



Executive Director/Director Non-Key Executive Decision Report

Author/Lead Officer of Report: *Tom Finnegan-Smith, Head of Strategic Transport and Infrastructure*

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Report to: *Laraine Manley*

Date of Decision: *8 September 2017*

Subject: *Acceptance of Clean Air Zone Feasibility Study Proposal Grant*

Which Cabinet Member Portfolio does this relate to? *Transport & Sustainability*

Which Scrutiny and Policy Development Committee does this relate to? *Economic and Environmental Wellbeing Scrutiny and Policy Development Committee*

Has an Equality Impact Assessment (EIA) been undertaken? Yes No

If YES, what EIA reference number has it been given? *(Insert reference number)*

An Equality Impact Assessment has been conducted for the AQAP 2015

Does the report contain confidential or exempt information? Yes No

If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-

"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."

Purpose of Report:

Sheffield has been identified by the Government in its newly-released National Air Quality Plan as an area in exceedance for Nitrogen Dioxide (NO₂) gas. In order to comply with the European health based limits, The Joint Air Quality Unit ('JAQU') which is a setup of the Department for Environment, Food and Rural Affairs ('DEFRA') and the Department for Transport ('DfT') has directed local authorities to lower the limits.

JAQU has offered Sheffield City Council ('SCC') a grant of £100,000 in order to Support a Proposal Feasibility Study to explore a range of measures to improve air quality within the city. JAQU will work closely with SCC to submit the Feasibility Study by specified deadlines, as detailed in the report.

This Executive Decision Report is for acceptance of the grant only. Spending the grant will require an additional decision.

Recommendations:

It is recommended that SCC accept the initial Clean Air Zone Feasibility Study Grant 2017 / 2018 of £100,000 in order to carry out a Feasibility Study Proposal.

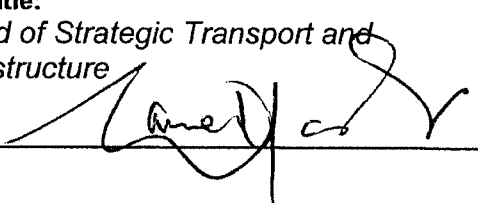
Background Papers:

EMT Report – see attached



Air Quality Directions
Letter.msg

Legal Directive

Lead Officer to complete:-	
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.
	Finance: <i>M Wassell</i>
	Legal: <i>Deepak Parmar / Janusz Siodmiak</i>
	Equalities: <i>Annemarie Johnstone</i>
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	Lead Officer Name: <i>Tom Finnegan-Smith</i>
	Job Title: <i>Head of Strategic Transport and Infrastructure</i> 
Date: <i>07 September 2017</i>	

1. PROPOSAL

1.1 Sheffield has been identified by the Government in its newly-released National Air Quality Plan as an area in exceedance for Nitrogen Dioxide (NO₂) gas which means that SCC will need to tackle vehicle emissions in order to become compliant with the European health based limits for this air pollutant in the 'shortest possible time'.

1.2 At this time, the Government is not prescribing the way in which SCC must reduce vehicle emissions. The type of measures that the Council may have to introduce in Sheffield, in order to improve air quality in the 'shortest possible time', will need to be considered through a Local Feasibility Study, funded by Government.

1.3 The Council has been offered a grant of £100,000 from JAQU to mobilise work on the Local Feasibility Study and to prepare a 'Feasibility Study Proposal' which must be submitted to DEFRA by the end of November 2017. The funding will enable SCC to conduct local assessments to support evidence and local understanding which will form part of the Proposal.

The Council is expects to receive further funding to undertake and submit a full Local Feasibility Study.

1.4 The Local Feasibility Study will determine if a Clean Air Zone ('CAZ') is required in Sheffield, where it would cover and whether or not it would need to involve 'charging' certain vehicle types.

1.5 The Joint Air Quality Unit (JAQU) will be working closely with SCC on the Local Feasibility Study and the Council will be expected to set out the Initial 'Local Plan' by 31st March 2018, and the Final Plan by 31st December 2018.

