Manchester City Council Report for Information

Report to: Neighbourhoods and Environment Scrutiny Committee – 22 July

2020

Subject: Clean Air and Climate Change progress update

Report of: The Deputy Chief Executive and City Treasurer

Summary

This paper provides an update on the Greater Manchester Clean Air Plan and the latest data and progress updates in relation to the Council's Climate Change Action Plan.

Recommendations

It is recommended that the Neighbourhoods and Environment Committee:

- 1. Note and comment on the progress of the Greater Manchester Clean Air Plan; and
- 2. Note and comment on the Council's annual direct CO2 emissions report and recent progress to deliver the Climate Change Action Plan 2020-25.

Wards Affected: All

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city

The Council's Climate Change Action Plan 2020-25 sets out the actions that will be delivered to ensure that the Council plays its full part in delivering the city's Climate Change Framework 2020-25 which aims to half the city's CO2 emissions over the next 5 years. The Greater Manchester Clean Air Plan seeks to reduce harmful Nitrogen Dioxide (NO2) levels at the roadside across the city region and to bring the whole of Greater Manchester into compliance with statutory requirements in the shortest possible time.

Manchester Strategy outcomes	Summary of how this report aligns to the OMS
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The transition to a zero carbon city will help the city's economy become more sustainable and will generate jobs within the low carbon energy and goods sector. This will support the implementation of the Our Manchester Industrial Strategy. Evidence shows that improved air quality will make a contribution to improving ed health outcomes across the city and will make Manchester a more attractive place to live and to invest in.
A highly skilled city: world class and home grown talent sustaining the city's economic success	Manchester is one of a small number of UK cities that have agreed a science based target and is leading the way in transitioning to a zero carbon city. It is envisaged that this may give the city opportunities in the green technology and services sector.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Transitioning to a zero carbon city can help to tackle fuel poverty by reducing energy bills. Health outcomes will also be improved through the promotion of more sustainable modes of transport and improved air quality.
A liveable and low carbon city: a destination of choice to live, visit, work	Becoming a zero carbon city with improved air quality can help to make the city a more attractive place for people to live, work, visit and study.
A connected city: world class infrastructure and connectivity to drive growth	A zero carbon transport system would create a world class business environment to drive sustainable economic growth. The Clean Air Plan seeks to reduce the environmental impact of the current vehicle fleet in the city by providing targeted incentives to encourage and enable individuals and businesses to upgrade their vehicles.

Contact Officers:

Name: David Houliston

Position: Strategic Lead Policy and Partnerships

Telephone: 0161 234 1541

Email: d.houliston@manchester.gov.uk

Name: Richard Elliott

Position: Head of Local Planning and Infrastructure

Telephone: 0161 219 6494

Email: r.elliott@manchester.gov.uk

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.

Manchester City Council Climate Change Action Plan 2020-25 Manchester Climate Change Framework 2020-25

1.0 Introduction

1.1 This report provides the Committee with an update on the Greater Manchester (GM) Clean Air Plan including the impact of COVID-19 (C19) on the timetable for its implementation. It also provides an update on progress to deliver the Council's Climate Change Action Plan 2020-25 and annual direct emissions data for the 2019/20 financial year.

2.0 Greater Manchester Clean Air Plan

- 2.1 Previous reports to this committee have informed members of the progress that is being made in developing a Clean Air Plan for GM that seeks to achieve compliance with statutory requirements relating to emissions of nitrogen dioxide in the shortest possible time. As the need to improve air quality is an issue across GM, the City Council is working jointly with the other nine GM authorities on this issue. The technical work is being led by Transport for GM on behalf of all ten authorities.
- 2.2 An Outline Business Case was submitted to Government in March 2019. This proposed the following elements:
 - A charging Clean Air Zone (CAZ) category C 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).
 - A Clean Freight Fund 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.
 - A Clean Taxi Fund to support the upgrade of non-compliant Greater Manchester Licensed taxi and private hire vehicles.
 - A Clean Bus Fund 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 GM.
 - A package of supporting measures including a proposed Loan Finance scheme, sustainable journeys projects, additional EV charging infrastructure.
- 2.3 A detailed report setting out the current position relating to the discussions with Government over the Plan and seeking agreement to the the proposed next steps was considered by the Executive on 3rd July 2020. The report is available at the following link: https://democracy.manchester.gov.uk/documents/s17816/Greater%20Manche ster%20Clean%20Air%20Plan.pdf
- 2.4 There has been detailed dialogue with Government over the proposals and the funding requirements of the Plan over the past few months. A letter was received in March from Rebecca Pow MP (DEFRA Parliamentary Under Secretary of State), copying in all Local Authority CEOs and Leaders,

regarding next steps with GM's Clean Air Plan proposals. This letter, which is attached to the Executive report, was sent alongside a further Ministerial Direction. The letter explained:

