



Decision Pathway – Report

PURPOSE: Key decision

MEETING: Cabinet

DATE: 14 December 2021

TITLE	Clean Air Zone Project update	
Ward(s)	City wide	
Author: John Smith	Job title: Director, Economy of Place	
Cabinet lead: Mayor	Executive Director lead: Mike Jackson, Chief Executive	
Proposal origin: Other		
Decision maker: Mayor Decision forum: Cabinet		
Purpose of Report:		
<ol style="list-style-type: none">1. To provide an update on the development of the traffic Clean Air Zone (CAZ) project and ministerial Direction issued by the Government on 1st November 2021 (in Appendix A).2. To provide information about the Implementation Fund and CAF bid approved by JAQU and forecast spend.3. To seek authority from Cabinet for the Chief Executive Officer (Clean Air Zone Senior Responsible Officer – SRO) to spend funding and procure and enter in to contracts necessary to implement the project, within the budget envelope.4. To seek authority for the Chief Executive Officer to seal the CAZ Charging Order.		

Background

1. Substantial discussions have taken place between Bristol City Council and the government's Joint Air Quality Unit (JAQU) following the last report to Cabinet on 25th February 2021 for approval to submit the Full Business Case (FBC) for a clean air plan for Bristol JAQU. Following our initial submission further work was needed to address requests for more information by JAQU that resulted in a number of revisions being submitted at the end of June 2021. This resulted in the original October 2021 launch date becoming unachievable since JAQU required 6-8 weeks to review the FBC. Through joint discussion a realistic timeframe for the launch of the scheme was agreed to be in the summer 2022 and this is the timescale the team are working to.
2. The Mayor received the Ministerial letter on 1st November 2021 confirming approval of Bristol City Council's Full Business Case and issued a new Direction regarding the implementation of a CAZ D Clean Air Zone in Bristol in the shortest possible time. We have also now received grant letters from JAQU for both the implementation and Clean Air Funding (CAF) outlining the funds.
3. Whilst waiting for the FBC to be approved work has been progressing as far as possible with resources funded from the original £11.9m funded by JAQU to enable the development of the Full Business Case, to explore and develop solutions for the technical design, to carry out and prepare for the necessary tenders and plan for the delivery phase to be ready for implementation. Furthermore, the Council has been consulting with our own fleet services and partners with large fleets who have been committed to upgrading their vehicles in order to meet compliance.
4. The tender for the installation of the cameras to enforce the scheme and back-office systems was combined with tendering for the replacement of a number of end-of-life Bus Lane Enforcement cameras to avoid multiple contracts/suppliers/support and maintenance agreements etc. This tender was awarded in August on the basis that the CAZ element of the contract was not 'enabled' until JAQU had approved the FBC.

5. Cabinet will note that a key decision was taken as an urgent OED by the Chief Executive on the 9th November 2021 following JAQU's approval of the FBC. This is to enable the supplier to commence the solution design immediately and source the cameras needed for the enforcement of the CAZ scheme as early as possible as there is risk of longer lead times in delivery. The requirement of the constitution was complied with.

Timescale

Government have directed Bristol City Council to meet compliance in the shortest possible time and at the very latest by 2023. Currently we are aiming to launch the scheme in the summer of 2022.

Funding

JAQU has approved bids for the Implementation and Clean Air Fund as shown below based on the middle upgrade estimate for loans and grants. A further £17.5m of stretch-funding can be applied for if needed.

Vehicle Type	Grant amount per vehicle	Finance amount per vehicle	Total Award
Car	£2,000	£5,000	£879,189
Taxi (PHV)	£1,500	£9,000	£1,019,004
Taxi (Hackney)	£4,000	£9,000	£1,350,000
LGV ¹	£4,000	£16,000	£9,657,270
HGV	£16,000	£26,000	£743,772
Coach	£16,000	£35,000	£1,153,092
Bus retrofit			£2,075,388
Stretch-funding for further grants and loans			£17,500,000
Sustainable Travel Team			
Mobility credits and / or subsidised bus travel for certain demographic or income groups			£5,853,496
Business support including personalised travel planning			
CAF scheme promotion - Leaflets / publicity etc.			
Freight Consolidation			
Micro-consolidation with cargo freight bikes and Only Mile Delivery			£2,000,000
CAF TOTAL			£43,072,462
Implementation Total			£6,950,000
TOTAL FUNDING			£49,181,211

¹ LGVs - Support will be capped at £6,000. This can be a combination of grant and the interest payment of a loan (based on 20% interest rate).

