



Author/Lead Officer of Report: Nalin Seneviratne – Director – City Centre Development

Tel: 0114 205 7017

Report of: Michael Crofts – Executive Director, Place
Report to: Co-operative Executive
Date of Decision: 26th October 2021
Subject: City Centre Strategic Vision - Progress Report

Is this a Key Decision? If Yes, reason Key Decision:-	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
- Expenditure and/or savings over £500,000	<input type="checkbox"/>	
- Affects 2 or more Wards	<input type="checkbox"/>	
Which Executive Member Portfolio does this relate to? Executive Member for City Futures: Development, Culture and Regeneration		
Which Scrutiny and Policy Development Committee does this relate to? The Overview and Scrutiny Management Committee		
Has an Equality Impact Assessment (EIA) been undertaken?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If YES, what EIA reference number has it been given? <i>(Insert reference number)</i>		
Does the report contain confidential or exempt information?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:- <i>“The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended).”</i>		

Purpose of Report:

To provide a short report on progress on delivering the City Centre Strategic Vision as set out in the One Year Plan. Also, to provide an overview of the topics to be considered and to approve the delivery timetable.

Recommendations:

That the Co-operative Executive:

1. Note progress on the delivery of the City Centre Strategic Vision.
2. Note the proposed content of the report and the link to the Transport Strategy, Connecting Sheffield programme including how we use Pinstone Street and Clean Air Zone requirements.
3. Approve the delivery timetable, enabling adequate Member & Public Engagement.

Background Papers:

Sheffield Central Area Strategy Capacity Report July 2020 –

<https://www.sheffield.gov.uk/content/dam/sheffield/docs/planning-and-development/draft-sheffield-plan/Sheffield%20Central%20Area%20Strategy%20-%20Capacity%20Report%20-%20July%202020.pdf>

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: Eugene Walker
	Legal: David Hollis
	Equalities: Not applicable at this stage. An assessment will be carried out for the actual City Centre Strategic Vision.
<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	EMT member who approved submission: Michael Crofts
3	Executive Member consulted: Cllrs. Terry Fox and Julie Grocutt
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.
	Lead Officer Name: Nalin Seneviratne
	Job Title: Director City Centre Development

Date: 15th October 2021

1. PROPOSAL

- 1.1 In the wake of the Covid-19 pandemic, developing a City Centre Strategic Vision is more important now than ever to guide future development which is sympathetic to the challenges facing Sheffield in a post pandemic world, in which the heightened recognition of the importance of quality spaces in which to live, work and play is clear.
- 1.2 It is proposed that the Vision along with a Strategic Plan will guide development underpinned by wider Sheffield Council policy in the quality of what is built, and the sustainability of development, including the need to develop in a way that achieves our net zero carbon objectives. It is also important that the strategic vision is fully integrated with transport policy and the need to develop an environment that is clean and supports health and well-being.
- 1.3 In planning to deal with a growing population and manage development in a sustainable way, Deloitte were commissioned in 2019 to prepare a strategy for accelerating the growth of residential development in the city centre. The first step in that work was to assess the capacity of the city centre to provide new homes. This culminated in the **Sheffield Central Area Strategy Capacity Report** being produced in **July 2020**¹.
- 1.4 With the capacity to provide approximately 21,000 new homes, it is important that the environment in which those homes are delivered includes an air quality that protects the health of the population. Therefore, it is critical that new development proposals that aim to deliver homes for a growing population are carried out in line with other policy objectives such as the proposed Clean Air Zone. Such a policy will play a key part in overall health improvements, not only to resident populations in the city centre but to communities across the whole city, particularly as some of the most significant polluters (buses, taxis, goods vehicles) drive around and through neighbourhoods in every part of Sheffield.
- 1.5 The City Centre Strategic Vision will provide a way forward for the continued regeneration of the city centre, building on the outstanding developments to date. Currently, the draft document is in production with the first draft expected by the end of October 2021.

¹ Sheffield Central Area Strategy Capacity Report
<https://www.sheffield.gov.uk/content/dam/sheffield/docs/planning-and-development/draft-sheffield-plan/Sheffield%20Central%20Area%20Strategy%20-%20Capacity%20Report%20-%20July%202020.pdf>

- 1.6 It is proposed that the draft City Centre Strategic Vision is shaped by Members ahead of public engagement and therefore the draft timetable is set out below:-

	Item	Dates
1	Draft document to the Council from Deloitte	w/c 25.10.2021
2	Review and revisions to draft by Council Officers	w/c 01.11.2021
3	Working draft returned to Sheffield City Council	05.11.2021
4	Draft available of Member input	08.11.2021 to 17.12.21
5	Update to final draft	17.12.21 to 07.01.22
6	Planned Public Engagement to achieve One Year Plan deadline	17.01.2022 to 18.02.2022
7	Update to document following engagement	21.02.2022 to 04.03.2022
8	Final Document available for Endorsement by Co-operative Executive	16.03.2022

2. Background - This is Our City Centre

- 2.1 As Sheffields, we're proud of our city. Proud of its history, of its hills, its green spaces, of our industrial heritage and its strong sense of character. We feel part of both one big Sheffield community and simultaneously our own individual neighbourhoods.
- 2.2 Like all major cities, Sheffield has had to learn to adapt over time. Our city centre is changing right now. It needs to adapt to a new world, where the growth of internet shopping, home entertainment and Covid-19 have led to unprecedented challenges for all of us including businesses and visitors.
- 2.3 Food and drink, leisure and retail operators have faced some significant issues, with some well-known big brands disappearing entirely. Each one of

us knows how hard it has been for so many people, businesses, and organisations.

- 2.4 Despite this, work is already well advanced to drive the positive change that is needed for our city centre to make us proud once more. We are building a new heart of our city centre between Barkers Pool and Moorhead to create a thriving city centre for the 21st century. The Moor has been transformed. There are new plans and funding in place to reinvent Fargate. You only have to walk around Pinstone Street, Moorhead, and Cambridge Street, and see the large number of cranes and construction sites, to see that the future is underway right now.
- 2.5 Our plan to adapt and strengthen our city centre focuses on five key aims, all of which focus on increasing the number of people in the city centre:
- 2.6 Homes:
Our plans will see thousands more residents living in the city, bringing life and activity night and day, including the amenities necessary to have a decent quality of life.
- 2.7 Workplaces:
We are delivering new office developments that will see thousands more people working in the city centre every day. The pandemic has changed how we work but city centre offices will return with more people and firms coming together to meet and collaborate.
- 2.8 Improved Environment:
We are making our city centre cleaner, greener and safer with new quality public spaces, pedestrianised areas and squares, and a new city centre park. We are creating spaces for people to meet, socialise and relax.
- 2.9 More to do:
We are adding more places to eat and drink, and more things to do, from cinemas to bowling, exhibitions to events, alongside new places to shop and places where you can come to the city centre and just be.
- 2.10 Accessibility:
We are making it easier to walk, cycle and travel by public transport to and around the city centre, as well as maintaining access by car.

3. Proposed Content of the City Centre Strategic Vision

- 3.1 As stated above, like a lot of cities and towns in the UK and beyond, Sheffield is experiencing its own share of structural and economic challenges. However, despite those challenges from changing retail to the current reduction in the number of office workers, Sheffield still has a rich set of opportunities to capitalise on and to reach its potential.

3.2 Our “Outdoor City” brand is known and respected outside the city as well as within and this is a brand on which to build for the city centre, which, will be even more compelling in a post Covid climate where footloose talent would be more likely to appreciate the amenities of a large city with easy access to nature.

