

**Manchester City Council
Report for Resolution**

Report to: Neighbourhoods and Environment Scrutiny - 8 January 2020
Executive – 15 January 2020

Subject: Greater Manchester's Clean Air Plan – Tackling Nitrogen Dioxide Exceedances at the Roadside – Update

Report of: Strategic Director (Growth and Development)

Summary

This report sets out the progress that has been made following the Government's response to Greater Manchester's Outline Business Case to tackle Nitrogen Dioxide Exceedances at the Roadside (OBC), and the implications for the 10 Greater Manchester (GM) local authorities in relation to the schedule of work and statutory consultation on the Clean Air Plan (CAP).

Recommendations

Neighbourhoods and Environment Scrutiny Committee is asked to note and comment as appropriate on the report.

The Executive is recommended to:

- a) note progress made to date;
- b) note the ministerial direction under the Environment Act 1995 (Greater Manchester) Air Quality Direction 2019 which requires all ten of the Greater Manchester local authorities to implement a charging Clean Air Zone Class C across the region;
- c) agree the need to continue to proceed towards developing the implementation and contract arrangements of a charging Clean Air Zone (CAZ) in Greater Manchester utilising the initial tranche of £36m of funding as required by the ministerial direction / feedback;
- d) delegate authority to Chief Executive, in consultation with the Executive Member for the Environment, Planning and Transport to determine the preparatory implementation and contract arrangements that need to be undertaken utilising the initial tranche of £36m of funding to deliver the CAZ and other GM CAP measures, as set out at paragraph 3.11;
- e) note that the report to determine the timings for commencing the consultation will be received in the Spring of 2020;
- f) note the outstanding need to secure a clear response from the Government on clean vehicles funding asks;

- g) ask officers to work with TfGM to develop a business case and funding strategy for submission to Government to deliver a zero carbon bus fleet as quickly as possible; noting the urgent need to reduce carbon emissions from transport and to reduce nitrogen oxide exceedances towards which buses currently make a major contribution, particularly within the city centre;
- h) note that Highways England has not been directed to act in relation to tackling NO2 exceedances in the same way as the Greater Manchester local authorities, and that this will leave some publicly accessible areas of GM adjacent to trunk roads managed by Highways England, with NO2 exceedances that are not being addressed by the Highways England plan;
- i) delegate authority to Chief Executive to agree the final content and submission of the documents listed in Appendix One for formal submission to JAQU and note their Publication status;
- j) delegate authority to Chief Executive to determine any further technical reports for formal submission to JAQU; and
- k) note that the Executive member for the Environment, Planning and Transport will co-sign a letter from the GM Authorities to the Secretary of State for Transport asking them to bring forward the launch of a statutory consultation to strengthen rules on vehicle idling.

Wards Affected: All

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| Environmental Impact Assessment - the impact of the decisions proposed in this report on achieving the zero-carbon target for the city |
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| The Clean Air Plan aims to reduce emissions from the most polluting vehicles in the city. It will have a secondary impact of reducing carbon emissions. The report recommends that officers be requested to work with TfGM to develop a business case and funding strategy for submission to Government, to deliver a zero emission bus fleet as quickly as possible. |
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| Our Manchester Strategy outcomes | Contribution to the strategy |
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| A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities | The Clean Air Plan aims to improve air quality across Greater Manchester. By doing so the city will become a more attractive place to live, work and visit and this in turn is likely to lead to a stronger economy. |
| A highly skilled city: world class and home grown talent sustaining the city's economic success | A city with improved air quality is likely to be more successful at retaining and attracting talent. |
| A progressive and equitable city: making a positive contribution by unlocking the potential of our communities | Ensuring that residents can access job opportunities and other facilities in a safe and clean environment, will enable everyone to contribute to the success of the City. |
| A liveable and low carbon city: a destination of choice to live, visit, work | The Issues Consultation covers this outcome across a number of Strategic Issues including the achievement of a zero carbon Manchester by 2038; delivering a sustainable transport system; creating neighbourhoods that promote and enable healthy lifestyles; and the Economy, Manchester City Centre, Places to Live, and Sustainable and Resilient sections of the other key issues. |
| A connected city: world class infrastructure and connectivity to drive growth | Reducing congestion and air pollution will improve perceptions of the City, and help to tackle greenhouse gas emissions. Investing in and maintaining the City's transport infrastructure will help to drive growth. |

Full details are in the body of the report, along with any implications for

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

There are no financial implications directly arising from this report. As the Clean Air Plan is finalised further reports will be prepared at the appropriate stages to address the financial consequences.