- the Government's desire for GM to consult on a Class C Clean Air Zone (accepting GM's case for exempting LGVs to 2023) with the timings of reporting back on the consultation suggesting that this activity is expected to take place in the summer.
- that the Government will provide an initial tranche of funding of £41m for grants or loans – this is broken down as £15.4m for bus retrofit, £10.7m for PHVs, £8m for HGVs, £4.6m for coaches and £2.1m for minibuses.
- the Government does not support all measures proposed, specifically the Sustainable Journeys measure.
- the Government will not support electric vehicle charging infrastructure through Clean Air monies but have committed to work with GM on securing funding from the Office for Low Emission Vehicles (OLEV) (who were allocated £500m in the 11 March 2020 budget).
- there is an expectation that GM's Clean Air Zone will be introduced in 2021 so compliance with NO2 legal limits is met in 2024.
- 2.5 The letter was issued prior to the Coronavirus Act and the national lock down which began on 24 March 2020. Since that time discussions with Government have continued in relation to the timetable for consultation and the need for financial support, in particular to enable drivers of light goods vehicles and hackney carriages to receive financial support to enable them to transition to cleaner vehicles. In the interim Leaders have agreed, and the City Council Executive has endorsed the decision that:
 - The GM Authorities will move to a statutory public consultation on the GM Clean Air Plan as soon as reasonably practicable; and
 - that the decision to commence a public consultation should be taken once there is a clear timeframe for exiting lockdown and moving to the next phase of the C19 response.
- 2.6 The delay in consultation will mean that the date that the proposed Clean Air Zone is introduced will be delayed until 2022 but this delay will not impact on the date at which full compliance with air quality standards is expected which remains at 2024.
- 2.7 The work to develop the Clean Air Plan proposals was of course undertaken prior to the current pandemic. To understand the wider impacts of the C19 outbreak the GM Clean Air Plan team are making an assessment of the possible impacts of C19 to inform a technical briefing note for decision makers. This assessment will include:
 - whether the assumptions underpinning the GM Clean Air Plan are still valid;
 - whether GM will remain in exceedance of legal nitrogen dioxide limits under the proposals as they currently stand;

- the measures proposed in the package for consultation; and
- whether the proposed support package will be sufficient.
- 2.8 The Further reports will be brought to the Committee as the Clean Air Plan proposals are further developed.
- 3.0 Manchester City Council Climate Change Action Plan
- 3.1 Annual Direct Emissions Report (Appendix 1): The Council has produced annual direct CO2 emissions reports since 2009/10 to track progress against the ambition to reduce emissions by 41% between 2009/10 and 2019/20. The latest annual report is the final year of reporting against this target and reveals that the Council has achieved a 53.8% reduction over this period, noting that the 2019/20 streetlighting data has not been finalised. The annual report includes CO2 data on the Council's operational buildings estate, streetlighting, waste and recycling vehicles, other Council fleet vehicles and staff travel.
- 3.2 Pathway to Zero Carbon 2038 (Appendix 2): As well as continuing to produce annual direct emissions reports with detailed breakdowns of emissions by activity, a new reporting graph has been developed to track long term progress against the zero carbon 2038 ambition. Appendix 2 tracks the Council's direct emissions using a carbon budget approach to demonstrate whether the pace and scale of annual reductions are within the target trajectory of a 13% year on year reduction. The graph includes actual data to 2019/20 which demonstrates that the Council's emission reductions are currently ahead of the target trajectory. The graph also includes a summary of the required reductions over the next 5 years and beyond.
- 3.3 Quarterly Quantitative Emissions Reporting (Appendix 3): As per the commitment included within the Council's Climate Change Action Plan 2020-25, a quarterly direct emissions report has been produced. Although the data for quarter 1 2020/21 is not yet fully available, an example for quarter 4 2019/20 has been provided.
- Quarterly Qualitative Reporting (Appendix 4): The Climate Change Action 3.4 Plan 2020-25 also committed the Council to produce a quarterly report detailing progress against the actions contained within the Plan. The first of these quarterly updates for quarter 1 2020/21 is included as appendix 4 and sets out progress against a red, amber, green rating. The report shows that as a result of C19 a number of actions have been stalled such as implementing the carbon reduction plan across the Council's estate, however, work on Wythenshawe Forum recommenced in June 2020, as will the replacement of the Town Hall Extension LED lighting and controls in July 2020. Work on the Council's new Business Travel Policy halted due to the need to redirect resources to C19, however, 27 electric refuse vehicles (approximately 50% of the current fleet) have been purchased and will be in operation later this year. The Council's own operational vehicle fleet is also being replaced on a rolling basis with electric vehicles. An external commission for a tree opportunity mapping assessment has been progressed alongside work to identify sites for tree planting during the winter 2020/21 planting season. Progress has also

been made with the increase of social value to 30% to introduce 10% environmental weighting within the procurement framework and carbon reduction measures have been added to the capital gateway process for decision making. Whilst the rollout of carbon literacy training to Council staff and elected members stalled due to C19, this has now been moved online enabling staff to complete part one of the training virtually with an online version of part two of the training currently under development.

- 3.5 Correspondence with the Greater Manchester Pension Fund (Appendix 5): The Council's July 2019 Climate Emergency motion included a specific recommendation for the Council to use our role on the GM Pension Fund to encourage divestment in fossil fuels as early as possible. Copies of two letters from the Council's representative on the fund, Councillor Paul Andrews, are included in appendix 5.
- 3.6 Following previous comments from the Committee, the annual report and quarterly reports will be uploaded to the Council's website under the 'Our carbon emissions' page at the following link:

 http://www.manchester.gov.uk/zerocarbon

The Council's Communications team have developed a draft design for all reports which will be applied to published reports and case studies on key projects and programmes.

4.0 Manchester Climate Change Framework 2020-25 annual report.

4.1 The Manchester Climate Change Agency produces an annual progress update report every July which includes progress against the actions within the citywide framework along with data about the city's emissions. This year's report is being launched on 21 July 2020 with tickets available using the following link: https://www.eventbrite.co.uk/e/manchester-climate-change-annual-report-tickets-111145007710

The annual conference is being held virtually on the morning of 22 July 2020 with tickets available for free using the following link: https://www.eventbrite.co.uk/e/manchester-climate-change-conference-2020-tickets-110979312110

The annual report will be published on the Manchester Climate Change website at the following link: http://www.manchesterclimate.com/progress

5.0 Recommendations

5.1 The recommendations are summarised at the beginning of this report.