The Initial Plan (Local Feasibility Study) is required to set out the case for change and the first stage in identifying and developing options for measures which SCC will implement.

The Final Plan (Full Local Feasibility Study) is to identify the preferred option for delivering compliance in the shortest possible time and setting out value for money consideration and implementation arrangements.

The JAQU will provide comprehensive guidance documents to help the Council to prepare the Feasibility Study. These have been divided into four packages: Inception; Evidence; Options appraisal; and Implementation. Having already received the Inception package, the Implementation package will be provided in autumn 2017 when the SCC will start to consider implementation of the scheme.

1.6 SCC will work with Rotherham Metropolitan Borough Council (RMBC),

Highways England (HE) and other key stakeholders in order to deliver the Local Feasibility Study.

2. HOW DOES THIS DECISION CONTRIBUTE?

- 2.1 As part of the Corporate Plan 2015 / 18, under the Council's Thriving Neighbourhoods and Communities priority, the Council's ongoing commitments over the next three years include:

Tackle air pollution by working with partners, local businesses and the general public to address traffic-related emissions. We will develop our approach to a Low Emission Zone to help the city comply with air quality regulations and reduce the negative impact on people's health and the local environment.

- 2.2 The Green Commission Report: Growing Sustainably (which went to Cabinet on 15 March 2017: see Item 10) committed the Council to develop a gap analysis for each of the proposed five priority themes, one of which was Air Quality, in order to identify Sheffield's strengths and opportunities for the City which would then form a detailed action plan.

- 2.3 We are currently developing a Sheffield Clean Air Strategy (CAS) which will acknowledge the National Air Quality Plan and reference the recommendations from the DEFRA funded 2013 Sheffield Low Emission Zone Feasibility Study (which indicated that in the short term, diesel vehicles and in particular Buses, Taxis and Goods Vehicles need to be retrofitted or be a minimum Euro VI / 6 standard and in the longer term, we need a shift away from diesel fuel to alternative low emission fuels such as electric, gas / biogas, hybrid, hydrogen).

- 2.4 Once the Sheffield Clean Air Strategy is endorsed we will then be seeking to update our Air Quality Action Plan (AQAP) to reflect this.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 SCC will work with Rotherham Metropolitan Borough Council (RMBC), Highways England (HE) and other key stakeholders in order to deliver the Local Feasibility Study.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

- 4.1.1 Although an Equality Impact Assessment has not been carried out for SCC to accept the initial Clean Air Zone Feasibility Study Grant, one has been conducted for the AQAP 2015. This concluded that the implementation of the AQAP, which the Feasibility Study will support the development of, will provide universal positive benefit to all Sheffield people regardless of age, sex, race, faith, disability, sexuality, etc. No negative equality impacts were identified. In addition the most vulnerable members of the community, that is, those with health

problems, the old and the very young, whom are those most affected by poor air quality, will particularly benefit from the AQAP 2015. The implementation of the AQAP will help to restore environmental equity to individuals most affected.

4.2 Financial and Commercial Implications

4.2.1 Key features of the DEFRA grant (£100,000) are as follows:

- The funding is to develop a feasibility study proposal and to conduct local assessments.
- A Feasibility Study Proposal is requested to be submitted before 30 November 2017.
- Initial plans in the form of a Strategic Outline Case are to be submitted as soon as possible and before the end of March 2018.
- Acceptance of the offer must be made within 7 days from the date of the Award Letter.

4.2.2 In terms of SCC's commercial implications (approved via Commercial Services) the following points should be noted:

- There is a dependency on accessing the current transport model
- A contract with 3rd party supplier SYSTRA is required to obtain the relevant skills and expertise to run the transport model.
- A draft procurement strategy has been developed and awaiting confirmation of the specification following further announcements from JAQU. A compliant route to award a contract of services to SYSTRA has been identified.

4.3 Legal Implications

4.3.1 The payment of the grant is facilitated by s. 31 of Local Government Act 2003. The Act empowers Government to pay a grant to a local authority towards expenditure incurred or to be incurred for a specific purpose.

