# Glasgow

#### **Glasgow City Council**

#### Item 4

13th August 2024

Net Zero and Climate Progress Monitoring City Policy Committee

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

Contact: Gavin Slater Ext: 78347

## UPDATE ON THE GLASGOW LOW EMISSION ZONE STATUTORY ANNUAL REPORT 2023/24

Purpose of Report:				
To provide Committee with an update on statutory reporting for financial year 2023				
Recommendations:				
The Committee is asked to:				
<ul><li>1) Note the contents of this report;</li><li>2) Note that this report will be updated annually.</li></ul>				
Ward No(s):	Citywide: ✓			
Local member(s) advised: Yes □ No ✓	consulted: Yes □ No ✓			

#### 1. Introduction

- 1.1 Glasgow City Council introduced Scotland's first Low Emission Zone (LEZ) in Glasgow City Centre in 2018, which targeted an improvement in 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.
- 1.2 As such, the <u>LEZ final scheme design</u>, incorporating all other vehicle types into the LEZ, was submitted to Scottish Ministers for final approval, received on 19th 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.
- 1.3 Section 29 of the <u>Transport (Scotland) Act 2019</u> states:

A local authority which is operating a low emission zone scheme during a financial year must, as soon as reasonably practicable after the end of the financial year:

- prepare an annual report on the operation and effectiveness of the scheme.
- publish the report in such manner as it considers appropriate,
- send a copy of the report to the Scottish Ministers, and
- lay a copy of the report before the Scottish Parliament.
- 1.5 This report to Committee therefore summarises the content of the LEZ Annual Report. The full draft LEZ Annual Report can be found as Appendix A to this report.

#### 2. Required Content of the LEZ Annual Report

- 2.1 Guidance on the content of an LEZ Annual Report is provided within the Transport Scotland document, <u>Low Emission Zone Guidance</u>. The LEZ annual report must include summary detail of the LEZ as previously set out in the LEZ Scheme Design approved by Scottish Ministers, including:
  - The scheme size, boundary location, vehicle scope, the date of scheme introduction and grace period start/end dates.
  - Any modifications to the scheme in the past 12 months (noting that Section 9(1)(b) of the Act provides a local authority with powers to amend a LEZ following a consultation).
  - Consultation(s) undertaken and responses obtained from stakeholders as listed in Section 11 of the Act and in the Low Emission Zones (Scotland) Regulations 2021.

- 2.2 The annual report must also include a summary of the operation and effectiveness of the scheme including an assessment of:
  - The number of penalties issued, with details to include vehicle type, repeat offenders and associated surcharge application,
  - The number of appeals received and a summary statement on their outcomes (success or decline),
  - The costs of proposing, making and operating the scheme,
  - The gross and net revenue gathered by the authority from the operation of the scheme,
  - Details of how the revenue has been used to facilitate the achievement of the scheme's mandatory and discretionary objectives.
- 2.3 The performance of the LEZ in reducing the levels of the target pollutant nitrogen dioxide (NO<sub>2</sub>) does not fall within the scope of this report. This will be made available within the annual progress reporting local authorities are required to produce through the Local Air Quality Management (LAQM) process.
- 2.4 The LAQM Annual Progress Report 2024 will include detailed analysis of the impact of the LEZ on pollution levels and include post-LEZ implementation analysis undertaken by the Scottish Environment Protection Agency (SEPA), replicating the analysis undertaken prior to the LEZ being introduced.

#### 3 LEZ Penalty Charge Notices and Appeals

- 3.1 As the first LEZ to be enforced in Scotland, the quantity of penalty charge notices (PCNs) issued has been of significant public and media interest. Considering this, updated figures have been published on a monthly basis on the Glasgow City Council LEZ website since enforcement of the LEZ began. This information, for the financial year 2023/24, is replicated within the report.
- 3.2 Between 1st June 2023 and 31st March 2024 a total of 38,294 PCNs were issued for non-compliant vehicle entry to the Glasgow LEZ. The monthly totals of issued PCNs, broken down by level of escalation of the PCN, are shown in Table 1 below.

Table 1: LEZ Penalty Charge Notices (PCNs) issued

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	PCN 1	PCN 2	PCN 3	PCN 4	PCN 5	Total
	(£60)	(£120)	(£240)	(£480)	(£960)	
June 2023	2897	0	0	0	0	2897
July 2023	5365	687	85	1	1	6139
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October 2023	1834	228	69	54	51	2236
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March 20242897	2548	285	84	52	130	3099
Total	32758	3440	969	437	690	38294

- 3.3 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. Surcharging, whereby the penalty amount doubles for subsequent LEZ breaches by the same vehicle, started in July and commences after the first (or previous) PCN can be expected to have been received by the vehicle's registered keeper.
- 3.4 Following the first few months of LEZ enforcement, the level of PCNs issued has remained relatively stable at around 3000 per month.
- 3.5 As of 31<sup>st</sup> March 2024, 5,692 appeals against an LEZ PCN have been received, with 31% (1,765) of these successful and the PCN subsequently cancelled. Most cancellations were due to:
  - the recipient of the PCN being a blue badge holder (not necessarily with a registered exemption),
  - evidence being provided that the vehicle was LEZ compliant,
  - the vehicle being in an exempt class or the Vehicle Registration Mark (VRM) being entered incorrectly.

Some have been cancelled for other reasons such as a diversion being in place forcing vehicles into the LEZ.

- 3.6 The majority of unsuccessful appeals were from recipients of PCNs stating that they thought:
  - their vehicle was compliant,
  - They were not within the LEZ
  - That the LEZ was unlawful

Others reasons stated included that the driver didn't know the LEZ was in place, they were unaware of the LEZ, they were taken into the LEZ by Sat Nav, and/or they are no longer the keeper of the vehicle.

