

DEFRA/DfT Consultation on additional measures to support individuals and businesses affected by local NO2 plans ~ Consultation Response from Campaign for Better Transport

January 2018

Campaign for Better Transport is a leading charity and environmental campaign group that promotes sustainable transport policies. Our vision is a country where communities have affordable transport that improves quality of life and protects the environment.

As such, we have taken an active interest in the development of policies to address NO2 pollution from transport emissions. We welcome this opportunity to respond to the latest joint DEFRA and DfT consultation, on additional measures to support individuals and businesses affected by local NO2 plans.

We recognise the need to examine the impact of local NO2 plans on people living and working in the area affected, particularly the impact on public service vehicles such as buses. However we believe that overall, the adverse impacts of air pollution and the need for action to tackle vehicle emissions are far greater than any adverse impacts from restrictions on private vehicle use. We note that the poorest urban communities are those most exposed to air pollution from vehicles while doing the least to generate it.

A successful policy will focus on delivering fewer vehicles, not only newer vehicles. Indeed, cutting levels of motor vehicle traffic brings multiple benefits, not only to public health but also in cutting congestion, reducing CO2 emissions and making urban centres safer and more attractive places to live, work and visit.

We note the range of possible interventions identified in the consultation paper.

We strongly welcome measures making it easier for individuals to undertake a shift in the transport that they use, and believe that similar measures should also apply to the movement of freight. Moving freight from road to rail delivers significant benefits for both air quality and CO2 reduction.

We welcome measures to support individuals and businesses to upgrade their vehicles to low emission alternatives, particularly where those vehicles are providing a public service, where a shift to a cleaner mode is not available. In particular, prioritising support for bus retrofit and upgrades represents very good value for money.

It is important that any measures to reduce the cost of a charging zone on certain individuals or for targeted vehicle scrappage schemes are carefully designed to prioritise public service vehicles and/or deliver wider social and environmental benefits, and that they avoid subsidising private vehicle use.

We note the Government's assessment criteria that any interventions should:

- target support on those that need help

- offer value for money for taxpayer
- minimal negative impact on air quality or other pollutant levels
- not create any delays to the implementation of the NO2 plan
- be delivered with minimal risk of fraud or abuse
- be credible, deliverable and timely
- avoid market distortion.

In addition, we believe any interventions should support the smarter travel hierarchy, in line with Government policies on clean growth and CO2 reduction: reduce demand, widen travel choice, maximise efficiency, and make additional vehicles a last resort.

Questions for consultation

Question 1: Are there other policy options not set out in the list above that should be considered in order to minimise the impact of local air quality interventions on individuals or businesses? This could include measures such as guidance or communications material. Please provide evidence to support your proposal. Any proposals should take into account the assessment criteria.

The options in the consultation document focus on incentives for individuals. Much of the growth in urban traffic is from freight, in particular LGVs. Intermodal consolidation centres should be supported both in spatial planning and through funding incentives.

Measures to support and encourage use of rail freight for longer distance movement of goods, and use of local consolidation centres with last mile delivery by low emission vehicles, should be included in any package of measures to improve air quality.

These could include:

- Incentives for rail freight trains to use passenger rail terminuses at night to bring trainloads of freight into city centres. This was demonstrated in the Colas Rail trials at London Euston with Sainsbury's and TNT, where low emissions vehicles were used for final mile delivery.
- Sharing best practice on local consolidation schemes, for example the Regent Street scheme with shared deliveries for retailers, or the Bristol consolidation centre
- Grants and fiscal incentives for use of ULEVs and e-cargo bikes for deliveries, including bringing e-bikes and e-cargo bikes into the scope of OLEV grants.

Travel plans can help workplaces and schools and other travel generators reduce car use and make it easier to use alternatives.

Question 2: Please provide evidence on what else could be done to support people to upgrade or retrofit their vehicles in line with the assessment criteria set out above. If there are specific sectors that need support, please set out evidence to support this. Please provide evidence on potential limitations to uptake (e.g. industry capacity, refuelling infrastructure, consumer acceptance, examples of where retrofit has not worked as expected) and evidence of environmental impacts and the costs of potential technology for different vehicle types.