4.3.2 Under Part IV of the Environment Act 1995, Local Authorities are required to review and assess air quality in their areas and to report against objectives for specified pollutants of concern, to the Department for Environment, Food and Rural Affairs (DEFRA).

4.3.3 The Environment Act 1995 (Feasibility Study for Nitrogen Dioxide Compliance) Air Quality Direction 2017 set outs the obligation for Sheffield City Council to carry out a Feasibility Study in relation to tackling roadside nitrogen dioxide concentrations. Failing to do so, would mean SCC is in breach of the above legislation.

- 4.3.4 Action to manage and improve air quality is required by European Union (EU) legislation. The 2008 ambient air quality directive (2008/50/EC) sets legally binding limits for concentrations in outdoor air of major air pollutants that impact public health including fine particulate matter (PM₁₀ and PM_{2.5}) dust and nitrogen dioxide (NO₂) gas.
- 4.3.5 As part of this process, Sheffield City Council declared an Air Quality Management Area (AQMA) across the whole of the urban area of the City for Nitrogen Dioxide (NO₂) gas and Particulate Matter (PM₁₀) dust in March 2010, following a report to Cabinet. This declaration was based on the evidence reported in the formal Detailed Assessment (2008) and Updating and Screening Assessment (2009) reports respectively, to DEFRA, showing areas of Sheffield where these pollutants are likely to breach national and EU legislation.
- 4.3.6 This meant that the Council was required to produce an Air Quality Action Plan to cover the period (up) to 2015, with the aim of improving Nitrogen Dioxide (NO₂) gas and fine Particulate Matter PM₁₀ levels, such that the annual limit of 40µg.m⁻³ for NO₂ and the daily limit of 50µg.m⁻³ for PM₁₀ (which is not to be exceeded more than 35 times a year) do not continue to be breached.
- 4.3.7 Not achieving the air quality targets nationally means not complying with EU law and consequently, this is a risk for the Council. There is the potential for the UK government to be fined if EU limit values are exceeded. Potentially the fines which can be imposed are significant. The reserve powers in the Localism Act to passport EU fines to local authorities and public bodies (where they have failed to take action when they could) is significant and helps to highlight the need for a clear line of sight between EU obligations and Local Authority responsibilities to improve air quality and provide clarity on the role local authorities play. The government however, can only pass the fines on if they can show that we have not taken appropriate steps to comply with EU law.
- 4.3.8 This grant must be used solely to carry out the Local Feasibility Study Proposal however, DEFRA has not included any conditions on clawback of the grant monies.

4.4 Other Implications

- 4.4.1 Air pollution has short and long term health impacts, particularly for respiratory and cardiovascular health, including increased hospital admissions.
- 4.4.2 The impact on life expectancy and ill health is unequal, with more effects on the young, the old and those with pre-existing heart and lung conditions. For individuals who are particularly sensitive and exposed to the most elevated levels of air pollution, the reduction in life expectancy is estimated to be as much as nine years.

- 4.4.3 The latest national Government estimates, not including other compounders, for annual deaths attributable to air pollution is 52,500 (23,500 from Nitrogen Dioxide (NO₂) gas and 29,000 from Particulate Matter (PM_{2.5}) dust), and for health costs is £20bn.
- 4.4.4 Sheffield has 1% of the population of the UK, so a local estimate would indicate that the City sees up to 525 air quality related deaths per year and health costs of around £200m.
- 4.4.5 Overall the adverse effects of air pollution are such that it has a bigger impact on life expectancy than road traffic accidents and passive smoking.

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 Not Applicable – The Council has been legally directed by DEFRA to undertake the Local Feasibility Study.

6. REASONS FOR RECOMMENDATIONS

- 6.1 The grant will provide an opportunity to prepare a plan to tackle the problem of high Nitrogen Dioxide levels. The reduction of the levels is required by The Environment Act 1995 (Feasibility Study for Nitrogen Dioxide Compliance) Air Quality Direction 2017.
- 6.2 Accepting the grant and creating Feasibility Study will also engage partners, local businesses and the general public to address traffic-related emissions.