

FAREHAM

BOROUGH COUNCIL

Report to Licensing and Regulatory Affairs Committee

Date **26 March 2019**

Report of: **Head of Environmental Health**

Subject: **UPDATE ON AIR QUALITY AND THE TAXI INCENTIVE SCHEME**

SUMMARY

The United Kingdom's revised National Air Quality Plan was published by DEFRA in July 2017. Fareham Borough Council was highlighted as one of the Authorities that must produce a targeted local plan. As part of the Government's national Air Quality programme we had the opportunity to bid for Early Measures funding to help achieve the final plan measures. A bid was submitted in January 2018 to the Early Measures fund in respect of funding for an incentive scheme to encourage the replacement of older polluting diesel fuelled taxi and hackney carriages within Fareham. This bid was successful and £150,000 was awarded in this respect. Unfortunately, the scheme conditions were unattractive to the trade and only 5 vehicles were replaced under the scheme. A revised scheme has been submitted to Government and we are awaiting to hear if that has been successful. A small improvement in air quality locally is modelled to be necessary during 2019 to bring forward compliance with the NO₂ target from 2021 to 2020.

RECOMMENDATION

It is recommended that the Licensing and Regulatory Affairs Committee notes the content of this report.

INTRODUCTION

1. The United Kingdom's revised National Air Quality Plan was published by DEFRA in July 2017. This Plan identified 29 local authorities with likely pollution exceedances in 2020 (based on computer air pollution monitoring).
2. Fareham Borough Council was highlighted as one of the Authorities that must produce a targeted local plan. The area of road identified is from the Delme roundabout taking in part of the A27 to Portchester, Eastern and Western way taking in part of the A32 and the A27 off of the Station roundabout. To that end, DEFRA issued a Compliance Directive on Fareham Borough Council, along with the other identified Authorities.
3. The Authority had to submit a Final Plan by 31 December 2018 which had to identify the preferred option to deliver compliance. The final plan is currently being considered by government'
4. However, as part of the Government's national air quality programme there was an opportunity to bid for early measures funding to help achieve compliance with the above. A bid was submitted in January 2018 to the Early Measures Fund in respect of funding for an incentive scheme to encourage the replacement of older polluting diesel fuelled taxi and hackney carriages. This bid was successful and £150,000 was awarded in this respect.
5. Older Diesel vehicles are the most polluting in terms of Nitrogen Dioxide. Since January 1992 engines have had to meet standards in terms of exhaust emissions at the time the Standard was Euro 1. Periodically the standards have been improved, with the latest standard being introduced from 1st September 2015, which is Euro 6. With advancements in technology the diesel 6 standard for emissions is significantly better than its predecessor Euro 5. There are different standards for diesel and petrol vehicles.
6. With many Authorities currently considering Clean Air Zones, it is likely these older diesel vehicles will be charged for entering some of these zones when their final plans are implemented.

THE INITIAL SCHEME

7. The Joint Air Quality Unit (JAQU) was very prescriptive as to the form the scheme must take. Within the Taxi and Private Hire fleet, there are a significant number of Taxi and Private Hire Vehicles which are Euro 5 or earlier. These had to be replaced with either an Ultra-Low Emission vehicle (ULEV) or a Hybrid Vehicle
8. Owners of licensed vehicles that have had the vehicle licensed for the previous 12 months when applying could apply for financial incentives to replace their current vehicle if it was a Euro 5 diesel or earlier, to help with running costs, based on the below:-

Replacing a diesel Euro 5

| | |
|------|--|
| £925 | 5 years free licensing |
| £750 | Servicing costs (on production of receipts, depending on warranty) |
| £750 | Insurance |

£2,425 Total

Replacing a diesel Euro 4

£925 5 years free licensing

£500 Servicing costs (on production of receipts, depending on warranty)

£500 Insurance

£1,925 Total

Replacing a diesel Euro 3

£925 5 years free licensing

£250 Servicing costs (on production of receipts, depending on warranty)

£250 Insurance

£1,425 Total

9. The replacement vehicle should be a ULEV or at least a Euro 5 or 6 hybrid vehicle. It must meet all of the other usual licensing criteria.
10. There is a Sliding scale as the newer vehicles were more expensive to buy and would be replaced normally after a longer period.
11. A commitment to being licensed for 5 years, with the same Authority will be required, insurance is checked as part of the normal process.
12. The Scheme ran from June 2018 up until the present, during that period only 5 vehicles were replaced (one of which wasn't initially because of the scheme).
13. The feedback from the trade was that the cost differential between the resale cost of a pre-Euro 6 diesel compared to the cost of even a second handed ULEV or Hybrid, was too great for the incentive to be attractive. The trade has strongly lobbied for the scheme to include replacement of a pre-Euro 6 diesel with a Euro 6 Diesel.

CURRENT POSITION REGARDING AIR QUALITY COMPLIANCE

14. Since March last year, officers have been working with consultants towards identifying exactly what the likely exceedance would be in the area identified earlier, and also refining the option or options which will deliver compliance with the Nitrogen Dioxide (NO₂) legal limit (40µg/m³) in the shortest possible time.
15. The updated November 2018 air quality modelling predicted a single point of likely non-compliance with annual average NO₂ exposure of 40.55µg/m³ in 2020, which would become compliant in a 'do nothing' scenario in 2021. This point was located on the A27 where it crosses over Bath Lane in Fareham on Eastern Way.
16. 2020 is therefore the target year in which the annual average for NO₂ is predicted to marginally exceed legal levels, at one single point.

17. The focus since November has been to identify measures which achieve a very small reduction in NO₂ during 2019, to bring compliance forward from 2021 to 2020.
18. From the known movements of Fareham taxis and Private Hire vehicles on the road of concern, if 130 older polluting taxis were replaced during 2019, this would go some way toward achieving the reduction needed.

REVISED INCENTIVE SCHEME

19. Following extensive discussions with JAQU, the final plan that was submitted in December included a request for the remainder of the early measures scheme grant (£137,875), to be included in a new incentive scheme which would include an upgrade to a Euro 6 diesel and include another £150,000 of funding. The government is currently considering this request.
20. If approved, this addresses the trade's concern and it is hoped uptake will improve dramatically. The Government should advise if this request has been successful in the next few weeks. If the grant is awarded, the scheme would be relaunched with the new condition i.e. that in addition to a ULEV or Hybrid vehicle as a replacement, Euro 6 diesel would also be included.

RISK ASSESSMENT

21. There are no significant risk considerations in relation to this report.

CONCLUSION

22. It is hoped that by incentivising the replacement of the most polluting vehicles with cleaner types that this will have a knock-on effect of improving Air Quality in the affected area and beyond. It is estimated that 5% of journeys in the study area for the Air Quality Project are made by Taxi and Private Hire Vehicles. The Joint Air Quality Unit are funding this scheme.

Background Papers:

None

Reference Papers:

None

Enquiries:

For further information on this report please contact Ian Rickman. (Ext 4773)