We have a good framework to make the city centre a great destination:

- high quality and well-maintained public realm
- open spaces and green spaces
- a characterful and distinct built environment
- Strong Cultural Anchors
- a rich ecosystem of cultural creative and digital businesses
- two world class universities
- a year-long calendar of events
- a tram system running through the centre
- new developments with good opportunities in the pipeline

However, we need to address the following:

- A better balance of residential office retail and civic uses, including how we manage potential conflict between uses in the city centre.
- A more diverse residential offer is important, having housing options for all, in high quality homes built to appropriate quality standards and linked to wider planning & environmental policy.
- New workplaces: offices and space for innovation and collaboration that are adaptive to flexible working.
- Acceptance of a reduction in the importance of retail space with a better mix between national brands, homegrown brands, leisure, and culture, that makes the city centre the place for socialising and exchange of ideas rather than just shopping.
- We need to think more about young people from children to young adults and what offers are meaningful for them in a digital age. We also need to address how we cater for an elderly population.
- Providing enhanced public realm that can support a more flexible use of active outside space particularly streets, for markets, events, seating, play, and other activities.
- Higher quality infrastructure to encourage active travel, with dedicated space for cycling and ‘healthier’ streets for people, along with a bus and tram network that is more reliable, faster, cleaner, and supports better interchange and connections in the city centre, to reduce the number of private car trips, this includes how we will use Pinstone Street at the heart of the city centre,
- and of course, how we develop in a low and net zero carbon way.

3.3 Pinstone Street was closed to traffic in June 2020 as part of the Council's response to the coronavirus pandemic to implement the Government's Social Distancing Guidance. This meant the removal of some southbound bus movements through the city, relocating them to Rockingham Street and Arundel Gate.

- 3.4 We have been working for some time on a Connecting Sheffield scheme with external funding streams that included the closure of Pinstone Street to motor traffic and reallocation of this space to walking and cycling, and broader amenity use. The benefits of this wider scheme are intended to be improved bus journey times, enhanced public realm and the delivery of the formative stages of a seamless active travel network for the City. However, we have reviewed several temporary schemes before, such as Shalesmoor, and there is an opportunity to now review Pinstone St in the wider context of this City Centre Vision.
- 3.5 The Vision context includes the Future High Street Fund and Heart of the City schemes, which we need to ensure achieve accessibility for the core of the city centre alongside biodiversity enhancement and climate change resilience and in the process provide a unique selling point for the city, realising the Outdoor City brand and philosophy.
- 3.6 Whilst removal of traffic through the Pinstone Street area has received some support, it has also highlighted concerns raised by some businesses across the City Centre, bus users, and user groups representing the interests of the elderly and the disabled. These were debated through the Overview and Scrutiny Management Committee in September 2021 who requested that;
- the report be referred back to the Co-operative Executive, together with the issues now raised and highlighted by this Committee, specifically with regard to accessibility, inclusivity and travel routes through the city centre, and
 - the Executive Members for Climate Change, Environment and Transport and for Finance and Resources give consideration, as part of the budget process, to funding a free, electric bus, to run on a route to be agreed, through the city centre
- 3.7 This report will be brought back to the Co-operative Executive and will look at alternative options for Pinstone Street, including re-opening it to traffic.

So, the document we're working on will seek to deal with how we improve and move forward the idea of the City Centre being the place that is for all the people of Sheffield and the region, to meet, socialise, play, collaborate and work together. Therefore, accessibility and connectivity to the city centre is important. There is already a Transport Strategy for Sheffield² and more recently we have the Connecting Sheffield programme³ using Transforming Cities Funding. The plan will reference both of those so that the link between the City Centre Plan and transport connectivity and overall accessibility is clear. As mentioned above, the strategy will also reference the Clean Air Zone proposals as a pre-requisite for further city centre development.

² Sheffield City Council (2018) Transport Strategy
<https://democracy.sheffield.gov.uk/documents/s31437/Transport%20Strategy%20202.pdf>

³ <https://connectingsheffield.commonplace.is/>

- 3.8 We will look at how the good work happening inside buildings is made more visible, encouraging activation of the great public realm. We will aim to move to a point where there is always something going on in the centre. This should all lead to better positioning nationally and internationally for Sheffield as a major UK City.
- 3.9 The strategic vision will seek to address short, medium, and long-term issues:
- Many of the current short-term issues have been longstanding ones that the recent pandemic has brought into sharp focus. They mainly lie along a north-east / south-west axis through the city centre from Castlegate to Moorfoot. This is a figurative spine that runs from Castlegate and Fitzalan Square and High Street onto Fargate, carrying on along Pinstone Street and down through The Moor. The strategy will address, issues along this “spine” of the city centre: Castlegate, High St, Fargate, the John Lewis building, the Town Hall, Central Library and Graves Art Gallery, The Moor and Moorfoot.
- 3.10 This backbone of the city centre, like all high streets across the UK, has faced countless challenges over the years and has had to adapt. The main retail focus, and indeed the indoor market, has now shifted to The Moor, which has been revitalised in recent years.
- 3.11 Yet there is no doubting the difficulties much of our historic high street backbone has faced in recent years. The good news, however, is that this challenge is being met head on. Both public and private sectors are investing heavily to strengthen these areas, driving them to adapt to a changing future to create a City Centre we can be proud of.
- 3.12 Public sector investment beyond that with a financial return will be reliant on external grant funding and where appropriate or possible, private sector contributions.
- 3.13 As highlighted in section 2 of this report, it should not be forgotten that in the middle of the short-term issues is the delivery of £370m investment in the Heart of the City which, over the next 18 months to 2 years will largely be complete, finally addressing a lack of critical mass in the centre that has been a problem for decades.
- 3.14 Importantly, the vision is about the medium to long term repopulation of the City Centre in terms of homes and associated amenities and workplaces. To deliver approximately 21,000 new homes, we can't just zone the centre and hope things will happen. We need to create new city centre neighbourhoods, attractive, safe places that will create the demand for new homes in the city centre.
- 3.15 So, linked to the local plan the City Centre Strategic Vision will look at how areas of the centre can be defined by several neighbourhoods that will include Castlegate and Moorfoot. We will also define some new housing sites that will act as catalysts for that medium to long term housing led

regeneration. The sustainability of all activity along the key streets from Castlegate to Moorfoot will then be supported by a resident and working population.

3.16 As well as producing the City Centre Strategic Vision, we will also prepare a housing delivery plan with investment prospectus alongside a technical plan to assist with the delivery of new neighbourhoods and sites that will provide catalytic opportunity for housing delivery.

3.17 The diagram below illustrates the component parts of how the Vision will be formulated.



3.18 The Strategic Plan will look to realise the Vision opportunities through this 10 point plan.



4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

- 4.1 All matters regarding implications for equality of opportunity, financial, commercial, and legal matters will be provided as part of the report to Co-operative Executive when the City Centre Strategic Vision is presented for approval in line with the timetable above.

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 The alternative option would be not to produce a City Centre Strategic Vision. However, given the need for the centre's continued regeneration in the light of retail re-structuring and other economic challenges along with the need to address the delivery of more homes in Sheffield, the need to deliver a strategy outweighs the option not to deliver one.

6. REASONS FOR RECOMMENDATIONS

- 6.1 The reasons for the recommendations are to:
- provide clarity regarding the overall content of the City Centre Strategic Vision
 - be clear on the importance of other policy decisions such as the Clean Air Zone as an enabler for sustainable city centre development, and
 - agree the timetable for delivery to enable adequate engagement from Members of the Council and the public.

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Infrastructure

Version: Final - V6.00

Email: Tom.Finnegan-smith@sheffield.gov.uk

Report of: *Michael Crofts, Executive Director of Place*

Report to: *Cooperative Executive*

Date of Decision: *26th October 2021*

Subject: *Clean Air Plan*

Is this a Key Decision? If Yes, reason Key Decision:-	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
- Expenditure and/or savings over £500,000	<input checked="" type="checkbox"/>	
- Affects 2 or more Wards	<input type="checkbox"/>	
Which Executive Member Portfolio does this relate to? <i>Executive Member for Climate Change, Environment and Transport</i>		
Which Scrutiny and Policy Development Committee does this relate to? <i>Overview and Scrutiny Committee</i>		
Has an Equality Impact Assessment (EIA) been undertaken?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If YES, what EIA reference number has it been given? (<i>REF: 803</i>)		
Does the report contain confidential or exempt information?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-		
<i>"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)."</i>		

Purpose of Report:

This report updates on the development of the Sheffield and Rotherham Clean Air Plan (CAP) to tackle Nitrogen Dioxide (NO₂) exceedances and sets out the actions required to achieve compliance with our Direction by Government to reach legally compliant annual average levels of NO₂. In summary these are:

- Proceeding with the recommended CAP proposals which includes establishing a Category C charging Clean Air Zone (CAZ) within Sheffield City Centre with wider traffic management measures.
- Accepting the grant funding received from Government in March 2020
- Commencing public consultation in November 2021.
- Submission of the Full Business Case to Government early in 2022 including any revisions arising from the consultation
- Completing the procurement, and thereafter contract awards, for any necessary infrastructure, goods and services required, together with any other such steps, to implement and meet the aims and objectives of the Clean Air Plan.
- To report to the Executive on the consultation findings early in 2022.