3.7 Unsuccessful appeals are eligible to refer their appeal to an independent adjudicator and, up to 31<sup>st</sup> March 2024, 181 such cases have been submitted. Of these, 46 were reviewed by GCC and the decision was made not to contest leading to the PCN being cancelled. This was generally due to additional evidence being presented to the adjudicator which was not presented in the original appeal. A further 46 appeals were allowed by the adjudicator and the PCN cancelled. 11 appeals were unsuccessful with the PCN upheld, 6 were

withdrawn by the applicant and 55 were still within the system awaiting a hearing.

#### 4 LEZ Income and Expenditure

- 4.1 Between 1<sup>st</sup> June 2023 and 31<sup>st</sup> March 2024 a total of £993,935 was received in payment of LEZ penalty charge notices. £11,520 was subsequently refunded following appeals or cancellations, resulting in net revenue from PCN payments for the financial year of £982,415.
- 4.2 Table 2 below provides detail on the number, and level, of each received payment or issued refund during the financial year.

Table 2: LEZ Penalty Charge Notices (PCNs) Payments / Refunds

Payment / Refund Level	Number	Total (£)
-£240 (refund)	2	-480
-£120 (refund)	3	-360
-£90 (refund)	1	-90
-£60 (refund)	32	-1,920
-£30 (refund)	289	-8,670
£5	1	5
£30	21127	633,810
£60	2684	161,040
£90	1112	100,080
£120	309	37,080
£150	6	900
£180	103	18,540
£240	134	32,160
£360	14	5,040
£480	5	2,400
£720	4	2,880
Total	25,826	982,415

- 4.3 The majority of LEZ PCN payments received (21,127) were in respect of the first level of penalty charge and within the 14-day period eligible for a 50% discount on the charge rate, resulting in a payment of £30. Other payment levels may be linked to different surcharge levels of PCN e.g. a £60 payment may be in relation to a level 1 PCN paid after 14 days or a level 2 PCN paid within 14 days. Work is ongoing in respect of the reporting system to improve the level of detail available.
- 4.4 Development of the Glasgow LEZ has been ongoing since 2018/19, with the majority of the associated costs grant funded by the Scottish Government. The LEZ Scheme Design detailed the incurred costs of development prior to the LEZ scheme approval. These costs provided for LEZ modelling, appraisal, communications, engagement, impact assessments, design works, LEZ signage and enforcement camera infrastructure. Costs incurred since scheme approval include further development costs and operational costs since

enforcement began on 1<sup>st</sup> June 2023. These are summarised in Table 3 below. These costs include both grant funded and non-grant funded expenditure.

Table 3: LEZ Development Spend

Year	Grant Funded Expenditure (£)	Non-Grant Funded Expenditure (£)	Total Expenditure (£)
2018/19	125,627	0	125,627
2019/20	213,847	7,658	221,505
2020/21	76,395	4,645	81,040
2021/22	239,642	0	239,642
2022/23	362,157	133,537	495,694
2023/24	564,371	234,904	799,275
Total	1,582,040	380,843	1,962,783

4.5 Capital funding was made available by the Scottish Government for the commissioning, purchase and installation of LEZ enforcement infrastructure and the associated back-office enforcement system. As of 31<sup>st</sup> March 2024, the Council had received £900,000 in capital funding, with £598,275 of capital expenditure incurred by the end of the financial year. The remaining funding was carried forward to 2024/25. This is analysed in the table below:

Table 4: LEZ Capital Spend

Year	Capital Expenditure (£)
2022/23	32,410
2023/24	565,865
2024/25 (estimate)	301,275
Total	900,000

- 4.6 As LEZs are a new enforcement and penalty charge system within Scotland, there was a significant degree of uncertainty around the expected operational revenue. As such, Scottish Government funding in financial year 2023/24 included enforcement and back-office staff costs as well as significant communications and engagement funding. Total revenue grant funding for these activities in 2023/24 amounted to £564,371.
- 4.7 In 2023/24, the scheme generated a net revenue of £747,511. This represents the amount of funding allocable to future projects which contribute toward the achievement of these objectives. The net revenue for the financial year is analysed in the table below:

Table 5: Net Revenue generated by the Low Emissions Zone in 2023/24

Category	£	£
Revenue from fines and penalties		(982,415)
Total revenue costs:	799,275	
Less: grant funded costs	(564,371)	
Net revenue costs		234,904
Net (revenue)/expenditure		(747,511)

4.8 The Council had incurred total costs related to the LEZ scheme of £2,561,058 by 31<sup>st</sup> March 2024. Of this, £2,180,315 was attributable to revenue and capital grant funding provided by the Scottish Government. The remaining costs totalling £234,904, incurred whilst the LEZ was operational, were offset against the income generated by the scheme to derive the net revenue allocatable to future projects. An analysis of total expenditure to date is included in the table below:

Table 6: Analysis of Total LEZ Expenditure 2018/19 to 2023/24

Year	Grant- Funded Revenue Expenditure	Non-Grant Funded Revenue Expenditure (£)	Capital Expenditure (£)	Total Expenditure (£)
2018/19	125,627	-	-	125,627
2019/20	213,847	7,658	-	221,505
2020/21	76,395	4,645	-	81,040
2021/22	239,642	-	-	239,642
2022/23	362,157	133,537	32,410	528,104
2023/24	564,371	234,904	565,865	1,365,140
Total	1,582,040	380,744	598,275	2,561,058

#### 5 Next Steps

- 5.1 In accordance with the legislative requirements and guidance, the LEZ Annual Report will be published on the LEZ website, a copy of the report will be sent to the Scottish Ministers, and a copy of the report will be laid before the Scottish Parliament.
- 5.2 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. This first LEZ Annual Report details that no such spend has yet been incurred as the quantum of available funding was to be determined.
- 5.3 Net allocatable revenue of £747,511 was generated by the scheme in 2023/24. The recent Council Budget directed that £250k of 23/24 LEZ revenues be allocated to city greening and tree planting activity, with a further £250k allocated to broader climate action activity. The mechanism by which specific project funding will be allocated using these and any future revenues will be brought to this Committee in September alongside the Air Quality Annual Performance Report.