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

- UK plan for tackling roadside nitrogen dioxide concentrations (July 2017)
- Improving air quality: national plan for tackling nitrogen dioxide in our towns and cities (May 2017)
- Improving air quality in the UK: Tackling nitrogen dioxide in our towns and cities (December 2015)
- Air Quality (Standards) Regulations 2010
- Air Quality Task and Finish Group Final Report (November 2017)
- Greater Manchester Low Emissions Strategy and Air Quality Action Plan
- 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
- 26 October 2018, report to GMCA: GM Clean Air Plan Update on Local Air Quality Monitoring
- 15 November 2018, report to HPEOS Committee: Clean Air Update
- 16 August 2018, report to HPEOS Committee: GM Clean Air Plan Update
- Greater Manchester's Outline Business Case to tackle Nitrogen Dioxide Exceedances at the Roadside, comprising:
 - Executive Summary
 - Strategic Case
 - Economic Case
 - Financial Case
 - Commercial Case
 - Management Case
 - Options Appraisal Report
 - Individual Authority Compliance Summary for Manchester City Council
 - Economic Appraisal Methodology Report
 - Equality Impact Assessment
 - Modelling Report
 - Analysis of Distributional Impacts
 - Analysis of Distributional Impacts Appendix A
 - Analysis of Distributional Impacts Appendix B

- Project and Work Package Summary Sheets
- Organisation and Programme Governance Model
- Programme and Project Procedures and Overview of TfGMs Programme and Project Lifecycle Stages
- Programme and Delivery Schedule and Plan on a Page
- Stakeholder Management Plan
- Risk Management Plan
- Monitoring and Evaluation Plan
- Programme Risk Register
- Project Risk Register
- Steering Group Terms of Reference
- Glossary

1.0 Background

- 1.1 In July 2017 the Secretary of State issued a Direction under the Environment Act 1995 requiring seven Greater Manchester local authorities, including Manchester City Council, to produce a feasibility study to identify the option which will deliver compliance with the requirement to meet legal limits for nitrogen dioxide in the shortest possible time.
- 1.2 In accordance with this Direction Manchester City Council has been developing the study collectively with the other 9 Greater Manchester local authorities and the GMCA, coordinated by TfGM in line with Government direction and guidance and an Outline Business Case (OBC) was duly submitted in April 2019.
- 1.3 The key features of Greater Manchester's feasibility study and its Outline Business Case (OBC) to reduce nitrogen dioxide exceedances in Manchester City Council's area and across Greater Manchester in the shortest possible time were approved on at the Council's Executive on 13th March 2019 for submission to the government's Joint Air Quality Unit (JAQU).

2.0 Introduction

- 2.1 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 issuing a direction under the Environment Act 1995 to undertake feasibility studies to identify measures for reducing NO₂ concentrations to within legal limit values in the "shortest possible time". In Greater Manchester, the 10 local authorities, the Greater Manchester Combined Authority (GMCA) and Transport for Greater Manchester (TfGM), hereinafter collectively referred to as "Greater Manchester" or "GM", are working together to develop a Clean Air Plan to tackle NO₂ Exceedances at the Roadside, hereinafter referred to as GM CAP.
- 2.2 In its Outline Business Case (OBC) Greater Manchester proposed the following package of measures that delivers compliance in the shortest possible time, at the lowest cost, least risk and with the least negative impacts. They are:
 - A charging Clean Air Zone (CAZ) which will target the most polluting commercial vehicles including older heavy goods vehicles, buses, coaches, taxis and private hire vehicles from the summer of 2021, and older polluting light goods vehicles from 2023 (i.e. a CAZ C with a van exemption until 2023). It has been assumed at OBC stage that the Clean Air Zone Charge would be £7.50 per day for taxis, private hire vehicles and light goods vehicles and £100 per day for heavy goods vehicles, buses and coaches.
 - A Clean Freight Fund of c.£59m to provide financial support for the upgrade of light and heavy goods vehicles, minibuses and coaches, which will be targeted to support smaller local businesses, sole traders and the voluntary sector, registered in Greater Manchester.

- A Clean Taxi Fund of c.£28m, to support the upgrade of non-compliant Greater Manchester Licensed taxi and private hire vehicles.
- A Clean Bus Fund of c.£30m to provide, where possible, the retrofit of older engine standards to the less polluting Euro VI standard for those buses registered to run services across Greater Manchester.
- A package of supporting measures including a proposed Loan Finance scheme, sustainable journeys projects, additional EV charging infrastructure.

2.3 The OBC 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 with local authorities;
- Replacement of non-compliant buses; and
- A clear instruction to Highways England with regard to air pollution from the Strategic Road Network (SRN) in Greater Manchester.