For individuals and in particular businesses and fleet operators to convert to low emission vehicles with confidence, there needs to be certainty of access to reliable and affordable fuelling. The Government should assist local authorities with the provision of rapid recharging infrastructure on key transport corridors.

A recent report looking at the demand for rapid charging points in London found that over 2,100 rapid-charge points would be needed to serve electrification of 25 per cent of the 108,700 taxis and

private hire vehicles operating in the capital. This far exceeds the planned provision of 300 rapid charging points by 2020. ¹

Kerb space is at a premium in many urban centres, making provision of a comprehensive on-street charging network more difficult. Requiring provision of publicly-accessible off-street charging points as part of planning applications could make a valuable contribution.

Councils can assist by prioritising off street car parking spaces for charging electric vehicles. For example, in the London Borough of Tower Hamlets, part of a social housing estate car park in Poplar has been fitted with electric charging points for use by a car club.

Electric traction assists with CO2 emissions reduction as well as improving air quality, and also reduces maintenance costs and increases capacity. We regret the slowing of the programme of main line rail electrification, and urge continued investment in rail electrification. Supporting research and development of alternative fuels for diesel locomotives would make a positive contribution to the Government's clean growth plans.

Question 3: We welcome views from stakeholders on what else government and industry can do to support local authorities to encourage the uptake of ultra low emission vehicles.

Support for setting up LEV fuelling infrastructure and financial support for retrofitting or replacement vehicles will continue to be important. This could include changes to planning and building regulations to require provision of EV charging infrastructure, and priority support for retrofit or upgrade of public service vehicles.

We would like to see the existing scope of OLEV grants for LEVs extended to include e-cargo bikes and e-bikes, which offer multiple benefits, not only improving air quality but also reducing congestion, CO2 emissions, boosting public health and providing an important resource for small businesses.

Question 4: Please provide evidence on how the measures to support individuals to switch to other forms of transport set out above could be designed to meet the assessment criteria. In particular, responses could include suggestions on:

- How the ideas above could be designed to support those most in need such as low income households or small businesses*
- How the options could be geographically targeted at people most affected by local air quality interventions*
- What else could local authorities or industry could do to encourage people to change their mode of transport, including measures such as communication campaigns.*

The experience of the Local Sustainable Transport Fund (*DfT: Impact of the Local Sustainable Transport Fund, summary report 2017*) is that by funding good quality local transport, promoting modal shift and actively engaging in travel demand management programmes, it is possible to change travel behaviour so as to cut traffic, tackle congestion, and maximise efficient use of the network. Projects reduced car use and successfully promoted bus use, cycling and walking, and demonstrated excellent value for money. This echoes the findings of research published by Campaign for Better Transport on the effectiveness of the LSTF projects in connecting people to work and boosting the local economy. ²

In Nottingham, a combination of the Workplace Parking Levy (WPL) and a high quality public transport offer (partly funded by WPL revenues) has successfully promoted modal shift and

¹ Dr Rebecca Driver, "The provision of rapid charging points in London: the case for government intervention" (September 2017)

² Campaign for Better Transport: Improving local transport helps the economy – experience from the Local Sustainable Transport Fund

enabled early achievement of CO2 reduction targets. Nottingham also offers smart travel cards including a targeted offer for job seekers. These are examples that other Clean Air Zone cities could usefully adopt.

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Bus services in particular are important to people on low incomes: investment in bus retrofit and upgrade, and supporting bus priority measures, will deliver improved air quality and support people on low incomes. The Bus Services Act provides new powers for local authorities to improve bus services and encourage their use, as well as reducing emissions.

Question 5: We welcome views from stakeholders on how local authorities could use exemptions to support individuals and businesses affected by a charging Clean Air Zone taking into account the assessment criteria set out in this document and working within the terms of the Clean Air Zone Framework.

We support the general presumption that the requirements for charging Clean Air Zones will apply to all vehicles. By definition, there will be exemptions for low and ultra low emission vehicles. We believe any further exemption should be exceptional, and based on the service the vehicle provides to the community (e.g. emergency vehicles, community transport) and not on the characteristics of the owner.