- 5.4 The Air Quality Annual Progress Report will include an appraisal of the impact of the LEZ on air pollution levels.
- 5.5 An update report will be published on an annual basis, with the next report detailing the LEZ performance for financial year 2024/25.

#### 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 unavailable for 2024/25 and beyond and these costs will be expected to be covered through

LEZ revenue.

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.

Personnel: LEZ actions will be undertaken using existing

staff resources, partner organisations and consultant support. Grant funding for LEZ operational staff is not 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 does not impact on any of the Council's service delivery 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 <u>Integrated Impact Assessment</u>.

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:

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

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.

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 Glasgow's net zero carbon target?

The LEZ will contribute to the reduction of carbon emissions within the City Centre and 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;
  - 1) Note the contents of this report;
  - 2) Note that this report will be updated annually.

### Appendix A: Glasgow Low Emission Zone Annual Report

## Glasgow Low Emission Zone Annual Report 2024



2024 Glasgow Low Emission Zone Annual Report for Glasgow City Council

In fulfilment of Section 29 of Part 2 of the Transport (Scotland) Act 2019

August 2024

Information	Glasgow City Council
Department	Neighbourhoods, Regeneration & Sustainability
Address	231 George Street, Glasgow
	G1 1RX.
Telephone	0141 287 6628
E-mail	LEZ@glasgow.gov.uk
Report Reference Number	GCC/LEZ/AUG23
Date	August 2024

#### 1 Introduction

- 1.1 Under the powers granted by Part 2 of the <u>Transport (Scotland) Act 2019</u> (the 'Act'), and in accordance with <u>The Low Emission Zones (Scotland) Regulations 2021</u> and <u>The Low Emission Zones (Emission Standards, Exemptions and Enforcement) (Scotland) Regulations 2021</u>, Glasgow City Council (GCC) introduced a Low Emission Zone (LEZ) in Glasgow. The Glasgow LEZ became fully operational with enforcement beginning on 1st June 2023.
- 1.2 Section 29 of the <u>Transport (Scotland) Act 2019</u> states:

  A local authority which is operating a low emission zone scheme during a financial year must, as soon as reasonably practicable after the end of the financial year:
  - prepare an annual report on the operation and effectiveness of the scheme,
  - publish the report in such manner as it considers appropriate,
  - send a copy of the report to the Scottish Ministers, and
  - lay a copy of the report before the Scottish Parliament.

#### 2 Required Content of LEZ Annual Report

- 2.1 Guidance on the content of an LEZ Annual Report is provided within the Transport Scotland document, <u>Low Emission Zone Guidance</u>. The LEZ annual report must include summary detail of the LEZ as previously set out in the LEZ Scheme Design approved by Scottish Ministers, including:
  - The scheme size, boundary location, vehicle scope, the date of scheme introduction and grace period start/end dates.
  - Any modifications to the scheme in the past 12 months (noting that Section 9(1)(b) of the Act provides a local authority with powers to amend a LEZ following a consultation).
  - Consultation(s) undertaken and responses obtained from stakeholders as listed in Section 11 of the Act and in the Low Emission Zones (Scotland) Regulations 2021.
- 2.2 The annual report must also include a summary of the operation and effectiveness of the scheme including an assessment of:
  - The number of penalties issued, with details to include vehicle type, repeat offenders and associated surcharge application,
  - The number of appeals received and a summary statement on their outcomes (success or decline),
  - The costs of proposing, making and operating the scheme,
  - The gross and net revenue gathered by the authority from the operation of the scheme,
  - Details of how the revenue has been used to facilitate the achievement of the scheme's mandatory and discretionary objectives.

- 2.3 The performance of the LEZ in reducing the levels of the target pollutant nitrogen dioxide (NO<sub>2</sub>) does not fall within the scope of this report. This will be made available within the annual progress reporting local authorities are required to produce through the Local Air Quality Management (LAQM) process.
- 2.4 The LAQM Annual Progress Report 2024 will include detailed analysis of the impact of the LEZ on pollution levels and include post-LEZ implementation analysis undertaken by the Scottish Environment Protection Agency (SEPA), replicating the analysis undertaken prior to the LEZ being introduced.

#### 3 The Glasgow Low Emission Zone

- 3.1 Full details of the Glasgow LEZ can be found within the <u>LEZ Scheme Design</u> with all key information summarised on the <u>LEZ website</u>.
- 3.2 The objectives of the Glasgow Low Emission Zone are as follows:
  - Improve public health of residents of and visitors to the City of Glasgow by contributing towards meeting the air quality objectives prescribed under section 87(1) of the Environment Act 1999.
  - 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.
  - Improve the amenity of Glasgow through the promotion of the Glasgow City Council Strategic Themes of A Vibrant City, A Healthier City and a Sustainable and Low Carbon City.

#### 3.3 LEZ Area

Glasgow's LEZ is approximately one square mile in size and covers the area of the city centre bounded by the M8 motorway to the north and west, the River Clyde to the south and High St / Saltmarket to the east. A map of the Glasgow LEZ is shown in **Appendix A**. An interactive map can also be accessed at Glasgow LEZ – Interactive Map.