Background

In common with other cities, air pollution is a major public health challenge that is damaging the health and life chances of people in Sheffield, contributing to the deaths of around 500 people a year in the city. Multiple places across our road network are in breach of legal limits for air quality with road vehicles (and particularly diesel vehicles), exposing communities to invisible but harmful concentrations of Nitrogen Dioxide (NO₂).

In 2017 Government placed Sheffield and Rotherham under a legal duty to improve the city's air quality by reducing NO₂ emissions below the legal limits in the shortest possible time.

In response, SCC and RMBC developed and submitted an Outline Business Case (OBC) to Government in December 2018, which identified the option to deliver compliance was a Category C+ Charging Clean Air Zone on and within the Inner Ring Road, along with a number of additional traffic management measures.

In February 2020 Government issued a further Ministerial Direction under which SCC are legally obliged to implement a CAZ C charging Clean Air Zone.

Having announced a review of our Clean Air Plan in September 2020, to consider the implications of Covid-19 and the lengthy period between the submission and Government's approval of the OBC, this is now complete.

The outcome of the review of the Clean Air Plan has confirmed that in order to achieve legally compliant levels of air quality in Sheffield we need to deliver a Class C Clean Air Zone along with wider traffic management measures. The review has also confirmed that the original proposals around the compliance standards for taxis can be amended to incorporate the current standards without major additional burdens on the majority of the existing taxi fleet .

The primary goal of the proposed Clean Air Zone is to encourage and support the removal of the most polluting vehicles from the city's roads in order to make our air cleaner and safer to breathe. It is not the intention to penalise drivers or companies and the report sets out the proposed financial support measures that will be offered to certain drivers to upgrade and replace non-compliant vehicles. In addition, the report includes details of specific fleet where circumstances determine that an exemption to charges is appropriate.

The CAP proposals are significant and form part of Sheffield's ambitions to deliver clean air for everyone and support the development of safe, reliable and clean transport options in the city.

Given the proposals to see the continued regeneration of the City Centre and the delivery of approximately 21,000 new homes in the central area, the importance of making our air cleaner and safer to breathe must be a pre-requisite to continued development. The proposals for the City Centre Vision will highlight this aspect further.

Whilst a major consultation on our CAP proposals was undertaken in Summer 2019, given the time that has elapsed and the development of the scheme, it is now proposed that consultation on the final Clean Air Plan proposals is undertaken. This will provide an opportunity for people to give feedback on the full details of the scheme, including financial support measures and exemptions, the detail of which was not previously available.

Alongside this, the Full Business Case will be developed in liaison with Government's Joint Air Quality Unit (JAQU), but only finalised once the outcome of the consultation is known and any final amendments to the scheme are made where necessary. In addition, arrangements to distribute funds to support those businesses, individuals and organisations who need to upgrade their vehicle to become compliant will be finalised and in line with existing delegated authority the delivery of the Clean Air Zone infrastructure will continue to be progressed.

Recommendations.

That the Cooperative Executive:

1. To approve acceptance of the grant funding of £23,967,436 awarded in March 2020 from the Department for Environment Food & Rural Affairs (DEFRA) and the Department for Transport to enable the Council to comply with its statutory duty through the measures described in this report.
2. Approves the launch of further consultation on the Clean Air Plan in November 2021 as detailed in this report.
3. Delegates authority to the Executive Director Place to enter into the contract for the successfully tendered infrastructure work required for the charging zone including supply, installation and maintenance of Automatic Number Plate Recognition cameras
4. Delegates authority to the Executive Director Place in consultation with the Leader of the Council and the Executive Member for Climate Change, Environment and Transport to submit to Government a Full Business Case to deliver a Category C Charging Zone as outlined in this report.
5. Where no existing authority exists under the LSOD, delegate authority to the Executive Director, Place, in consultation with the Executive Member for Climate Change, Environment and Transport, and with the Director of Financial and Commercial Services to approve such procurements and thereafter contract awards for any necessary infrastructure, goods and services required together with any other such steps to implement and meet the aims and objectives of the Clean Air Plan.

Background Papers:

WHO global air quality guidelines, September 2021

<https://www.who.int/publications/i/item/9789240034228>

The invisible threat: how we can protect people from air pollution and create a fairer, healthier society; British Lung Foundation and Asthma UK, February 2021

https://cdn.shopify.com/s/files/1/0221/4446/files/Invisible_Threat_FINAL_compressed.pdf?v=1612948799&_ga=2.175216866.1719479710.1633475143-418606468.1624021878

Clean Air Zone Outline Business Case – Acceptance of Further Grant Funding: Leaders Decision, 29 March 2019

<https://democracy.sheffield.gov.uk/mglIssueHistoryHome.aspx?lId=27888>

Air that is safe to breathe for all: Sheffield's Clean Air Zone Proposal, Cabinet report 21 November 2018,

<https://democracy.sheffield.gov.uk/documents/s33102/Clean%20Air%20for%20Sheffield%20-%20Final.pdf>

Sheffield City Council (2017) Clean Air Strategy,

<https://democracy.sheffield.gov.uk/documents/s29124/Clean%20Air%20Strategy%20Dec%20Cabinet%202.pdf>

Sheffield City Council (2018) Transport Strategy

<https://democracy.sheffield.gov.uk/documents/s31437/Transport%20Strategy%202.pdf>

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: Ryan Keyworth
	Legal: Steve Eccleston and Henry Watmough-Cownie
	Equalities: Adele Robinson
<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	EMT member who approved submission: Kate Josephs, Chief Executive
3	Executive Member consulted: Cllr Douglas Johnson, Executive Member for Climate Change, Environment and Transport
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.
	Lead Officer Name: (Insert name)
	Job Title: (Insert job title)
	Date: (Insert date)

1.0 PROPOSAL

- 1.1 Air quality in Sheffield has exceeded required legal levels since 2010. In Sheffield air pollution contributes to the early deaths of around 500 people every year and particularly affects the long-term health of young people and those with existing health conditions. The Sheffield Clean Air Strategy 2017 stated that addressing the effects air pollution is a public health emergency.
- 1.2 In September 2021 the World Health Organisation released new Global Air Quality Guidelines that provide clear evidence of the damage air pollution inflicts on human health, at even lower concentrations than previously understood. The guidelines recommend new air quality levels to protect the health of populations, by reducing level of key air pollutants, some of which contribute to climate change.