JAQU have agreed to cover the cost of grant admin set-up fees up to £1,0060,000 (not included above) - this funding can be applied at the same time as the stretch funding

Not Awarded			
Bus refurbishment			£1,170,000
Old Market Gap Cycle Scheme			£720,726
Increase, Improve, Update legible City Signage			£500,000

The cycle scheme will be funded through a different funding stream to the Clean Air Zone. The Old Market Gap project is designed to help reduce short car journeys by making it easier to walk and cycle into the city centre from the north and east of the city on quiet streets and segregated cycle infrastructure. It will complete the missing gap in the city's central cycling network between recent improvements on Baldwin Street and the Bristol to Bath Railway Path. Improvements include additional segregated cycle lanes, upgraded crossings, extended bus lanes and cycle parking.

Cabinet Member/Officer Recommendations:

That Cabinet:

1. Notes the new Direction dated 1st November 2021 (Appendix A) which includes a requirement for Council to implement a small Charging Clean Air Zone Class D to meet compliance in 2023.
2. Notes the Officer Executive Decision taken on the 9th November by the Chief Executive to approve spend and 'enable' the CAZ element of the existing contract for the provision of 'approved devices for unattended enforcement' (cameras) to enforce the CAZ.
3. Approves acceptance and spend of the £50m grant awarded to BCC to implement the CAZ scheme as well as roll out the non-charging measures to facilitate compliance set out in the Directive.
4. Delegates authority to the Chief Executive Officer to spend the funding and procure and enter into all necessary contracts to progress the work needed, to the limit of the funding envelope. Authority includes decisions that are above the key decision threshold.
5. Delegates authority to the Chief Executive Officer to seal the CAZ Charging Order.

Corporate Strategy alignment:

The key strategic themes and principles of the existing policies overlap with several of critical success factors used in the economic assessment, including those related to air quality improvements, benefits to the economy, social inclusion and public health benefits.

The Corporate Strategy 2018-2023 commits the City Council to: "Keep Bristol on course to be run entirely on clean energy by 2050 whilst improving our environment to ensure people enjoy cleaner air, cleaner streets and access to parks and green spaces.". This project also supports the Council's vision; "we play a leading role in driving a city of hope and aspiration where everyone can share in its success. ...We are committed to building a better Bristol that includes everyone in the city's success. We are here to take care of the economic, social and environmental wellbeing of Bristol alongside many other local, regional and national organisations".

City Benefits:

The Clean Air scheme will improve public health by achieving legal nitrogen dioxide objectives and reducing particulate pollution in accordance with the Clean Air Plan. The Bristol One City Plan outlines how the city will become an inclusive and sustainable city by 2050. The aim of the One City Plan is to bring together the ideas and goals of many stakeholders across Bristol and combine these into a focused long-term plan for the city. The vision is to make Bristol "a fair, healthy and sustainable city. A city of hope and aspiration, where everyone can share in its success". The key strategic themes and principles of the existing strategy documents are set out in FBC-4 Strategic Case Table 2.1

Consultation Details:

Bristol City Council undertook a six-week consultation from 1 July to 12 August 2019 on the original options 1 and 2.

Engagement as part of the consultation included:

- six drop-in sessions across the city
- Communications Toolkits distributed to partner organisations to help them publicise the consultation
- public events such as the Harbour Festival
- media engagement
- social media posts
- bus shelter and variable message roadside advertisement

A second CAZ consultation ran from the 8 Oct 2020 to 13 December 2020 on the new options 1 and 2. Due to the limitations caused by the COVID-19 Pandemic, drop-in sessions and face-to-face activities were much reduced.

To boost response rates and to target low-responding parts of Bristol, 20,000 paper surveys were delivered direct to addresses in areas which have historically low response rates to consultations and high levels of deprivation. The Traffic Clean Air Zones Consultation survey received 4,225 responses. A summary of responses from groups with protected characteristics and income deciles is contained within the report. More than half of respondents (54%; 2,250 respondents) agree or strongly agree that Option 1 is a good way to improve air quality (20% strongly agree and 34% agree). A higher proportion of respondents (60%; 2,466 respondents) agree or strongly agree that Option 2 is a good way to improve air quality (32% strongly agree and 28% agree). Briefings were held with several groups including Business West (with 55 businesses joining), University Hospital Bristol NHS Trust, Southmead Hospital, University of Bristol, University of West of England, Bristol Workplace Travel Network, waste

contractors, and neighbouring councils. We also contacted 1,385 businesses about the consultation.