A list of roads within the LEZ is also shown in **Appendix A** and is available at Glasgow LEZ – by Street/Road Name.

#### 3.4 LEZ introduction and Grace Periods

The LEZ was introduced on 31<sup>st</sup> May 2022 following approval of the LEZ Scheme Design by both the City Administration Committee of GCC and by the Scottish Ministers. Glasgow City Council was committed to improving air quality by enforcing the LEZ at the earliest opportunity and therefore a one year grace period, which is the minimum permissible in legislation, was adopted. Enforcement of entry restrictions therefore began on 1st June 2023.

A further grace period was approved 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 began on **1**<sup>st</sup> **June 2024**.

#### 3.5 Scope of the LEZ

The Glasgow LEZ applies to all vehicle types, with the exception of motorbikes and mopeds, and those vehicle types or uses considered exempt in Regulations.

**Table 1 of Appendix B** sets out the vehicle types to which the LEZ applies, as specified in Annex II of Directive 2007/46/EC.

Entry to the LEZ by the above vehicle categories is only permitted if they meet or exceed the nationally consistent emissions standards as set out in <a href="The Low Emission Zones">The Low Emission Zones</a> (Emission Standards, Exemptions and Enforcement) (Scotland) Regulations 2021 and summarised in Table 2 of Appendix B for compression engine (diesel) vehicles and in Table 3 of Appendix B for positive ignition (petrol and gas) vehicles.

Vehicles which have been retrofitted with a suitable emissions abatement system, such that their tailpipe emissions now meet or exceed the relevant emissions standard for their vehicle type as detailed above, are permitted access to the LEZ. Such retrofitted vehicles must be suitably accredited by an independent scheme such as the Clean Vehicle Retrofit Accreditation Scheme (CVRAS).

Vehicles which have undergone repowering, either through the installation of a new engine or other power type, are also be permitted access to the LEZ, should the repowering result in emissions which meet or exceed the above emissions standards.

#### 3.6 Operating Hours of the LEZ

The Glasgow LEZ operates at all times, 365 days a year and 24 hours a day. The Glasgow LEZ has been introduced in respect of breaches of the annual mean nitrogen dioxide objectives and therefore emissions at all times contribute to these breaches.

Glasgow City Council may temporarily suspend the operation of the LEZ scheme for a specified period where it is considered appropriate to do so for the purposes of a significant national or local event. A suspension may also be issued in relation to a temporary diversion into the LEZ where vehicles follow a signed diversionary route.

#### 3.7 Exemptions and Time Limited Exemptions

A number of vehicle types are exempted from LEZs within Scotland, as defined in <u>The Low Emission Zones (Emission Standards, Exemptions and Enforcement) (Scotland) Regulations 2021</u>. A full list of these can be found in **Table 4 of Appendix B** 

The Transport (Scotland) Act 2019 allows local authorities to grant non-compliant vehicles or vehicle types a time limited extension which would permit them to operate within a LEZ. These extensions are limited to a maximum of one year but may be renewed by the local authority.

The Glasgow LEZ scheme allows applications for a time limited exemption under circumstances where entry of a non-compliant vehicle is required for a specific, defined purpose not considered in legislation or regulations. Applications are determined on their individual merits. Examples of this include but are not limited to; abnormal loads or machinery transport, historic vehicles or vehicles of particular speciality not covered by other exemptions and used for a specific purpose, or any other non-compliant vehicle use deemed appropriate on application to Glasgow City Council.

Applications for time limited exemptions will not normally be considered for the routine transport of people or goods or for routine commercial operations. However, GCC may apply a time-limited exemption, by reference to the vehicle's use, upon consideration of an application. The approach taken will be pragmatic and adaptable and take account of National Modelling Framework modelling outputs to determine the relative impact of the vehicle use in relation to the emissions that are being targeted for reduction. Exemptions will only be granted in rare circumstances and may be subject to conditions or restrictions as deemed appropriate by GCC. Private vehicles will not be considered for exemption.

- 3.8 Section 9(1)(b) of the Transport (Scotland) Act 2019 provides a local authority with powers to amend a LEZ following a consultation. No amendments to the Glasgow LEZ have been made and the LEZ operates in accordance with the original LEZ Scheme Design.
- 3.9 As the Glasgow LEZ has not been amended, no additional consultation has been undertaken since the LEZ became operational. Details of the two previous public consultations and the statutory objection period can be found in Section 8 of the LEZ Scheme Design.

#### 4 Glasgow LEZ – Operations

#### 4.1 LEZ Penalty Charge Notices

4.1.1 Penalty charges for non-compliant vehicle entry into an LEZ in Scotland are set at a national level as seen in <a href="The Low Emission Zones">The Low Emission Zones</a> (Emission Standards, <a href="Exemptions and Enforcement">Exemptions and Enforcement</a>) (Scotland) Regulations 2021 and in Table 5 of Appendix B.

The initial penalty charge is set at £60 and is reduced by 50% if paid within 14 days. Where repeat entry by the same vehicle is detected within a 90-day period, this penalty charge rate will double, doubling again on each subsequent entry up to a maximum determined by vehicle type. Where no subsequent entry by a non-compliant vehicle is detected within a 90-day period, the penalty charge is reset to the initial penalty charge rate of £60.