We do not feel that exemptions or discounts are appropriate in the context of securing compliance. We recognise that local authorities may wish to phase in charging for residents over a longer timescale, but this must be consistent with timescales for achieving air quality compliance.

It is important that the CAZ charge levels are set at a level to deliver compliance and not at a level which makes continued operation of polluting vehicles a more affordable choice than switching to a more sustainable transport mode or upgrading to a compliant vehicle.

Question 6: Please provide evidence on whether a targeted scrappage scheme could be designed to meet the assessment criteria. In particular, responses could include evidence on:

- How to target vehicles affected by local air quality measures geographically so as to:*
 - o Minimise the extent to which there are arbitrary winners and losers*
 - o Minimises overly complex implementation requirements*
- How to direct support to low income households or small businesses most in need of support*
- The impact a scheme could have on the car and van market*
- Suggestions on how to maximise value for money for the taxpayer*
- Suggestions on how a scheme could be delivered to minimise fraud, including how a scheme could be designed working with the second hand market*

We agree that any scrappage scheme must be effective and fair, and seek to minimise any negative environmental impacts. A wide ranging scheme would be extremely expensive, would be unlikely to target enough vehicles to make it worthwhile and risks targeting the wrong ones.

A well targeted scheme could be used to help people and businesses, especially in Clean Air Zones, move towards cleaner forms of transport, including ultra-low and zero emissions vehicles. It could be part funded by motor manufacturers, some of which have already announced their own schemes.

However, the scheme should help to take cars off the road, rather than simply replace old cars with new ones. Those driving older diesel vehicles should be offered mobility vouchers to give them a range of options to replace these vehicles, including public transport season tickets, support for electric bikes and subsidised membership of car clubs. A scrappage scheme could be introduced

in advance of the implementation of Clean Air Zones around the UK to support and accelerate compliance.

There are some helpful examples from other administrations.

The Metropolitan area of Barcelona has recently introduced a scrappage scheme for local citizens, offering a green card with unlimited access to public transport for 3 years. The scheme applies to older vehicles (Euro1 – Euro3) and is linked to the introduction of a controlled zone that operates on high pollution days.

The City of Ghent has introduced a targeted scrappage scheme linked to the forthcoming implementation of a Low Emission Zone. This scheme is time-limited, running until the LEZ is operational, and restricted to those vehicles that would not be LEZ-compliant. The scheme value is capped to incentivise joining a car share scheme rather than paying for a full replacement vehicle.

To deliver best value for the taxpayer, targeted scrappage schemes, and schemes for vehicle retrofit, should prioritise the most efficient modes and reinforce policies seeking to make it easier for individuals to undertake a shift in the transport they use. Support for buses and for freight vehicles accessing rail freight interchanges would be good value priorities for the taxpayer.

Increased use of buses is a key part of the solution to air pollution; buses are an essential component of an efficient urban transport system, as well as being a lifeline for rural communities. Research published by Greener Journeys shows that the latest Euro VI diesel buses produce 95 per cent fewer emissions than previous models, and lower emissions overall than a Euro 6 diesel car, despite having the capacity to carry up to 15 times more passengers. On a per passenger basis, modern diesel cars also produce 10 times more NOx emissions than modern diesel buses. Retrofitting buses represents good value for money, costing the taxpayer just £12 per kilogram of NOx saved, compared to an estimated £175 cost for every kilogram of NOx saved by a diesel car scrappage scheme.

Rail freight produces far lower NO2 emissions per tonne carried than HGVs. A targeted scheme for HGV retrofit, upgrade or replacement could be tied to incentives for making greater use of rail freight. Clean Air Zones of types B, C and D would affect older HGVs, and could have the unintended consequence of discouraging use of rail freight. We advocate that priority for assistance with HGV retrofit or upgrade should be for operators using railheads that are located within Clean Air Zones.

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Campaign for Better Transport

Campaign for Better Transport's vision is a country where communities have affordable transport that improves quality of life and protects the environment. Achieving our vision requires substantial changes to UK transport policy which we aim to achieve by providing well-researched, practical solutions that gain support from both decision-makers and the public.

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