We have presented to Scrutiny throughout this process and are going back to Scrutiny on 18th November 2021 with an update of the CAZ and FBC approval for a CAZ D scheme.

Background Documents:

Previous [Cabinet Report of 26th February 2021](#) for Clean Air Full Business Case

[Ministerial letter to The Mayor from JAQU](#)

Letter from JAQU confirming approved [funding for Bristol Clean Air Zone](#)

Revenue Cost	£43.8m	Source of Revenue Funding	<i>JAQU Grant funding</i>
Capital Cost	£6.2m	Source of Capital Funding	<i>JAQU Grand funding</i>
One off cost <input checked="" type="checkbox"/>	Ongoing cost <input type="checkbox"/>	Saving Proposal <input type="checkbox"/>	Income generation proposal <input type="checkbox"/>

Required information to be completed by Financial/Legal/ICT/ HR partners:

- Finance Advice:** The report seeks Cabinet approval to accept and spend the funding awarded by JAQU for the implementation of a CAZ D scheme. The final funding allocated is up to £50m (which includes stretch funding of up to £17.5m for the financial support scheme – details included in the award letter which are still to be clarified). JAQU had previously awarded £11.95m towards the delivery of the scheme under a previous directive. As a result, the balance of funding will be awarded in two phases, £20.55m in phase 1, and up to £17.5m in phase 2 once predefined conditions are met.
- The CAZ implementation costs has been awarded in full and totals £6.95m and includes a risk allowance (including the balance of costs incurred towards completing the FBC).
- The Clean Air Fund (non-charging measures) awarded totals £43.05m and includes (amongst other measures) a combination of financial support for low-income families as well as local businesses affect by the introduction of the CAZ scheme (subject to funding).
- In determining the CAF funding allocation, JAQU have assumed the medium uptake scenario in the FBC submitted (which is significantly less than the case submitted as the Councils preferred option). The implication of this is that not all the affected stakeholders identified will be supported without the Council receiving additional stretch funding (if demand for support mirrors the upper uptake scenario). Pending the receipt of additional funding, the financial support may have to be paused as only partial funding is being offered up front. Officers will need to approach JAQU before such funding is depleted in order not to slowdown the rollout of financial support.
- Any additional costs implications will be met from the Risk allowance or from additional funding from JAQU. The Council will not be funding any additional implementation or non-charging measures.

Finance Business Partner: Kayode Olagundoye, Interim Finance Business Partner, Growth & Regeneration, 1st December 2021.

2. Legal Advice:

The Council is under a duty to comply with the Direction issued by the Secretary of State. The report sets out in broad terms how the Authority will comply with the direction including the utilisation of funding.

Legal Team Leader: Nancy Rollason, Head of Legal Service, (8th November)

3. Implications on IT:

This is a very “IT Heavy” project and as such we will need to ensure resources are either brought in on an interim basis or assigned from current staffing.

Digital Transformation Director: Iain Godding, Head of Enterprise Architecture (17TH November 2021)

4. HR Advice:

Consultation is underway on a new employee travel policy, which aims to meet the One City Plan’s 2030 climate ambitions, as well as compliance with the CAZ.

HR Director: James Brereton (HR Business Partner), 11th November 2021

EDM Sign-off	Mike Jackson	
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Cabinet Member sign-off	Councillor Craig Cheney, Cabinet Member for City Economy, Finance & Performance	
For Key Decisions - Mayor's Office sign-off	Mayor's Office	15 November 2021

Appendix A – Further essential background / detail on the proposal	NO
Appendix B – Details of consultation carried out - internal and external	NO
Appendix C – Summary of any engagement with scrutiny	NO
Appendix D – FBC-35 BCC CAZ Risk Management QRA	YES
Appendix E – FBC-42 BCC CAZ Equalities Impact Assessment v3	YES
Appendix F – FBC-21 BCC CAZ Environmental Appraisal 17th Feb 2021	YES
Appendix G – Financial Advice	NO
Appendix H – Legal Advice	NO
Appendix I – Exempt Information	NO
Appendix J – HR advice	NO
Appendix K – ICT	NO
Appendix L – Procurement	NO