- 4.1.2 As the first LEZ to be enforced in Scotland, the quantity of penalty charge notices (PCNs) issued has been of significant public and media interest. Considering this, updated figures have been published on a monthly basis on the <a href="LEZ website">LEZ website</a> since enforcement of the LEZ began. This information, for the financial year 2023/24, is replicated within the report.
- 4.1.3 Between 1<sup>st</sup> June 2023 and 31<sup>st</sup> March 2024 a total of 38,294 PCNs were issued for non-compliant vehicle entry to the Glasgow LEZ. The monthly totals of issued PCNs, and the relative level of the PCN, are shown in Table 1 below.

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4.1.3 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. Surcharging, whereby the penalty amount doubles for subsequent LEZ breaches by the same vehicle, started in July and commences after the first (or previous) PCN can be expected to have been received by the vehicle's registered keeper. Following the first few months of LEZ enforcement, the level of PCNs issued has remained relatively stable at around 3000 per month.

#### 4.2 LEZ Penalty Charge Appeals

- 4.2.1 As of 31<sup>st</sup> March 2024, 5,692 appeals against an LEZ PCN have been received, with 31% (1,765) of these successful and the PCN subsequently cancelled. Most cancellations were due to:
  - the recipient of the PCN being a blue badge holder (not necessarily with a registered exemption),
  - evidence being provided that the vehicle was LEZ compliant,
  - the vehicle being in an exempt class or the Vehicle Registration Mark (VRM) being entered incorrectly.

Some PCNs have been cancelled for other reasons such as a diversion being in place forcing vehicles into the LEZ.

- 4.2.2 The majority of unsuccessful appeals were from recipients of PCNs stating that they thought:
  - their vehicle was compliant,
  - They were not within the LEZ
  - That the LEZ was unlawful.

Others reasons stated included that the driver didn't know the LEZ was in place, they were unaware of the LEZ, they were taken into the LEZ by Sat Nav, and/or they are no longer the keeper of the vehicle.

4.2.3 Unsuccessful appeals are eligible to refer their appeal to an independent adjudicator and, up to 31<sup>st</sup> March 2024, 181 such cases have been submitted. Of these, 46 were reviewed by GCC and the decision was made not to contest leading to the PCN being cancelled. This was generally due to additional evidence being presented to the adjudicator which was not presented in the original appeal. A further 46 appeals were allowed by the adjudicator and the PCN cancelled. 11 appeals were unsuccessful with the PCN upheld, 6 were withdrawn by the applicant and 55 were still within the system awaiting a hearing.

#### 5 Glasgow LEZ - Income and Expenditure

#### 5.1 Penalty Charge Income

- 5.1.1 Between 1<sup>st</sup> June 2023 and 31<sup>st</sup> March 2024 a total of £993,935 was received in payment of LEZ penalty charge notices. £11,520 was subsequently refunded following appeals or cancellations, resulting in net revenue from PCN payments for the financial year of £982,415.
- 5.1.2 Table 2 below provides detail on the number, and level, of each received payment or issued refund during the financial year.

Table 2: LEZ Penalty Charge Notices (PCNs) Payments / Refunds

Payment / Refund Level	Number	Total (£)
-£240 (refund)	2	-480
-£120 (refund)	3	-360
-£90 (refund)	1	-90
-£60 (refund)	32	-1,920
-£30 (refund)	289	-8,670
£5	1	5
£30	21127	633,810
£60	2684	161,040
£90	1112	100,080
£120	309	37,080
£150	6	900
£180	103	18,540
£240	134	32,160
£360	14	5,040
£480	5	2,400
£720	4	2,880
Total	25,826	982,415

5.1.3 The majority of LEZ PCN payments received (21,127) were in respect of the first level of penalty charge and within the 14-day period eligible for a 50% discount on the charge rate, resulting in a payment of £30. Other payment levels may be linked to different surcharge levels of PCN e.g. a £60 payment may be in relation to a level 1 PCN paid after 14 days or a level 2 PCN paid within 14 days. Work is ongoing in respect of the reporting system to improve the level of detail available.

#### 5.2 LEZ Development Expenditure

5.2.1 Development of the Glasgow LEZ has been ongoing since 2018/19, with the majority of the associated costs grant funded by the Scottish Government. The LEZ Scheme Design detailed the incurred costs of development prior to the LEZ scheme approval. These costs provided for LEZ modelling, appraisal, communications, engagement, impact assessments, design works, LEZ signage and enforcement camera infrastructure. Costs incurred since scheme approval include further development costs and operational costs since enforcement began on 1st June 2023. These are summarised in Table 3 below. These costs include both grant funded and non-grant funded expenditure.

**Table 3: LEZ Development Spend** 

Year	Grant Funded Expenditure (£)	Non-Grant Funded Expenditure (£)	Total Expenditure (£)
2018/19	125,627	0	125,627
2019/20	213,847	7,658	221,505

2020/21	76,395	4,645	81,040
2021/22	239,642	0	239,642
2022/23	362,157	133,537	495,694
2023/24	564,371	234,904	799,275
Total	1,582,040	380,843	1,962,783

#### 5.3 Capital Expenditure

5.3.1 Capital funding was made available by the Scottish Government for the commissioning, purchase and installation of LEZ enforcement infrastructure and the associated back-office enforcement system. As of 31st March 2024, the Council had received £900,000 in capital funding, with £598,275 of capital expenditure incurred by the end of the financial year. The remaining funding was carried forward to 2024/25. This is analysed in Table 4 below:

**Table 4: LEZ Capital Spend** 

Year	Capital Expenditure (£)
2022/23	32,410
2023/24	565,865
2024/25 (estimate)	301,275
Total	900,000

