charger availability per capita in the country and is supporting above national average growth in plug-in and ULEV vehicle registrations in the city. With additional charge point provision planned through Park & Ride site development and utilisation of £97,500 grant funding secured from the Office for Low Emission Vehicles in September 2020 the growth of the charge network in Leeds is projected to continue.

- **Corporate considerations**

3.60 **Consultation and engagement**

3.60.1 In 2018 the Clean Air Zone proposals were the subject of an extensive two phase public statutory consultation process. The outcomes directly shaped the final business case and final proposal.

3.60.2 In addition there has been extensive Member consultation throughout the design of the scheme, with cross party briefings and presentations to cabinet and scrutiny at regular intervals.

3.60.3 A further statutory consultation was carried out over a period of 6 weeks from 17 July 2019 in order to shape and finalise specific, narrow elements of the Charging Order.

3.60.4 Subsequent to the pandemic occurring, the Executive Member for Air Quality has been briefed on the nature of the CAZ review and a note explaining the situation was disseminated to all Members in early-September.

3.60.5 Communications messages were issued to affected sectors, in particular those in the system who had applied to access financial support, or had signed up to our mailing list for CAZ updates.

3.61 **Equality and diversity / cohesion and integration**

3.61.1 An equality impact assessment for the whole CAZ scheme was approved by Executive Board in October 2018. The EIA was further updated in September 2019 to reflect the further refinements to the CAZ scheme and was resubmitted in March 2020.

3.61.2 [As the CAZ is no longer proceeding there has been a requirement to refresh the impact assessment. The March 2020 EIA is attached at Appendix 1, with the refreshed elements attached at Appendix 2.

3.62 Council policies and the Best Council Plan

3.62.1 The importance of air quality as an issue is reflected in the Council's vision under our Best Council Plan Sustainable Infrastructure : Improving Air Quality

3.62.2 Our vision is for Leeds to be a healthy city in which to live, work and visit and we are working with partners to reduce emissions which will bring about health and wellbeing benefits including reducing premature deaths, improving health, promoting physical activity and reducing obesity levels.

Climate Emergency

3.63 The implementation of the Clean Air Zone was estimated to reduce carbon emissions by 47,594 tonnes in 2020. As we have already seen the fleet upgrade to levels beyond what was expected of the CAZ it is assumed this saving has already been realised.

3.64 The measures proposed in the new Air Quality Strategy will further contribute to the Council's climate commitments to net zero.

3.65 Resources, procurement and value for money

3.65.1 Robust budget management processes have been employed to ensure the funding provided by Central Government for Implementation of the CAZ and associated financial support schemes was discharged appropriately.

3.65.2 Some areas of project development (namely, development of digital systems and ANPR hosting/maintenance) were anticipated to exceed the original budget allowance provided by Central Government due to changes in scope and delays experienced, however these overruns have been offset by underspend in other CAZ work-streams. Elements of the system development activity will continue in spite of the cancellation of the Leeds scheme as it supports the implementation of other Clean Air Zones nationally, as such continues to be funded by Central Government. Spend approvals for this activity are already in place.

3.65.3 There are a variety of exit costs associated with cancelling the Leeds CAZ, such as contractual liabilities, communications activity and resources. These exit costs are fully funded by the Implementation fund provided by Central Government.

3.65.4 A settlement package has been requested from Central Government (described above) to ensure the CAZ project closedown and continued air quality incentivisation is managed throughout 2021/22.

3.65.5 In conclusion, there are no risks to Council budgets arising from the close down of the CAZ project and maintenance of compliance. The funding envelopes provided by Central Government (Implementation and Clean Air Fund) fully cover all of the associated costs.

3.66 Legal implications, access to information, and call-in

3.66.1 In response to the Air Quality Direction 2017 ("the Direction") the Council prepared and finalised a scheme setting out the Council's proposal for a CAZ-B to deliver compliance in its area with the prescribed limits of nitrogen dioxide in the shortest

possible time and accordingly made the Leeds Clean Air Zone Charging Order (No. 01) on the 19th December 2018. This Order set out the mechanism whereby Leeds City Council would implement the charging scheme for its CAZ B originally by January 2020.

3.66.2 However, as set out in this report, Executive Board were advised of delays to the “go live” date as a result of technical issues that had arisen in respect of implementation and thereafter, on the 23rd March 2020, the UK entered a period of lockdown in response to the global Covid-19 pandemic.

3.66.3 Since this event, the Council and Central Government have revisited the evidence and have carefully modelled Air Quality to determine compliance in the short to long term in the City. This evidence demonstrates that Leeds City Council have in fact now achieved compliance with the obligations set out in the Air Quality Direction 2017 and consequently as a matter of law, cannot now be required to implement a CAZ-B in the City as its intended purpose is fully met.

3.66.4 It is noted that significant work has been carried out in order to achieve compliance. It is important to note that at the time support was being provided by the Council for upgrades being required, Leeds was in a position of non - compliance and was required, as a matter of law, to implement a CAZ B.

3.66.5 The Council has therefore acted lawfully and reasonably in all its past approach to the implementation of a CAZ-B in the City and it is entirely appropriate that Air Quality levels are monitored periodically to ensure the scheme is meeting its intended objective.

3.66.6 Now that legal compliance with the prescribed limits of nitrogen dioxide have been met in the shortest possible time, it would be lawful and reasonable for Leeds to cancel the implementation of the CAZ B, subject to ongoing review or the air quality levels.

3.66.7 As the CAZ B will be cancelled, the Leeds Clean Air Zone Charging Order (No. 01) as made on the 19th December 2018, though not operational, will now need to be revoked formally by Order as per the requirements of S168 of the Transport Act 2000.

3.67 **Risk management**

3.67.1 The Implementation of the Leeds CAZ has been subject to formal project management controls. As such there is robust project governance in place to track progress and monitor project risk.

3.67.2 Air Quality is recorded as a risk on the Council’s corporate risk register and is reported on a regular basis.

3.67.3 The financial liability to our ANPR contractor for its Operation and Maintenance contract has been considered and the contract has been varied to reflect the current circumstances.

3.67.4 The interest free loan scheme will no longer be offered as a supporting measure to incentivise fleet upgrade, this ensures no further risk to Council budgets.

3.67.5 All other CAZ exit costs have been identified and will be funded from CAZ budgets.

4. Conclusions

- 4.1 The Air Quality Compliance review has determined that Leeds is compliant with legal limits of NO₂ and therefore a CAZ is no longer required in the City.
- 4.2 The Council will reallocate the unspent CAZ funding in accordance with the agreement reached with Central Government.
- 4.3 A report detailing the new Air Quality Strategy 2021 – 2030 will be brought to the Executive in Spring 2021.

5. Recommendations

Executive Board is requested to:

- a) Note the outcome of the review into Leeds air quality compliance achieving legal compliance requiring the cancellation of the proposed Leeds Clean Air Charging Zone (“Leeds CAZ”).
- b) Delegate authority to the Director of City Development in conjunction with the City Solicitor to take any formal steps under the Transport Act 2000 to revoke the Leeds Clean Air Zone Charging Order (No. 01) that was made on the 19th December;
- c) Note the funding repurposing package that has been requested from Central Government.
- d) Approve the high level approach to the development of the “Air Quality Strategy 2021 – 2030”.

6. Background documents¹

- 6.1 None

¹ The background documents listed in this section are available to download from the council’s website, unless they contain confidential or exempt information. The list of background documents does not include published works.