

Item 5

27th February 2024



Glasgow City Council

Net Zero and Climate Progress Monitoring City Policy Committee

Report by George Gillespie, Executive Director of Neighbourhoods, Regeneration & Sustainability

Contact: Gavin Slater Ext: 78347

Glasgow Low Emission Zone Update

Purpose of Report: To provide Committee with an update on the Glasgow Low Emission Zone

Recommendations:

It is recommended that Committee;

- 1) Notes the contents of this report
- 2) Notes the update on operational aspects of the Glasgow LEZ
- 3) Notes the actions being taken in respect of the expiry of the resident's grace period and the time-limited exemption for taxis
- 4) Notes the next steps in relation to LEZ impact appraisal, reporting and financial reporting and use of excess funds

Ward No(s):

Citywide: ✓

Local member(s) advised: Yes ☐ No ☐ consulted: Yes ☐ No ☐

1 Background

- 1.1 Scientific consensus, reinforced by an ever-increasing body of evidence, demonstrates that exposure to air pollution is harmful to people's health in terms of premature mortality and morbidity. Whilst mainly related to respiratory and cardiovascular disease, it is widely accepted that outdoor air pollution causes damage to human health across a range of conditions, from pre-birth to old age.
- 1.2 The city has previously declared Air Quality Management Areas (AQMA) for four areas in respect of exceedances of the air quality objectives. Improvements have resulted in the objectives being met in recent years with the exception of areas within the city centre AQMA where levels of nitrogen dioxide (NO₂) are still of concern. Following compliance with the air quality objectives in 2020 due to the impact of the pandemic, Glasgow city centre recorded a return to exceedances in 2021 and 2022.
- 1.3 GCC introduced Scotland's first Low Emission Zone (LEZ) in 2018 which targeted emissions from the bus fleet and required progressive improvements in the number of cleaner buses entering the city centre. However, extensive modelling of options highlighted that bus fleet improvements would not be sufficient on their own to achieve compliance with the air quality objectives in the city centre.
- 1.4 At its meeting on [28 September 2017](#), the City Administration Committee (CAC) agreed proposals for phase 2 of the LEZ and identified key elements of Glasgow's journey towards this goal. Since that date, a number of progress updates were presented for Committee consideration before the LEZ Scheme Design received approval from the City Administration Committee on [10 March 2022](#).
- 1.5 The [LEZ final scheme design](#) was submitted to Scottish Ministers for final approval, which was received on 19 May 2022. The LEZ therefore came into effect on 31 May 2022, beginning a one-year grace period before general enforcement began on 1 June 2023.

2 Operation of the Glasgow LEZ

- 2.1 From the start of enforcement on 1 June 2023, NRS Parking Services have ongoing responsibility for the operation of LEZ enforcement. Staffing for enforcement and back-office functions are currently funded through a Transport Scotland grant for 2023/24.
- 2.2 Enforcement of the entry restrictions relating to the Glasgow LEZ began on 1 June 2023, following an extensive period of public engagement. To allow for a period of familiarisation during its first month of operation, non-compliant vehicles detected in Glasgow's LEZ received a maximum of one Penalty Charge Notice (PCN) in June 2023.

- 2.3 Set at national level by the Scottish Government for consistency across cities, the initial penalty charge rate for all non-compliant vehicles entering a LEZ in Scotland is £60. Surcharging (whereby the penalty charge rate doubles for subsequent LEZ breaches) commenced in July 2023 and applies after the first, or most recent PCN, can be expected to have been received by the vehicle's registered keeper. Regulations allow for surcharges to be applied on each day following the initial contravention, however Glasgow's procedural amendment reduces the possibility of additional penalty charges being accumulated before the vehicle owner is notified that they have incurred the first charge.
- 2.4 Following the introduction of the surcharge element of the PCN, the total number of PCNs issued per month has declined steadily, from 6139 in July 2023 to 3471 in December 2023. Income received from PCN payments stands at £867,755 as of 16 February 2024.
- 2.5 The introduction of Scotland's first LEZ enforced through PCNs attracted considerable interest from the public and press. To offset the administrative burden of Freedom of Information requests and press enquiries, LEZ contravention information is published monthly in arrears on the [LEZ website](#).