#### 5.4 LEZ Operational Expenditure

- 5.4.1 As LEZs are a new enforcement and penalty charge system within Scotland, there was a significant degree of uncertainty around the expected operational revenue. As such, Scottish Government funding in financial year 2023/24 included enforcement and back-office staff costs as well as significant communications and engagement funding. Total revenue grant funding for these activities in 2023/24 amounted to £564,371.
- 5.4.2 As set out in the legislation, the net revenue of the scheme can only be applied for the purposes of facilitating the achievement of the scheme's mandatory and/or discretionary objectives. In 2023/24, the scheme generated a net revenue of £747,511. This represents the amount of funding allocable to future projects which contribute toward the achievement of these objectives. The net revenue for the financial year is analysed in Table below:

Table 5: Net Revenue generated by the Low Emissions Zone in 2023/24

Category	£	£
Revenue from fines and penalties		(982,415)
Total revenue costs:	799,275	
Less: grant funded costs	(564,371)	
Net revenue costs		234,904
Net (revenue)/expenditure		(747,511)

#### 5.5 Summary of Total Expenditure

5.5.1 The Council had incurred total costs related to the LEZ scheme of £2,561,058 by 31<sup>st</sup> March 2024. Of this, £2,180,315 was attributable to revenue and capital grant funding provided by the Scottish Government. The remaining costs totalling £234,904, incurred whilst the LEZ was operational, were offset against the income generated by the scheme to derive the net revenue allocable to future projects. An analysis of total expenditure to date is included in the table below:

Table 6: Analysis of Total LEZ Expenditure 2018/19 to 2023/24

Year	Grant- Funded Revenue Expenditure	Non-Grant Funded Revenue Expenditure (£)	Capital Expenditure (£)	Total Expenditure (£)
2018/19	125,627	-	-	125,627
2019/20	213,847	7,658	-	221,505
2020/21	76,395	4,645	-	81,040
2021/22	239,642	-	-	239,642
2022/23	362,157	133,537	32,410	528,104
2023/24	564,371	234,904	565,865	1,365,140
Total	1,582,040	380,744	598,275	2,561,058

#### 6 Use of LEZ Revenue

- 6.1 Legislation allows for local authorities to use residual revenue from an LEZ 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. This first LEZ Annual Report details that no such spend was incurred in financial year 2023/24 as the quantum of available funding was yet to be determined.
- 6.2 Net allocatable revenue of £747,511 was generated by the scheme in 2023/24. The recent Council Budget directed that £250k of 2023/24 LEZ revenues be allocated to tree planting activity, with a further £250k allocated to broader climate action activity. The mechanism by which specific project funding will be allocated will be brought to the relevant committees for approval, with funding allocation and spend expected within financial year 2024/25. Any additional spend of residual revenue on projects will be fully reported in future updates.

#### 7 Next Steps

- 5.4 The Air Quality Annual Progress Report will include an appraisal of the impact of the LEZ on air pollution levels and will be published in early autumn 2024.
- 5.5 An update report will be published on an annual basis, with the next report detailing the LEZ performance for financial year 2024/25. This report will include detail of allocatable revenue spend on suitable projects.

#### Appendix A: Map of the LEZ and Schedule of Roads Within the LEZ

Figure 1: Map of the LEZ

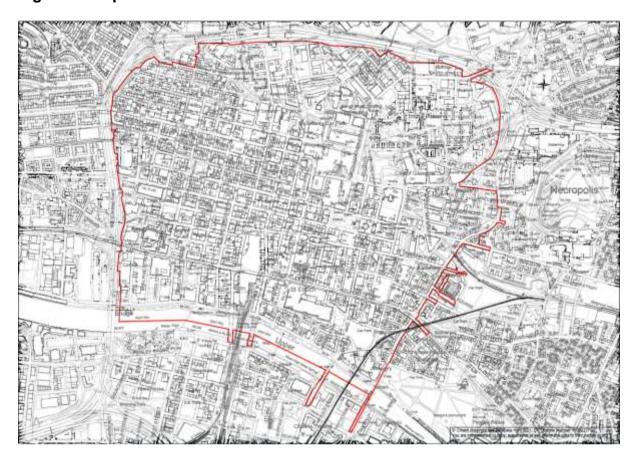


Table 1: Schedule of Roads within the LEZ

Road Name	Length of Road within LEZ
Adams Court Lane	Its entire length
Aird's Lane	Its entire length
Albert Bridge	Northbound Only
Albion Street	Its entire length
Anchor Lane	Its entire length
Argyle Street	From the extended east kerbline of Newton
/ ligylo Guest	Street to the eastern extremity.
Balaclava Street	Its entire length
Bath Lane	Its entire length
Bath Street	Its entire length
Baird Street	From the extended east kerbline of Kyle Street
Baild Gilloot	to the extended south kerbline of Pinkston
	Road.
Bell Street	From the western extremity to the extended
	west kerbline of Watson Street.
Bishop Lane	Its entire length
Black Street	Its entire length
Blackfriars Road	Its entire length
Blackfriars Street	Its entire length
Blythswood Square East	Its entire length
Blythswood Square North	Its entire length
Blythswood Square South	Its entire length
Blythswood Square West	Its entire length
Blythswood Street	Its entire length
Bothwell Lane	Its entire length
Bothwell Street	Its entire length
Bridgegate	Its entire length
Broomielaw	From the extended east kerbline of Newton
	Street to the eastern extremity.
Brown Street	Its entire length
Brunswick Lane	Its entire length
Brunswick Street	Its entire length
Buccleuch Lane	Its entire length
Buccleuch Street	Its entire length
Buchanan Street	Its entire length
Burrell's Lane	Its entire length
Cadogan Street	Its entire length
Cadzow Street	Its entire length
Calgary Street	Its entire length
Cambridge Street	Its entire length
Canal Street	Its entire length
Candleriggs	Its entire length
Carrick Street	Its entire length
Castle Street	From the extended south kerbline of Cathedral
	Square (North) to the southern extremity.