2.4 The OBC outlining these proposals and the supporting evidence was submitted to Government at the end of March 2019. Ministerial feedback was received in July 2019 along with a further direction under the Environment Act 1995 which requires all ten of the Greater Manchester local authorities to take steps to implement a plan to deliver compliance with the requirement to meet legal limits for nitrogen dioxide in the shortest possible time.

2.5 The 2019 Ministerial Direction and accompanying letter proposed some key amendments to GM's OBC proposals, including the implementation of a charging Clean Air Zone Class C without a van exemption until 2023, with additional measures; and for local authorities to jointly submit to JAQU revised evidence by 2 August and a Full Business Case (FBC) by 31 December 2019 at the latest.

2.6 The Ministerial letter set out that the GM plan looks to be on track to deliver compliance in the shortest possible time and that on the evidence provided to date Greater Manchester authorities should continue to proceed towards developing the implementation and contract arrangements of a charging Clean Air Zone in Greater Manchester and that the Government would provide an initial tranche of £36m of funding to take this forward.

2.7 Full detail of the government's response was set out in the GMCA – Clean Air Update report on 26 July 2019.

3 Progress Since Last Update

3.1 Following the ministerial feedback and 2019 Ministerial Direction, the GM Authorities sought clarification on the 2019 Ministerial Direction and the accompanying ministerial letter, questioned the government's lack of

assurances around financial support for the broader GM CAP, outlined GM's approach to the requests for further options analysis, and detailed the issues GM faces in preparing to implement the scheme in terms of the timetable for FBC and statutory consultation.

- 3.2 The ministerial letter requested from GM further options appraisal information (including transport and air quality modelling as well as due regard to economic, financial and deliverability considerations) to be submitted prior to statutory consultation, and by 2nd August 2019.
- 3.3 In the interests of the ongoing working relationship between the 10 GM Authorities and the government's Joint Air Quality Unit (JAQU) in developing the GM CAP, a total of 29 draft technical reports and notes have been issued to JAQU in draft form and are subject to approval as set out in Appendix One. These provide the specific information JAQU has requested about behavioural assumptions and sensitivity testing.
- 3.4 GM has also requested clarification of the 2019 direction, JAQU guidance and GM's legal obligations relating to the options appraisal process, and whether this impacts on the GM authorities' options appraisal work to date or the additional work required by the letter accompanying the 2019 Ministerial Direction.
- 3.5 In addition, GM set out that the delay of over two months in receiving Ministerial feedback on the OBC, compounded by the request for GM to submit further options appraisal information, has had a material impact on the timetable for the GM CAP.
- 3.6 The delay arising from the ministerial feedback and lack of clarity on the direction, JAQU guidance and GM's legal obligations relating to the options appraisal process means that consultation will now need to take place later than originally planned. Consultation must comply with the relevant public law principles which may be summarised as:
 - consulting at a time when proposals are still formative;
 - giving sufficient reasons for the proposals to allow intelligent consideration and response by consultees;
 - giving adequate time for consultees to respond; and
 - ensuring that the responses to the consultation are conscientiously taken into consideration in finalising proposals.
- 3.7 In planning for a Statutory Consultation Officers have had to have regard to these principles. Given the continuing dialogue with Ministers to secure a clear response from government on our clean vehicles funding asks and lack of clarity on the 2019 Ministerial Direction, JAQU guidance and GM's legal obligations relating to the options appraisal process, Officers cannot at this time advise the GM Authorities to commence the Statutory Consultation.
- 3.8 In the absence of a Statutory Consultation GM Authorities were not be able to submit an FBC by the end of the year and therefore that aspect of the

Ministerial Direction will not be fulfilled. Officers remain in dialogue with JAQU and have written to clarify GM's position in relation to our schedule of work. GM has been clear that improving air quality is a priority and to that aim we have set out how we have been progressing this work.

3.9 Despite this delay to undertaking a Statutory Consultation, in view of the 2019 Ministerial Direction GM must continue to proceed towards developing the implementation and contract arrangements of a charging Clean Air Zone in Greater Manchester utilising the initial tranche of £36m of funding.

3.10 The City Council and other GM Authority decision makers will receive a report in Spring 2020 to determine the timings for commencement of the consultation. The report will:

- Detail the outputs from the Public Conversation and workshop-style focus groups, known as deliberative research;
- Set out the outline of the proposals and what they mean for GM, including:
 - o the basic key elements of the Clean Air Zone including the intended boundary and times of operation, proposed discounts/exemptions, vehicles affected and daily charges]
 - o the supporting measures [the detail of proposals of the funds and vehicle finance scheme, sustainable journeys]
 - o An Equalities Impact Assessment that considers the draft proposals at a GM level.