3 Resident's Grace Period

- 3.1 In addition to the statutory grace period, a further grace period was established for vehicles registered to residents within the LEZ, reflecting their restricted options in respect of choosing to enter the LEZ. Therefore, enforcement of entry restrictions for vehicles which fall within this category will begin on 1 June 2024.
- 3.2 All residential properties within the LEZ were written to in advance of LEZ enforcement, advising them of the additional grace period and outlining the process for grace period applications.. Currently, just under five hundred vehicles have been granted this grace period.
- 3.3 All grace period applications received a confirmation email and advice that the grace period will expire on 31 May 2024. Email reminders of the expiry will be sent to these applicants in advance of this date. Additionally, all residential properties within the LEZ will receive a further letter advising of the end of the grace period.

4 Time-Limited Exemptions for Taxis

- 4.1 Following feedback from taxi operators, GCC developed a discretionary mechanism to ensure that operators who can evidence a retrofit funding application or registration of interest (or alternative appropriate evidence of arrangements in place to achieve LEZ compliance) within the timescales of the funding round for 2022/2023, would not face penalty charges for a time limited period to allow the necessary upgrades to be undertaken. This approach to help taxi operators was approved by the City Administration Committee on 13 October 2022.

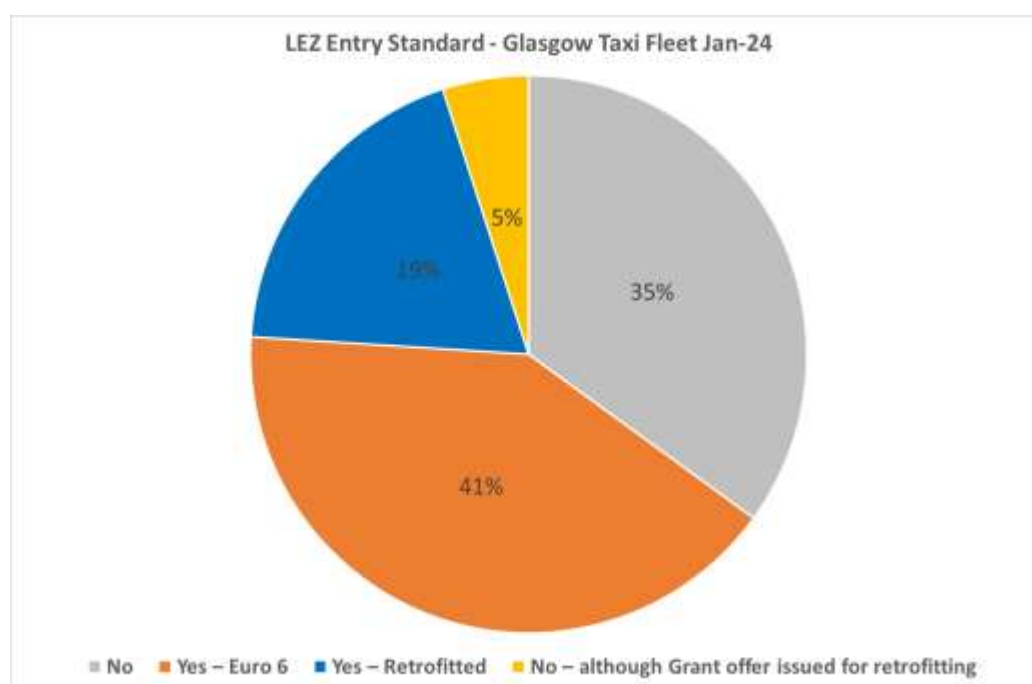
4.2 Applications for exemption opened in March 2023, in advance of LEZ enforcement. Over 700 applications for exemption were made and granted. Where a time-limited exemption for a taxi was granted, operators were provided with the following information:

- *This exemption expires on 31 May 2024. To continue operating beyond this date, the above vehicle must either meet the LEZ emission standards through an accredited retrofit process or be replaced with a vehicle which meets the LEZ emission standards.*

4.3 LEZ officers have continued to work closely with colleagues in Licensing, Transport Scotland and the Energy Saving Trust (EST) as well as representatives of the taxi sector to encourage eligible operators to apply for and undertake grant funded retrofit of vehicles to LEZ emission standards. This funding has been available since 2019, however uptake from operators was limited during the first few years of availability.