Cathedral Street	From the extended west kerbline of Stirling	
	Road to the western extremity.	
Cathedral Square	Stopped up south section.	
Chisholm Street	Its entire length	
Citizen Lane	Its entire length	
Clyde Street	Its entire length	
Cochrane Street	Its entire length	
College Street	Its entire length	
College Way	Its entire length	
Collins Street	Its entire length	
Couper Street	Its entire length	
Cowcaddens Road	Its entire length	
Crimea Street	Its entire length	
Crown Street	Northbound Only	
Dalhousie Lane	Its entire length	
Dalhousie Street	Its entire length	
Dixon Street	Its entire length	
Dobbiesloan	From the extended southern kerbline of the	
2000.00.00	M8 off ramp to Craighall Road to the northern	
	kerbline of Kennedy Street.	
Dobbiesloan Place	Its entire length	
Douglas Lane	Its entire length	
Douglas Street	Its entire length	
Drury Street	Its entire length	
Duke Street	From the extended eastern kerbline of High	
	Street to the extended western kerbline of	
	Havannah Street,	
Dundasvale Court	Its entire length	
Dundasvale Road	Its entire length	
Dunblane Street	Its entire length	
Dundas Lane	Its entire length	
Dundas Street	Its entire length	
Dunlop Street	Its entire length	
East Bath Lane	Its entire length	
Elmbank Crescent	Its entire length	
Elmbank Street	Its entire length	
Elmbank Street Lane	Its entire length	
Exchange Place	Its entire length	
Fox Street	Its entire length	
Garscube Road	From the extended southern kerbline of	
	Phoenix Road to the southern extremity.	
Garnet Street	Its entire length	
Garnethill Street	Its entire length	
Garth Street	Its entire length	
George Square East	Its entire length	
George Square North	Its entire length	
George Square South George Square West	Its entire length Its entire length	

Its entire length
Its entire length
· ·
Its entire length From the extended north kerbline of Ballater
Street to the northern extremity.
Its entire length
9
Its entire length
From the extended west kerbline of James
Morrison Street to western extremity.
Its entire length

Montrose Street	Its entire length
National Bank Lane	Its entire length
Nelson Mandela Place	Its entire length
New City Road	Its entire length
New Wynd	Its entire length
Nicolas Street	Its entire length
North Court	Its entire length
North Court Lane	Its entire length
North Frederick Street	Its entire length
North Hanover Street	Its entire length
North Portland Street	Its entire length
North Wallace Street	Its entire length
Oak Street	
Old Wynd	Its entire length Its entire length
Osborne Street	Its entire length
Oswald Street	
Parnie Street	Its entire length Its entire length
Parson Street	Its entire length
	9
Parsonage Square	From the extended east kerbline of High Street eastwards for a distance of 150 metres.
Darsonago Pow	
Parsonage Row Pitt Street	Its entire length
Port Dundas Road	Its entire length
	Its entire length
Queen Street	Its entire length
Renfield Lane	Its entire length
Renfield Street	Its entire length
Renfrew Court	Its entire length
Renfrew Lane	Its entire length
Renfrew Street	Its entire length
Renton Street	Its entire length
Richmond Street	Its entire length
Robertson Lane	Its entire length
Robertson Street	Its entire length
Ropework Lane	Its entire length
Rose Street	Its entire length
Rottenrow Place	Its entire length
Royal Bank Place	Its entire length
Royal Exchange Court	Its entire length
Royal Exchange Square	Its entire length
St Enoch Place	Its entire length
St Ismas Bood	Its entire length
St James Road	From the extended west kerbline of Stirling Road to the extended south kerbline of St
St Margaret's Place	Mungo Avenue.
St Margaret's Place St Mary's Lane	Its entire length
3	Its entire length
St Mungo Place	Its entire length Its entire length
St Mungo Place	no enine lengin

St Peter's Lane	Its entire length
St Vincent Lane	Its entire length
St Vincent Place	Its entire length
St Vincent Street	From the eastern extremity to the extended
St vincent Street	east kerbline of Newton Street.
Saltmarket	From the extended north kerbline of
Saltmarket	Greendyke Street to the northern extremity.
Saltmarket	Northbound Only from Albert Bridge to the
Salinarket	extended north kerbline of Greendyke Street.
Saltmarket Place	Its entire length
Sauchiehall Lane	Its entire length
Sauchiehall Street	From the extended east kerbline of Newton
Saddineriali Street	Street to the eastern extremity.
Scott Street	Its entire length
Shamrock Street	Its entire length
Shipbank Lane	Its entire length
Shuttle Street	Its entire length
South Exchange Court South Frederick Street	Its entire length Its entire length
	6
Springfield Court	Its entire length
Stafford Street	Its entire length
Stewart Street	Its entire length
Stockwell Place	Its entire length
Stockwell Street	Its entire length
Swan Street	Its entire length
Taylor Place	Its entire length
Tontine Lane	Its entire length
Trongate	Its entire length
Tyndrum Street	Its entire length
Union Place	Its entire length
Union Street	Its entire length
Unnamed Lane adjacent to	Its entire length
13 Queen Street	
Unnamed Lane adjacent to	Its entire length
41 Queen Street	
Unnamed Lane adjacent to 32 Midland Street	Its entire length
Unnamed Lane adjacent to 8 Howard Street	Its entire length
Unnamed Service Road	Its entire length
connecting Bath Street and	ito chine lengui
Sauchiehall Lane	
Unnamed Service Road	Its entire length
connecting Cambridge Street	in simo isrigiri
and Renfrew Street	
Unnamed Service Road	Its entire length
connecting West Nile Street	The state longer
and Nelson Mandela Place	
Victoria Bridge	Its entire length
Vistoria Briago	no onino longin