1.3 Current Legal Requirement and relevant background information

- 1.3.1 In 2017 Sheffield City Council (SCC) and Rotherham Metropolitan Borough Council (RMBC) were jointly Directed by Government to reach legally compliant annual average Nitrogen Dioxide (NO₂) levels by 2021. Specifically, this required us to take action to address Nitrogen Dioxide emissions from road transport.
- 1.3.2 In November 2018 Sheffield City Council (SCC) Cabinet approved the submission of an Outline Business Case (OBC) to Government, for a Clean Air Plan (CAP) which included a category C + charging Clean Air Zone (CAZ) in central Sheffield. The CAZ C + zone would charge non-complaint (older than Euro 6 Diesel and Euro 4 Petrol) HGVs, LGVs, buses, coaches, with the added '+' requirement that taxis needed to be Ultra Low Emission standard, along with wider traffic management measures, the majority of which were to be delivered at key air quality hotspots in Rotherham. It is now feasible to align the taxi fleet standard with that within the Governments [national CAZ Framework](#). Therefore, it is no longer necessary for taxis to be of Ultra Low Emission standard to achieve the aims of the CAP. Consequently, the proposals have been amended, with more detail on the reasoning contained further in this report.
- 1.3.3 Government finally approved the OBC in February 2020 and issued a Ministerial Direction¹ under which SCC are legally obliged to implement a CAZ C charging Clean Air Zone with additional measures, to achieve compliance in 2021 and to submit a Full Business Case (FBC).
- 1.3.4 The Direction and grant award decision (see below) pre-dated the 16th March (national lockdown) and were before the enactment of the Coronavirus Act 2020, meaning that the implications of pandemic management policies had not been considered in setting the submission dates.
- 1.3.5 In April 2020 Government's Joint Air Quality Unit announced that the introduction of Clean Air Zones would be delayed as a result of the pandemic and at that time it was expected that the introduction of Clean Air Zones would be no earlier than January 2021. We have continued to liaise closely with Government and the Joint Air Quality Unit.

1.4 Grant funding awarded in 2020

- 1.4.1 Alongside the Legal Direction received in February 2020, Government awarded grant funding for implementation of the CAP proposals, funding of this type would

¹ Environment Act 1995 (Sheffield City Council and Rotherham Metropolitan Borough Council) Air Quality Direction 2020

usually be released after the approval of a Full Business Case so this was unexpected.

- 1.4.2 JAQU awarded £23,967,436 to deliver Sheffield and Rotherham’s Clean Air plans. £3.5m has been allocated from the **Implementation Fund** and £20.4m from the **Clean Air Fund**. The **Implementation Fund** is ring-fenced to measures required to reach annual compliance i.e. charging zone and road schemes. The **Clean Air Fund** is a competitive fund that provides funding to mitigate the economic impact for people that are most disproportionately affected by the introduction of the charging clean air zone, see award values in Table 1. Clean Air Fund – Financial Support Measures below.

1.5 Clean Air Fund grant funding:

- 1.5.1 Sheffield and Rotherham have been in discussions with JAQU to retain the full funding allocation awarded March 2020 and have provided evidence to support and justify the requirement for financial support for fleet in the city to upgrade.
- 1.5.2 Further detailed work including market research and stakeholder engagement has been undertaken to develop the proposals since the grant award. We have also been able to review updated fleet profiles to understand how different vehicles have upgraded since the CAP work commenced in 2017 and have some insight into the success of comparative measures where Clean Air Zones have already been launched.
- 1.5.3 Our financial support packages have been updated and it is considered that the measures will provide a significant benefit to those drivers that are most impacted by the proposed Category C Clean Air Zone. These measures, outlined in the table below, will be included in the proposed consultation.
- 1.5.4 We are seeking JAQUs approval to vary the funding allocations to provide the required flexibility of the financial support measures to best meet our local needs. Final assessment of the CAF funding allocations for the different support packages will be informed by the consultation. Allocations will be further reviewed dependant on uptake when the schemes go live from early 2022.
- 1.5.5 Grants and loans to support upgrades are proposed to be set at the following levels and will be administered from mid-2022 onwards:

Table 1. Clean Air Fund – Financial Support Measures

Vehicle Type	Potential Support	Potential total expenditure
Wheelchair Accessible Hackney Carriage Taxis	Up to £10k grant Or Interest free loan	£3.3m
Private Hire Vehicles	Up to £3k grant Or Interest free loan	£2.5m
Vans	Up to £3.5k grant Or Interest free loan	£5.1m

Lorries	Up to £16k grant	£3.5m
Buses & Coaches	Up to £16k grant	£2.6m

1.5.6 The support will be allocated according to eligibility criteria to help those drivers most affected by the introduction of the charging zone.

1.6 **Implementation Fund award:**

1.6.1 Funding of £3.5m was also awarded from the Implementation Fund for the delivery of the 'compliance measures', which includes all of the infrastructure costs of installing and implementing the Clean Air Zone and traffic management schemes in Rotherham.

1.6.2 JAQU have confirmed that further Implementation Fund monies can be accessed at FBC stage. Final detailed design and delivery costs are currently being compiled as part of the FBC.

1.7 **CAP review work**

1.7.1 A review of the Sheffield & Rotherham Clean Air Plan was publicly announced by SCC in September 2020. The review considered both the potential implications of the time that had elapsed since the OBC had been submitted and the implications of Covid-19.

1.7.2 ***Covid-19 implications:***

In February 2020 the implications of the national pandemic were emerging and national lockdown in the UK was announced on the 16th March 2020. Different periods of lockdown restrictions continued at a national and local level through 2020 and at the start of 2021. The implications on travel were significant and this brought about associated improvements in air quality.

In close liaison with JAQU the potential medium- and long-term implications of Covid-19 on travel and transport were reviewed. However, towards completion of our analytical review, we were advised in a letter from Ministers in February 2021 that due to the significant uncertainties associated in forecasting these impacts that no Covid-19 related impacts should be considered as part of our review.

From our monitoring of road traffic, it is clear that a number of key routes across the city are now back, or close to, pre-pandemic volumes and along with this are aligned increases in air pollution.

1.7.3 ***Wider information accounted for within the review:***

Given the time that had passed since the submission of the OBC in December 2018 more recent roadside air quality monitoring data was available. This included data from a number of new monitoring locations introduced at the start of 2019 at areas of interest identified in the OBC where previously no monitored information was available. Whilst air quality monitoring in 2020 was clearly impacted as a result of the pandemic, in liaison with JAQU it was agreed that the evidence base would be updated using new pre-pandemic data where previously the OBC had relied solely on modelled data.

In addition, where changes to the road network had occurred the transport model was updated to reflect these changes. These include the junction improvements at Bridgehouses and the changes across the City Centre including proposals that form part of the broader Connecting Sheffield Transforming Cities scheme.

1.7.4 **Other considerations relating to the pandemic:**

The pandemic is unprecedented in modern times and the impacts are still being observed and cannot be fully understood at this time.

Whilst the Government has made a number of financial packages available to businesses and the self-employed, the Local Authority is very aware that the pandemic has and continues to impact on people's lives in different ways.

As far as was possible during the pandemic, stakeholder engagement took place with key stakeholders who would be most economically impacted by the CAZ charges. Feedback has been incorporated into the detailed CAF funding mitigation packages put to JAQU to strengthen the case for financial support for Taxi, HGV, LGV, buses and coaches to upgrade to compliant vehicles.

1.8 Taxi Standards:

- 1.8.1 A key implication arising from the February 2020 funding award and the economic implications of the pandemic has been in relation to the higher ULEV standards that we proposed as the minimum compliance standards for Hackney Carriages and Private Hire Vehicles (PHV). This proposed that Hackneys would be required to be either Electric Vehicles or retrofitted to Liquid Petroleum Gas (LPG), and PHVs would have to be Euro 4 Petrol Hybrid or better. The national CAZ compliance standards are Euro 6 Diesel or Euro 4 Petrol.
- 1.8.2 Our local licensing standards have successfully achieved a fully wheelchair accessible Hackney Carriage fleet in Sheffield. However, the availability of appropriate electric wheelchair accessible Hackney Carriage vehicles is limited. At the time of our consultation in Summer 2019 there were only two models of vehicle suitable, and this remains the case. The cost of these vehicles is significant, particularly given the limited second-hand market, and production was adversely impacted because of the pandemic.
- 1.8.3 As such, it is considered that the implications of moving to an ULEV minimum compliance standard for taxis at this time would be too onerous and within our review we have tested the implications of moving to the national CAZ compliance standards. Our assessment has confirmed that a Category C Charging Clean Air Zone with Euro 6 Diesel and Euro 4 Petrol standards for Hackney Carriages and PHVs achieves compliance.
- 1.8.4 Whilst it is recommended moving to the national compliance standards for taxis, the aspiration remains to help those who can, to move to an electric vehicle. As part of our package of financial support measures we will be offering a higher level of funding for taxi drivers to upgrade to an electric vehicle (up to £10k for a Hackney Carriage and £3k for a PHV).
- 1.8.5 Wider supply chains continue to be disrupted in variable ways leading to limited availability of compliant vehicles and some other materials such as highway infrastructure required for the charging zones. The project team continue to engage with suppliers to understand these impacts and how they might ultimately affect the deliverability of the CAP. Exemptions to daily clean air charges will be offered to drivers who are in the process of upgrading but are suffering from supply chain constraints.