3.11 In the interim, given the scale and challenging timeline to deliver a charging Clean Air Zone as required by the 2019 Ministerial Direction, there is preparatory work that needs to be undertaken. This is in order to maintain delivery momentum in line with the funding arrangements agreed with JAQU, for example in relation to automatic number plate recognition (ANPR) cameras, back office systems and service providers. Therefore, a delegation is sought to give the Chief Executive the necessary authority to determine the preparatory implementation and contract arrangements, utilising the initial tranche of £36m of funding that may need to be undertaken to deliver a Clean Air Zone and other GM CAP measures, ahead of the report that will determine progressing the statutory consultation.

3.12 The commencement of a charging Clean Air Zone scheme and the other measures are subject to both consultation as set out at 3.10 and to the GM authorities receiving the required government funding to enable them to meet the legal limits for nitrogen dioxide concentrations.

4 Government Asks

4.1 In addition to the response on the specific clean air proposals, additional asks were made of Government, as set out at 2.3

4.2 These include an ask for Government to direct Highways England to tackle NO₂ exceedances on the Strategic Road Network (SRN) in the same way that

local authorities that have been directed to undertake a feasibility study are having to take action on the local road network. The ministerial feedback outlined that Highways England are working up plans for exceedances identified by national modelling on their network, and that this is not expected to include charging on the SRN but will instead focus on a range of measures such as traffic management, speed limits and barriers.

- 4.3 Officers have been advised that the measures proposed by Highways England in Greater Manchester focus on introducing 60mph speed limits on parts of the SRN. It highlights the concern that Highways England have not been directed to act in relation to tackling NO₂ exceedances in the same way as Greater Manchester local authorities, and that this will leave some publicly accessible areas of GM adjacent to trunk roads managed by Highways England, with NO₂ exceedances that are not being addressed by the Highways England plan.
- 4.4 As indicated in paragraph 2.2 above, the Outline Business Case included proposals for a Clean Bus Fund of c.£30m to provide, where possible, the retrofit of older engine standards to the less polluting Euro VI standard for those buses registered to run services across Greater Manchester. Cleaning up and decarbonising the bus fleet is a particular priority in the city centre and the key routes to and from it, where emissions from the current diesel bus fleet make up a significant proportion of nitrogen oxide emissions and where the levels of the pollutant currently breach legal limits.
- 4.5 The new Government made a number of commitments during the recent election campaign to invest in local bus services outside of London. Given this and the urgent requirement to decarbonise the transport system in response to the climate emergency as quickly as possible, it is recommended that officers be requested to work with TfGM to develop a business case and funding strategy, for submission to Government, which aims to deliver a zero emission bus fleet as quickly as possible.

5 Vehicle Idling

- 5.1 Our Clean Air conversation in Spring 2019 highlighted that many people are concerned about vehicle idling, prompting questions about what GM can do to crack down on people who leave their engines idling.
- 5.2 In the UK, it is illegal under the Road Vehicles (Construction and Use) Regulations 1986 to leave a vehicle's engine running unnecessarily while that vehicle is stationary on a public road. Doing this can incur a £20 fixed-penalty fine under the Road Traffic (Vehicle Emissions) Regulations 2002.
- 5.3 This is only imposed if the driver fails to turn off their engine when asked to do so. Enforcement of this legislation, either through a Fixed Penalty Notice (FPN) or via the magistrates' court sits with local authorities.
- 5.4 As the enforcing officer has to give the driver the opportunity to switch off the engine first and the penalty for idling is relatively small (£20), Greater

Manchester Local Authorities do not consider the Regulation to be an effective deterrent.

- 5.5 In addition, government has recently announced proposals to consult on toughen up rules on vehicle idling and increase fines for drivers who leave their engine running while parked.
- 5.6 Given the limited enforcement deterrent the GM Authorities are planning to undertake more awareness raising campaigns to inform of the health impacts that idling has on air quality.
- 5.7 In parallel, GM Authorities will write to the Transport Secretary asking them to bring forward the launch of the public consultation on this issue.

6 Next Steps

6.1 Officers will:

- Continue to work with JAQU to clarify the 2019 Ministerial Direction, JAQU guidance and GM's legal obligations relating to the options appraisal process, and the implications of that to our schedule of work and the timings for consultation on the Plan;
- Continue dialogue with JAQU to secure a clear response from government on our clean vehicles funding asks; and
- Continue stakeholder engagement and awareness raising with both groups in scope of the Clean Air Zone and the general public.

7 Recommendations

7.1 Recommendations appear at the front of the report.