Its entire length
Its entire length
From the extended east kerbline of Newton
Street to the eastern extremity.
Its entire length
Its entire length

## Appendix B: Vehicle Scope, Emission Standards, Exemptions and Penalty Charge Levels

**Table 1: Vehicle Type Approval Categories for the Glasgow LEZ** 

Vehicle Vehicle Description		Description
· Ciliolo	Category	Bosonption
Light passenger vehicles	M1	Vehicles designed and constructed for the carriage of passengers and comprising no more than eight seats in addition to the driver's seat.
Minibus	M2	Vehicles designed and constructed for the carriage of passengers, comprising more than eight seats in addition to the driver's seat, and having a maximum mass not exceeding five tonnes.
Bus and coach	M3	Vehicles designed and constructed for the carriage of passengers, comprising more than eight seats in addition to the driver's seat, and having a maximum mass exceeding five tonnes.
Light Goods Vehicles (LCVs)	N1	Vehicles designed and constructed for the carriage of goods and having a maximum mass not exceeding 3.5 tonnes.
Heavy Goods Vehicles (HGVs)	N2	Vehicles designed and constructed for the carriage of goods and having a maximum mass exceeding 3.5 tonnes but not exceeding 12 tonnes.
	N3	Vehicles designed and constructed for the carriage of goods and having a maximum mass exceeding 12 tonnes.

Table 2: Compression Engine (Diesel), LEZ Emission Standards

Vehicle Category	<b>Emissions Standards</b>	Euro category
Heavy-duty vehicles (e.g.	Euro VI	M2, M3, N2, N3
HGVs and buses /		
coaches		
Light passenger and light	Euro 6	M1, M2, M3, N1, N2
goods vehicles		
Special category vehicles:	Euro 6	M1, M2, M3
<ul> <li>an ambulance</li> </ul>		
(which is not		
exempt under the		
Regulations		
<ul><li>a hearse</li></ul>		
<ul> <li>a motor caravan</li> </ul>		

Table 3: Positive Ignition (Petrol and Gas) Engine, LEZ Emission Standards

Vehicle Category	<b>Emissions Standards</b>	Euro category
Heavy-duty vehicles (e.g.	Euro IV	M2, M3, N2, N3
HGVs and buses /		
coaches		
Light passenger and light	Euro 4	M1, M2, N1, N2
goods vehicles		
Special category vehicles:	Euro 4	M1, M2, M3
<ul> <li>an ambulance</li> </ul>		
(which is not		
exempt under the		
Regulations		
<ul><li>a hearse</li></ul>		
a motor caravan		

Table 4: National Exemptions Applying to the Glasgow LEZ							
Vehicle type or	Description						
classification							
Emergency Vehicles	<ul> <li>The vehicle is being driven by any person who is:</li> <li>undertaking their duty as a constable</li> <li>providing a response to an emergency at the request of the Scottish Ambulance Service Board</li> <li>exercising the functions of the Scottish Ambulance Service Board, the Scottish Fire and Rescue Service, Her Majesty's Coastguard or the National Crime Agency</li> </ul>						
Naval, Military or Air Force Vehicles	Vehicles being used for naval, military or air force purposes.						
Historic Vehicles	<ul> <li>The vehicle was manufactured, or registered under the Vehicle Excise and Registration Act 1994, for the first time at least 30 years ago</li> <li>The vehicle is no longer in production, and</li> <li>The vehicle has been historically preserved or maintained in its original state and has not undergone substantial changes in the technical characteristics of its main components.</li> </ul>						
Vehicles for Disabled Persons*	<ul> <li>the vehicle is being driven by any person who is in receipt of a badge (a blue badge) that has been issued under section 21(2) of the Chronically Sick and Disabled Persons Act 1970,</li> <li>a passenger in the vehicle has been issued with a badge under that section of that Act, or</li> <li>a badge for the vehicle has been issued under section 21(4) of that Act,</li> <li>a reduction in annual rate of vehicle excise duty applies because the vehicle is being used by a disabled person in receipt of personal independence payment at the standard rate, or</li> <li>Vehicles registered with a 'disabled' or 'disabled passenger vehicles' tax class e.g. the vehicle is exempt from payment of vehicle excise duty under paragraph 19(1) or 20(1) of schedule 2 of the Vehicle Excise and Registration Act 1994 (exemptions from excise duty for vehicles used by disabled persons).</li> </ul>						
Showman Vehicles	Vehicles described as either "showman's goods vehicle" or "showman's vehicle" according to section 62(1) of the Vehicle Excise and Registration Act 1994. Note: these are highly specialised vehicles used for the purposes of travelling showmen, where the vehicle is used during the performance, used for the purpose of providing the performance or used for carrying performance equipment						

\*Note: blue badges are assigned to a person, not a vehicle, so a blue badge holder could travel in any vehicle and the rules of the blue badge would be applied to that vehicle on that day of travel.

**Table 5: Penalty Charges Applying to the Glasgow LEZ** 

Vehicle Category	Initial penalty charge	Subsequent penalty charges			
	1	2	3	4	5
Light passenger vehicle	£60	£120	£240	£480	-
Minibus	£60	£120	£240	£480	£960
Bus and Coach	£60	£120	£240	£480	£960
Light goods vehicle	£60	£120	£240	£480	-
Heavy goods vehicle	£60	£120	£240	£480	£960
Special Purpose Vehicle (SPV)	£60	£120	£240	£480	-