1.9 CAZ Exemptions:

- 1.9.1 The National Clean Air Zone Framework² sets out a number of exemptions to charging that apply at a national level and therefore need to be included in every Clean Air Zone.
- 1.9.2 The national framework also outlines the ability for Local Authorities to consider local exemptions and the circumstances in which these may be considered appropriate. In providing exemptions it must be shown that these do not affect the ability for an area to achieve compliance in the shortest possible time. A breakdown of the exemptions currently proposed is presented in Appendix 1.

1.10 Current Position:

- 1.10.1 Following the February 2020 Ministerial Direction Sheffield City Council (SCC) are legally obliged to implement a Category C charging Clean Air Zone along with wider traffic management measures, to achieve compliant levels of annual average NO₂ in 2021, and to submit a full business case to Government.
- 1.10.2 Although air quality across the city improved in 2020 as a result of the lower traffic levels during periods of lockdown, there are still locations where compliant levels of air quality are not met. Without intervention Sheffield has locations that are currently predicted to remain in exceedance until 2025.

1.11 The recommended proposal:

- 1.11.1 The Clean Air Plan proposal is to progress a CAZ C charging zone in Sheffield in conjunction with traffic management measures and the delivery of the financial support measures for people to upgrade to compliant vehicles.
- 1.11.2 Updated evidence has shown that the CAZ C zone is the option most likely to achieve compliance within the shortest time. The predicted year for achieving compliance is currently 2022 based on an anticipated implementation of the scheme by September 2022³.
- 1.11.3 Fleet upgrades observed since 2017 (OBC evidence base) mean that the ultra-low emission ‘+’ standard for taxis previously proposed is no longer required to reach compliance. It is now proposed that the CAZ compliance standard for Hackney Carriage and Private Hire Vehicles (PHV) in all CAZ options is Euro 6 Diesel or Euro 4 Petrol.
- 1.11.4 Note that the CAZ C charging zone remains as that consulted on in 2019 with the exemption that the taxi vehicle standards have changed and are now in line with the National Government CAZ Framework.

Clean Air Zone Boundary	The area bounded by, and including, the Inner Ring Road and all roads within it. This is the same CAZ boundary as proposed within the consultation undertaken in Summer 2019.
Times of Operation	24 hours a day, 7 days a week.

²

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/863730/clean-air-zone-framework-feb2020.pdf

³ Subject to approval of FBC and joint SCC and JAQU agreement on the overall ‘readiness’, including that the Central Charging Portal and national Vehicle Checker is fully available.

	Anticipated implementation September 2022.
Vehicles affected	<ul style="list-style-type: none"> • Licensed Hackney Carriage • Licensed Private Hire Vehicles • Bus • Coach • Minibus • LGV • HGV
Proposed daily charge (single charge even if making multiple trips) for non-compliant vehicles (i.e. those vehicles older than Euro 6 Diesel and Euro 4 Petrol)	<p>£50 - HGV, Coaches and Buses</p> <p>£10 – LGV, Minibus, Licensed PHV, and Licensed Hackney Carriage</p>
Wider traffic management measures required ⁴	<p>Northbound only Bus Gate on Arundel Gate from a point north of Novotel access.</p> <p>Anti-idling enforcement at Bus Stops on Arundel Gate.</p>

1.12 **Consultation:**

1.12.1 Consultation on the detailed CAP proposals is planned to commence at the start of November 2021. The method and form of consultation will broadly follow the consultation undertaken in Summer 2019 with the primary consultation questions hosted on citizen space with updated information on the scheme proposals available on the Clean Air Sheffield section of the Council's website.

1.12.2 The additional information provided will include:

- Information about the charging zone
- The different support packages to mitigate the impact on those most affected by providing financial support to upgrade to a compliant vehicle.
- National and local exemptions

1.12.3 Meetings will be held with key stakeholder groups. Specific questions will be included for businesses, taxi drivers and the general public.

The consultation will be used to inform the final position on proposed exemptions and where possible in refining aspects of the final financial support packages.

⁴ It should be noted that as part of the joint Sheffield and Rotherham CAP that Rotherham MBC will be taking forward a range of traffic measures.

1.13 Full Business Case and Implementation:

- 1.13.1 A Full Business Case (FBC) needs submitting to JAQU as soon as is practicably possible, therefore it is recommended that the authority to submit the FBC to Government is delegated to the Executive Director of Place, in consultation with the Executive Director of Resources and Executive Member for Climate Change, Environment and Transport. The FBC will only be finalised following full consideration of the consultation findings.
- 1.13.2 Implementation of the zone and delivery of the financial mitigation packages will continue to be progressed (as per the February 2020 Direction) alongside the consultation and finalisation of the FBC utilising the grant funding previously received from Government.
- 1.13.3 Siemens successfully tendered for the infrastructure work required for the charging zone including supply, installation and maintenance of Automatic Number Plate Recognition cameras. This contract must be entered into by the 31st October 2021 as the framework under which it was tendered expires on that date. Failure to do so would mean a new tender process carrying risks of increased costs, potential supply issues and delay to the timescales set out in this report. Following a short preparation period, the installation process is planned to commence in November 2021.
- 1.13.4 It should be noted that following a Cabinet decision in March 2021⁵ Rotherham MBC are progressing the statutory consultations and procurement required for the delivery of their compliance measures which comprise of a number of traffic management schemes in Rotherham. RMBC will also need to approve the joint Sheffield and Rotherham CAP FBC prior to submission to Government.

1.14 Broader action on Air Pollution and Carbon emissions from Transport

- 1.14.1 In line with our legal direction, our Clean Air Plan focuses on tackling Nitrogen Dioxide (NO₂) from road traffic in the shortest time possible. Approximately 50% of NO₂ comes from tailpipes of the city's vehicles. In addition, 27% of the city's overall Carbon emissions (CO₂e) comes from transport, which is the biggest overall contributor in Sheffield.
- 1.14.2 Whilst the Clean Air Plan measures are essential to achieve current legal limits, addressing air pollution more fully and tackling transport's role in responding to the Climate Emergency is fundamentally an issue of how we live and how we choose to move around the city. In June 2018, Sheffield City Council agreed a new [Transport Strategy](#) which created a long-term vision for transforming the city's infrastructure to make it easier to travel around Sheffield by the most sustainable modes, prioritising the delivery of improved infrastructure for walking and cycling and ensuring that public transport is integrated, faster and more reliable.
- 1.14.3 Through the development of the recent [Pathways to Zero report](#) we know that the action required will need to result in an overall reduction in vehicle trips; with a significant switch to active and public transport away from private cars; and that all remaining motorised vehicles will need to be upgraded to electric or other zero emission fleet to deliver our Net Zero ambitions. This will be reflected in the upcoming 10 Point Plan for Climate Action
- 1.14.4 There are a number of significant projects that we have delivered to contribute towards these outcomes, and further improvements are planned through our Connecting Sheffield programme, which will be expanded should a number of

⁵ <https://modern.gov.rotherham.gov.uk/documents/s130236/Report%20-%20CAZ%20Scheme%20Approval.pdf>

current funding bids to Government be successful. These infrastructure projects sit alongside the continued delivery of wider initiatives including, but not limited to: training, support, and bike loans to enable active travel; EV van and taxi trial schemes; the roll out of public EV Charging; work to develop the Bus Service Improvement Plan (BSIP) and Enhanced Bus Partnership with SYMCA partners.