4.4 Analysis of the 1347 vehicles in the Glasgow taxi fleet, conducted by Transport Scotland, showed the following in terms of LEZ compliance.

LEZ standard?	Jan-24
No	472
Yes – Euro 6	553
Yes – Retrofitted	259
No – although Grant offer issued for retrofitting	63



4.5 Transport Scotland confirm that approximately £1.9M has been paid in grants to retrofit taxis in the Glasgow region. As of December 2023, 39 Glasgow

operators had retrofit funding applications processed but were on the official waiting list due to funding being fully allocated. An additional 75 expressions of interest in funding were actively registered with the EST.

- 4.6 Analysis shows that LEZ compliant vehicles, both new and second hand, remain available for purchase. However, LEZ officers continue to work with Licensing colleagues to explore vehicle alternatives for use within the Glasgow fleet to potentially expand the range of suitable vehicles.
- 4.7 There remains a number of vehicles in the taxi fleet that are non-compliant and in January 2024 all operators in receipt of the time-limited exemption were contacted to make clear the Council's position with regards to these vehicles and the support we will offer to aid those still to transition to compliance. Glasgow City Council remains determined to help operators in this transition period and therefore will extend the exemption period upon application, should certain conditions be met and evidenced.
- 4.8 The conditions under which exemption extensions will be considered are:
- An operator is in receipt of a grant from the Energy Saving Trust for the purposes of retrofitting their vehicle to LEZ emission standards, and this work has not been completed by 31 May 2024.
 - An operator is already on the official waiting list for a grant from the Energy Saving Trust for the purposes of retrofitting their vehicle to LEZ emission standards, and funding has not yet been awarded.
 - An operator has an active Expression of Interest for a grant from the Energy Saving Trust for the purposes of retrofitting their vehicle to LEZ emission standards. This Expression of Interest must have been registered prior to 31 December 2023. Previous Expressions of Interest which did not translate into funding applications during the last round of retrofit funding will not qualify.
 - An operator has purchased an LEZ compliant vehicle with a delivery date later than 31 May 2024.
- 4.9 Applications to extend an existing exemption will be considered on their individual merits and must be accompanied by suitable evidence, before approval can be considered. Any exemptions granted will be limited to the minimum time required to achieve compliance, dependent on application details.

5 Next Steps

- 5.1 The performance of the LEZ in reducing levels of air pollution will be made available within the Annual Progress Report (APR) local authorities are required to produce through the Local Air Quality Management (LAQM) process. The APR is expected to be completed and reported to Committee in summer 2024. Preliminary results from automatic monitoring stations indicate a reduction in levels of nitrogen dioxide between 2022 and 2023. However, results should be treated with caution pending full ratification, expected in early April 2024.

- 5.2 The Scottish Environment Protection Agency will undertake detailed analysis of traffic levels and composition and repeat the air pollution dispersion modelling undertaken as part of the pre-LEZ implementation evidence base. This will provide post-LEZ implementation analysis consistent with the National Low Emission Framework (NLEF) methodology. Work is expected to be completed by May 2024 for inclusion in the APR.
- 5.3 Detailed financial reporting in terms of income from penalty charge notices and expenditure incurred in maintaining the LEZ enforcement system will also be included in the statutory APR report. This report will be prepared jointly between NRS Sustainability and NRS Parking Services and subject to Committee approval prior to submission to Scottish Ministers.
- 5.4 Financial reporting will include the reporting of any residual revenue from penalty charge income after deduction of expenditure incurred. Legislation allows for local authorities to use residual revenue to facilitate the achievement of the scheme's mandatory and discretionary objectives. Therefore, the remaining available revenue will be used for projects which contribute towards meeting the relevant air quality objectives or contribute towards the emissions reduction targets set out in Part 1 of the Climate Change (Scotland) Act 2009 through the promotion of low and zero emissions vehicles and the promotion of public and sustainable transport options.
- 5.5 Potential excess funding may also be used where appropriate for projects detailed in the Air Quality Action Plan 2024 (currently in draft), the Glasgow Climate Plan, the Glasgow Transport Strategy or the City Centre Transport Strategy or other strategy / plan if relevant.
- 5.6 The full quantum of revenue available for such projects will only become clear following assessment of operating costs following the LEZ's first full year of operation. This will follow the full reporting and analysis of the financial information conducted as part of the statutory reporting process. For future years, it will also be necessary to consider the financial modelling of future operational costs of the LEZ and the expected decline in revenue from PCNs. As detailed, staffing costs for the first year of operation of the LEZ have been funded through a Transport Scotland grant which is unlikely to be available in future. LEZ enforcement was always predicted to be cost neutral or negative, particularly as it became more established, and this will have to be factored into any revenue spending decisions.
- 5.7 Given the range of potential projects which could be supported by LEZ revenues, a process will be put in place to evaluate the allocation of resources to specific projects. That said, the recent Council Budget directed that £250k of 23/24 LEZ revenues be allocated to tree planting activity, with a further £250k allocated to broader climate action activity. Proposals for specific projects to be funded using these and any future revenues will be brought to Net Zero Committee prior to submission to the City Administration Committee for approval.