- 1.14.5 Delivery of projects to improve conditions within local communities will also be essential and measures we are progressing include: Low Traffic Neighbourhoods, to reduce rat running and create safe and accessible streets; School Streets, to reduce traffic and emissions outside schools and encourage people to walk, scoot or cycle; continued delivery of the citywide commitment to 20mph speed limits in residential areas.

1.15 Next Steps

- 1.15.1 Subject to the recommendations of this report being endorsed, officers will:

- Finalise consultation information so that this can commence at the start of November 2021.
- Continue to develop the implementation and contract arrangements required to deliver the CAZ and other CAP measures.
- Prepare FBC documentation for submission to Government.
- Make arrangements to distribute funds to support those businesses, individuals and organisations who need to upgrade their vehicle to become compliant.

2. HOW DOES THIS DECISION CONTRIBUTE?

- 2.1
- Contributes towards meeting the legal obligation
 - Contributes towards protecting public health and making a positive impact on those who are vulnerable to roadside pollution including working drivers.
 - Contributes positively towards net-zero targets
 - Contributes towards achieving the corporate objectives within the One Year Plan

3.0 HAS THERE BEEN ANY CONSULTATION?

- 3.1 Public consultation the CAP including a category C '+' (higher ultra-low emission standard for taxis) was undertaken between the 1st July and 26th August 2019 covering both Sheffield and Rotherham. The [consultation reports](#) can be viewed on the SCC website.
- 3.2 Additional stakeholder engagement with business and other impacted groups / individuals was undertaken during 2020 and into early 2021, this provided some essential insights to inform the development of the mitigation measures.
- 3.3 As covered in Section 1, further consultation on the detailed proposals is scheduled to commence in November 2021.

4.0 RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

- 4.1.1 **Health Impact Assessment summary:** The Clean Air Zone, if successful in reducing NO₂ will improve Sheffield's air quality which should directly impact on cardiovascular and respiratory health of residents. The CAZ is only for nitrogen

dioxide reductions and other air pollutants are not covered – these pollutants such as fine dust (PM₁₀ and PM_{2.5}) will continue to be produced by less polluting vehicles as they are a result of wear and tear on the vehicle and road surface. Therefore, a modal shift to active travel and mass transit would be needed to deliver overall air quality improvements. Those switching from car use to active travel (particularly walking, cycling, running, scooting, skateboarding) are likely to be healthier as they will be more likely opportunistically to achieve physical activity targets of 30 minutes, 5 times a week as part of their commute⁶

4.1.2 **Equality Impact Assessment summary:** Air pollution can be harmful to everyone, some people are more vulnerable than others because they are exposed to higher levels of air pollution in their day to day lives, live in a polluted area, or are more susceptible to health problems caused by air pollution. The most vulnerable people face all of these disadvantages. Overall, the introduction of a charging Class C CAZ, which brings about compliance with legal levels for nitrogen dioxide, will have positive health benefits for all and in particular for those people in the following protected characteristic groups:

- Age: Children and the elderly are most at risk
- Disability: Those with respiratory or cardio-vascular conditions are specially at risk
- Pregnancy and Maternity: Unborn babies are at risk and there is increased risk of miscarriage.

Addressing Sheffield's air pollution challenge should bring benefits to communities across the whole city, particularly as some of the most significant polluters (buses, taxis, LGVs) drive around and through neighbourhoods in every part of Sheffield.

As vehicle fleets are upgraded and replaced in response to the CAZ, the NO₂ concentrations around the whole road network should improve at a faster rate than without action. Changes in the automotive industry and shift toward hybrid and electric vehicles and away from diesel should continue to bring reductions in air pollution to communities and neighbourhoods in Sheffield.

The CAP proposals involve significant change but are intended to bring positive health and wellbeing outcomes for all communities and particularly those most exposed to the harmful levels of NO₂. There are economic impacts resulting from the CAZ charges which have been considered, and the financial support measures have been developed to mitigate these as much as possible. Consideration is needed to protect people with limited mobility to mitigate potential impacts on essential services such as accessible taxis or buses.

The EIA will continue to be updated and will be published again after the consultation analysis work is completed.

4.2 **Financial and Commercial Implications**

DEFRA and DfT have awarded grant funding of which the key features (not exclusive) are summarised below. The Grant Manager will need to read, understand and comply with all of the grant terms and conditions and ensure that there are no ongoing, unfunded costs when the grant funding ends.

⁶ <https://travelwest.info/essential-evidence/no-186-active-travel-physical-activity-evidence-review>
<https://travelwest.info/essential-evidence/119-walking-to-work-does-it-contribute-to-increasing-total-physical-activity-time>

4.2.1 **Revenue CAZ Grants**

1. NO2 PLAN - Implementation of Measures Grant (No 31/4039): £1.302m

- Detailed budget headings for grant expenditure are identified in the grant offer letter
- Implement local plan to reach legal NO2 compliance in the shortest possible time.

2. NO2 Plan - Clean Air Fund Grant (No 31/4038): £12.628m

- Support individuals/businesses affected by the local plan to reach legal NO2 compliance in the shortest possible time (projects to be supported are identified in the grant offer letter).

For both CAZ revenue grants the following conditions also apply:

- Any unused funding is to be used for delivering air quality improvements and/or supporting individuals and businesses affected by local air quality plans.
- Any project changes must be discussed with JAQU asap and substantial changes may require a variation

4.2.2 **Capital CAZ Grants.**

3. NO2 Plan - Clean Air Fund (No 31/4051): £7.785m

- Support individuals/businesses affected by local plan to reach legal NO2 compliance in the shortest possible time (projects to be supported are identified in the grant offer letter).
- JAQU will provide 5% of EV charge points funding to RMBC at the time payment is made.

4. NO2 Plan – Implementation Fund Grant 2020 (No 31/4052): £2.209m

- The grant will fund Rotherham Road Schemes.
- Implement local plan to reach legal NO2 compliance in the shortest possible time.
(As per OBC September 2019 - CAZ Class C).

For both CAZ capital grants the following conditions also apply:

- Unused funding to be used for delivering air quality improvements and/or supporting individuals/ businesses affected by local air quality plans.
- Changes to any element of the project must be discussed with JAQU as soon as possible and any substantial change may require a variation
- The grant may be used only for the purposes that a capital receipt may be used for in accordance with regulations made under section 11 of the Local Government Act 2003.
- Failure to comply with any of the conditions will lead to grant clawback

For note:

If any risks to the ability to meeting compliance as set out in the legal direction are identified JAQU must be notified as soon as possible and in advance of the reporting periods. Actions taken to mitigate will need agreed with JAQU.

Grants are made on the basis of information in the OBC and require delivery in line with the information provided (Implementation of a class C charging CAZ and additional measures as soon as possible to achieve compliance in 2021).

4.2.3 **Other**

The resource implications of the introduction of the clean air plans will be set out in the Full Business Case. The introduction of the zone, other compliance measures and payment of support will be funded via the grant allocations. The on-going costs associated with the operation of the zone will be funded through the surplus charging income generated.

Any surplus income generated after covering the costs of the operation of the zone can only be used for re-investment in sustainable transport schemes in the city and cannot be used for any other purpose.

All procurement activity identified in the Final Business Case will comply with Public Contract Regulations 2015.

4.3 **Legal Implications**

4.3.1 Under Part IV of the Environment Act 1995, Local Authorities are required to have regard to any national strategy on clean air which is published by the Secretary of State; and 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). The Secretary of State, in exercise of the power conferred by section 85(5) of the Environment Act 1995, Directed that SCC and Rotherham on 24 February 2020:

1. Must take steps to implement the local plan for NO₂ compliance for the areas for which they are responsible.
2. Must ensure that the local plan for NO₂ compliance is implemented so that;
 - (a) compliance with the legal limit value for nitrogen dioxide is achieved in the shortest possible time, and by 2021 at the latest;
 - (b) exposure to levels above the legal limit for nitrogen dioxide are reduced as quickly as possible.
3. Must prepare a full business case for the areas for which they are responsible.
 - (a) The full business case must be submitted to the Secretary of State as soon as possible and by 24 March 2020 at the latest and must describe (Schedule 1) the implementation of a Charging Clean Air Zone class C with complementary measures.