6 Policy and Resource Implications

Resource Implications:

Financial: Grant funding for the LEZ and associated projects is provided by the Scottish Government and administered by Transport Scotland. LEZ support funding is designed by Transport Scotland and administered through the Energy Saving Trust.

Grant funding for LEZ operational staff costs is unlikely to be available for 2024/25 and beyond.

Legal: The LEZ is dependent on the Transport (Scotland) Act 2019 and the associated Regulations which came into force on 31 May 2021. The LEZ was legally established in Glasgow on 31 May 2022.

The LEZ was subject to Judicial Review where the actions of GCC were found to be entirely consistent with legislation, regulations and guidance. An appeal to this judgement is in progress, however all points of appeal currently relate to legislation and regulations rather than the actions of GCC. Nevertheless, this constitutes a potential legal risk to the continued operation of the Glasgow LEZ.

Personnel: LEZ actions will be undertaken using existing staff resources, partner organisations and consultant support. Grant funding for LEZ operational staff is unlikely to be available for 2024/25 and beyond.

Procurement: Procurement has been undertaken in respect of LEZ projects such as communications and engagement, consultant support, consultation activities and capital purchase for enforcement equipment, infrastructure and back office systems.

Council Strategic Plan: The plan supports Grand challenge 3: Fight Climate Emergency in a Just Transition to Net Zero; Mission 1, Deliver sustainable transport and travel aligned with the city region

Equality and Socio-Economic Impacts:

Does the proposal support the Council's Equality Outcomes 2021-25? Please specify.

The LEZ is supportive of the Council's stated Equality outcomes.

What are the potential equality impacts as a result of this report?

The LEZ is aimed at protecting the health of some of Glasgow's most vulnerable residents. An EQIA screening of the first phase of the LEZ has been undertaken - [Link](#)

A further EQIA for phase 2 of the LEZ has been undertaken as part of the [Integrated Impact Assessment](#).

Poor air quality differentially impacts on residents with prior health conditions and improvements in air quality should therefore provide benefits.

Please highlight if the policy/proposal will help address socio-economic disadvantage.

Socio-economic impacts have been considered as part of the Integrated Impact Assessment of Phase 2 of the LEZ.

Climate Impacts:

Does the proposal support any Climate Plan actions? Please specify:

Development of the LEZ directly addresses actions 22 and 53 of the Climate Plan. It also contributes towards actions 26,33,54,55 and 56.

What are the potential climate impacts as a result of this proposal?

One of the statutory objectives of any Scottish LEZ is to contribute to climate change targets. This is expected to provide a slight beneficial impact based on preferential entry conditions being applied to low and zero emissions vehicles. Impacts have been further quantified through [modelling conducted by SEPA](#) as slight beneficial. Further beneficial impacts will be achieved through ancillary measures.

Will the proposal contribute to

The LEZ will contribute to the reduction of carbon emissions within the city centre and

Glasgow's net zero carbon target?

beyond through the promotion of low and zero emission vehicles. Impacts of direct emission impacts have been quantified through modelling conducted by SEPA. Ancillary benefits will continue to be quantified as the LEZ progresses.

Privacy and Data Protection Impacts:

This report has no immediate impacts upon privacy or data protection. However, data collection as part of any enforcement of the LEZ has been fully considered for compliance with relevant legislation and procedures.

7 Recommendations

7.1 It is recommended that Committee;

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