Under section 85(7) of the Environment Act it is the duty of a local authority to comply with a Direction given to it.

4.3.2 In November 2018 this Authority approved the submission of the Outline Business Case to Government and it was anticipated that the Full Business Case would be submitted thereafter. The submission of a FBC has not proved possible as set out in this report.

4.3.3 Action to manage and improve air quality is a legal requirement. SCC has received a Ministerial Direction during the development of the proposed CAZ scheme. The effect of which is that the Council must fulfil its statutory duty to achieve compliance with air quality standards by 2021, at the latest and in any case, in the shortest time

possible, by the implementation of the CAZ C charging scheme as mandated. Compliance with that deadline has not so far proved possible as set out within the report. The Authority's failure to submit the FBC and implement the mandated CAZ C charging scheme within the prescribed deadlines imposes a serious risk to the Council and gives rise to potential legal challenges by way of judicial review. There is also the risk that any grant funding already provided to SCC such funds could be recovered by Government, by way of clawback.

4.4 Other Implications

4.4.1 *Impact on individuals*

Poor air quality is responsible for about 3% of all illness and just less than 5% of deaths in Sheffield. There is no bodily process that isn't accelerated by one form of pollution or other. In assessing impact, it is also important to consider the role of pollutants both causing and accelerating the progress of a disease. The estimates are probably underestimates as the science is continually developing and we are continually learning more about the negative health impact of air quality.

There are a significant number of children who are having their life course influenced by something which isn't in their control, and we know the impact of air pollution is regressive - people of low income exposed to greatest pollutants. Pre-existing conditions (for example asthma or cardiovascular disease) make people more prone to the impacts of pollution, those conditions are more common in more deprived communities, combined with pollution per se being higher in more deprived communities.

Increasingly we are seeing that particulates (PM – particulate matters) and black carbon can get into the placenta and into unborn babies, and we know children are also more sensitive to the negative impacts in terms of the impact on developing brains, lungs, immune system (moving it to a more allergic / inflammatory prone phenotype). We are beginning to see a different type of asthma with more, late onset non allergic asthma. We are also beginning to see more very early onset wheezing in very young babies.

The [coroner report](#) on the death of Ella Kissi-Debrah where air pollution was directly attributed to the death of this girl notes that this is will not be the last time such a case is heard.

4.4.2 *Public health policy*

Whilst it is perhaps inevitable that national policy is driven by compromise There are no circumstances in which air pollution could be seen as a good thing. The distinction between legal limit and safe can't be underscored enough. There isn't a "safe" limit from a public health perspective. The World Health Organisation (WHO) set out a dramatically reduced limit for emissions linked to fossil fuels, the recommended NO₂ limit is lowered from 40 µg/m³ to 10µg/m³. It has also lowered the recommended limits for average annual PMs.

The WHO stated that on PM2.5 Almost 80% of deaths related to PM2.5 could be avoided if the current air pollution levels were reduced to those proposed in the updated guideline. Some of the new guideline values look feasible for the UK to meet, within this decade, if clean technologies work as hoped and implementing net zero progresses at pace.

Nitrogen dioxide (NO₂) for example is already starting to fall as older vehicles retire and battery electric vehicles increase in number; there is the prospect of largely eliminating this as a cause of harm in the medium to long-term.

Of note WHO devoted significant space to the most vulnerable in society; underscoring that the risks of air pollution are not evenly distributed. Meeting the public health challenge will need both population shift and effort to protect the most vulnerable. A 1 ug change across a population will have a significant impact. The implications are the need to shift social norms, make an environment that supports non car modes of travel and set out changes that we can all make supported by the right environment.

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 In assessing options, the primary success factor required by Government is ensuring 'compliant levels of Nitrogen Dioxide (NO₂) emissions within the shortest time'. The Full Business Case (FBC) appraisal process will follow HM Treasury guidance and be consistent with the approach taken at OBC.

Post Covid 19, remodelling work was undertaken to establish whether any alternative CAZ approaches would be sufficient to meet the legal obligations. A CAZ C continues to be the model most suited to achieving compliance within the shortest time and this remains the requirement mandated by Government. No other form of CAZ is permissible without Ministerial consent.

A set of technical documents detailing the analytical modelling work will be submitted to Government, forming part of the Full Business Case. These documents are currently being drafted and will be submitted to the JAQU for review by their technical assurance panel prior to FBC submission. Further detail will be published on the SCC Clean Air website after JAQU technical review process is completed.

6.0 REASONS FOR RECOMMENDATIONS

- 6.1 The recommended proposal is predicted to reach legal compliance within the shortest time to achieve the outcome of protecting public health by minimise exposure to harmful NO₂ pollution.
- 6.2 Other recommendations within this report are included to ensure that in the CAP actions can be progressed as quickly as possible to achieve the outcome above.

Appendix 1: Clean Air Plan Proposed Exemptions - V1.00

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Appendix 1: The Clean Air Plan Proposed Exemptions (DRAFT)**1.1 What are exemptions?**

Some drivers and owners of specific types of vehicles will not need to pay a daily charge to drive in the Sheffield Clean Air Zone. There are some national and local exemptions from the daily charge.

The government's Clean Air Zone Framework sets permanent national exemptions for historic vehicles, military vehicles, disabled passenger vehicles, and specialist emergency service vehicles. They will apply equally to ALL Clean Air Zones operating within England and Wales and will be managed centrally by Government. Please refer to the Government's clean air zone framework for further details (<https://www.gov.uk/guidance/driving-in-a-clean-air-zone>).

You can check whether your vehicle is nationally exempt on the GOV.UK website (https://vehiclecheck.drive-clean-air-zone.service.gov.uk/vehicle_checkers/enter_details).

If your vehicle is eligible for a national exemption, you do not need to apply for the exemption and you can drive in any clean air zone in England without paying a daily charge.

Sheffield City Council is also proposing local temporary and permanent exemptions for the Sheffield Clean Air Zone. Owners or registered keepers of eligible non-compliant vehicles will be able to apply for a temporary exemption. The dates when applications for exemptions will open is still to be determined.

1.2 Categories of local exemptions

Local exemptions can be placed into the following categories: -

Category	Description
Exemptions for hard to replace vehicles	These are vehicles which are engaged in a unique or novel purpose and can't be, or are hard to be, replaced with a like for like alternative or the vehicle cannot be retrofitted to achieve compliant vehicle emission standards
Exemptions to support vehicle upgrades	These are vehicles that can be replaced or retrofitted, but either a replacement or retrofitted compliant vehicle is on order; or the current non-compliant commercial vehicle is subject to a finance agreement
Exemptions to support vulnerable groups in the community	Additional support for not for profit and community interest groups
Exemptions to support health and emergency services	Additional support for police, fire and ambulances
Exemptions to support unavoidable diversions into the Clean Air Zone	Exemptions for non-compliant vehicles that have been diverted into the Clean Air Zone

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Appendix 1: **Clean Air Plan Proposed Exemptions – V1.00****1.3 Exemptions for hard replace vehicles**

Each exemption will be reviewed on a case-by-case basis and must be renewed each calendar year. They will remain in place for all years the Clean Air Zone is in operation.

Exemption	Description	Period	Important Detail
Agricultural and similar vehicles	<p>This exemption applies to higher emission non-road-going vehicles, such as: -</p> <ul style="list-style-type: none"> tractors gritters snow ploughs mowing machines, and steam powered vehicles 	All Years	<p>Local exemption.</p> <p>Reviewed on a case-by-case basis.</p> <p>Must be renewed each year (tbc)</p>
Specialist vehicles	<p>This exemption applies to vehicles that are either authorised to be on a road via a Vehicle Special Order granted by the Vehicle Certification Agency, or a vehicle which is at least 3,500kg and one of the following: -</p> <ul style="list-style-type: none"> a digging machine road roller mobile crane mobile pumping vehicle, or works truck designed for use in private premises. 	All Years	<p>Local exemption.</p> <p>Reviewed on a case-by-case basis.</p> <p>Must be renewed each year (tbc)</p>
Specialist HGVs	<p>This exemption applies to vehicles that: -</p> <p>transport goods;</p> <p>weigh more 12 tonnes; carry a load that cannot be divided into two or more loads for the purpose of being carried on a road; and:</p> <p>cannot themselves be carried on another vehicle</p>	All Years	<p>Local exemption.</p> <p>Reviewed on a case-by-case basis.</p> <p>Must be renewed each year (tbc)</p>
Recovery vehicles	<p>This exemption applies to vehicle recovery vehicles that are used solely for the purpose of vehicle recovery</p>	All Years	<p>Local exemption.</p> <p>Reviewed on a case-by-case basis.</p> <p>Must be renewed each year (tbc)</p>
Showman's Vehicles	<p>Exemptions for vehicles that are: -</p>	All Years	<p>Reviewed on a case by case basis.</p> <p>Must be renewed each year (tbc)</p>

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Appendix 1: **Clean Air Plan Proposed Exemptions – V1.00**

	<p>registered to a person following the business of a travelling showman; have been modified or specially constructed.</p> <p>For a vehicle to be eligible for the exemption, modifications or special constructions for the purpose of the show must be either:</p> <ul style="list-style-type: none"> • Be used during the performance; or • Be used for the purpose of providing the performance; or • Be used for carrying performance equipment; and • Be below the chassis level, such that it isn't possible to fit emission abatement equipment. 		<p>Trailers and semi-trailers which have been modified or specially constructed are not eligible for the 100% discount.</p>
<p>Non-commercial vintage buses</p>	<p>Non-commercial coaches and buses between 20 and 39 years of age on the eligible non-charging day concerned.</p>	<p>10 set days per calendar year</p>	<p>Vintage bus means a Class M2 or M3 vehicle that at any time during a given financial year was constructed more than 20 years and less than 40 years before 1 January in that financial year and is not used on a designated road for hire or reward of for on connection with a trade or business.</p> <p>Eligible non-charging day means each of the first 10 charging days in any financial year.</p>

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 Appendix 1: **Clean Air Plan Proposed Exemptions – V1.00**

1.4 Exemptions to support vehicle upgrades

Exemption	Description	Period	Important Detail
Compliant vehicle on order	An exemption for a non-compliant vehicle whilst a replacement or retrofit is on order to replace that non-compliant vehicle.	Until taking delivery of new compliant vehicle, or for up to one year from the launch of the zone (whichever is sooner)	Reviewed on a case-by-case basis. Temporary exemption. Exemption for replacing or retrofitting current non-compliant vehicle until the expected delivery date of a compliant vehicle.
Non-compliant commercial vehicles with existing finance agreement	An exemption for non-compliant commercial vehicles subject to an existing finance agreement beyond commencement of the Clean Air Zone.	Until the expiration date of the finance agreement, or for up to one year from the launch of the zone (whichever is sooner)	Commercial vehicles only. Reviewed on a case-by-case basis.

CAP Cooperative Executive Report

Appendix 1: Clean Air Plan Proposed Exemptions – V1.00

1.5 Exemptions to support vulnerable groups in the community

Exemption	Description	Period	Important Detail
Community Transport Vehicle	An exemption for passenger vehicles with >8 passenger seats; maximum weight of 5000kg; and who hold a 'community minibus permit' (s19 or s22 transport act permit)	1 year	The exempted vehicle must be being used pursuant to a community transport permit, which means a permit granted under section 19(3), 19(4), 19(5) or 22(2) of the Transport Act 1985; and -must be registered as Section 19 or 22 for operation in Sheffield and not registered as a Hackney Carriage or Private Hire Vehicle.

1.6 Exemptions to support health and emergency services

Exemption	Description	Period	Important Detail
Emergency Service Vehicles	An exemption for police, fire, ambulance, mine rescue and lifeboat vehicles that are exempt from road tax.	All Years	It is an exempt vehicle by virtue of it falling within any of the following definitions of exempt vehicles within Schedule 2, Vehicle Excise & Registration Act 1994: <ul style="list-style-type: none"> -Police vehicles -Fire engines -ambulances and health service vehicles -mine rescue vehicles -lifeboat vehicles

1.7 Exemptions to support unavoidable diversions into the Clean Air Zone

Exemption	Description	Period	Important Detail
Diverted Vehicles	Exemption for vehicles used on one or more designated roads solely because of a traffic diversion	All Years	<p>Local exemption managed on a case by case basis by Sheffield City Council. No action is required from the driver.</p> <p>The traffic diversion route must be approved or designated by the Council (including diversions caused by or related to road works and emergencies).</p>

DRAFT

SHEFFIELD CITY COUNCIL

Removal from Call-in Process ("fast track") Scrutiny Procedure Rule 17

Subject: Clean Air Plan

Decision Maker: Cooperative Executive

Date of Decision: 26th October 2021

Decision to be removed from Call-in process:-

1. To approve acceptance of the grant funding of £23,967,436 awarded in March 2020 from the Department for Environment Food & Rural Affairs (DEFRA) and the Department for Transport to enable the Council to comply with its statutory duty through the measures described in this report.
2. Approves the launch of further consultation on the Clean Air Plan in November 2021 as detailed in this report.
3. Delegates authority to the Executive Director Place to enter into the contract for the successfully tendered infrastructure work required for the charging zone including supply, installation and maintenance of Automatic Number Plate Recognition cameras
4. Delegates authority to the Executive Director Place in consultation with the Leader of the Council and the Executive Member for Climate Change, Environment and Transport to submit to Government a Full Business Case to deliver a Category C Charging Zone as outlined in this report.
5. Where no existing authority exists under the LSOD, delegate authority to the Executive Director, Place, in consultation with the Executive Member for Climate Change, Environment and Transport, and with the Director of Financial and Commercial Services to approve such procurements and thereafter contract awards for any necessary infrastructure, goods and services required together with any other such steps to implement and meet the aims and objectives of the Clean Air Plan.
6. Delegates authority to the Executive Director, Place, in consultation with the Executive Member for Executive Member for Climate Change, Environment and Transport, and the Director of Finance and Commercial Services to submit a Final Business Case to Government as soon as practically possible and by February 2022.

Reasons for Urgency

To progress the Clean Air Plan to implementation to achieve legal compliance within the shortest possible time, predicted to be 2022. This is dependent on committing resources and expenditure to commence the implementation programme in November 2021.

We certify that the above item of business is urgent and that its delay for scrutiny would consequently significantly prejudice the interests of the Council or a third party. (To be signed by an Executive Director and 2 Statutory Officers)



Signed Date 15/10/21

Executive Director of PLACE

Plus any two of the following Statutory Officers:-



Signed Date 15/10/21
Head of Paid Service (Chief Executive)



Signed : Date 14/10/21
Chief Finance Officer (Executive Director, Resources)

Signed Date
Monitoring Officer (Director of Legal & Governance)

Consultation with the appropriate Executive Member / Chair of the Co-operative Executive

I confirm that I have been consulted about and support the removal of this item of business from the call-in process.



Signed Date 12th October 2021

Executive Member for Climate Change, Environment and Transport.

Lead Officer to Complete

As Lead Officer (LO), I confirm that I have notified the Chair of the Scrutiny Committee* detailed below, that the decision is urgent and they are aware that the decision is being removed from the call-in process.

Scrutiny Chair: Cllr Denise Fox

Scrutiny Committee: Overview and Scrutiny Management Committee



LO Signature

Date 12 March 2021

Print Name: Tom Finnegan-Smith

Position: Head of Strategic Transport, Sustainability and Infrastructure

*In the absence of the Scrutiny Chair, the Lord Mayor / or Deputy Lord Mayor should be notified and recorded above.

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