

CAF Summary Report

Clean Air Fund Bid

The Clean Air Fund (CAF) has been set up to support individuals and businesses most affected by the local NO₂ plans. The funding from the CAF is to be secured alongside that from the implementation fund so that any identified measures can be procured parallel to the local plan. The CAF was initially composed of £220 million, and is a competitive fund which all local authorities producing local NO₂ plans can apply to. Because of this, it is important to note that the measures proposed to be funded by the CAF are not guaranteed and the extent to which they can be implemented will be reliant on the actual amount of funding received.

The measures proposed for funding through the Clean Air Fund are intended to support the Implementation Plan abatement measures by enabling PCC to deliver a reduction in NO₂ emissions in the shortest possible time, whilst reducing the negative impact on local people and businesses. Funding is requested from the Clean Air Fund to deliver the following measures which will assist *individuals and businesses to upgrade their vehicles' emissions standards or switch to cleaner vehicles* and help to normalise the use of cleaner vehicles in the local community:

- Financial incentives for taxi drivers to upgrade to Euro 6 vehicles or above;
- Retrofit or replacement of non-compliant buses and coaches;
- Financial subsidies to replace or retrofit non-compliant HGVs (subject to availability of appropriate technology) used by heavily impacted businesses.

The CAF framework states that any measures which are bid for using this funding may only be used for measures which will make it easier, more attractive, or more affordable to change to cleaner modes of transport for those businesses and individuals which will be restricted by local plans. This means that PCC is only able to suggest measures which will positively contribute towards non-compliant vehicles affected by the preferred package of a CAZ B. The non-compliant vehicles affected by a CAZ B are buses and coaches, taxis/PHVs, and HGVs.

Mitigation Measures Taxis and Private Hire Vehicles (PHVs)

- At the time of FBC submission in December 2020, there are 227 licensed hackney carriage vehicles (HCs) and 862 private hire vehicles (PHVs) (1089 in total) in the City
- Of the total 1089 vehicles operating in the city, 321 (29%) of these are non-compliant.
- These 321 vehicles could face CAZ charges of £2,400 per year.
- There is a strong prevalence of taxi drivers coming from the most deprived LSOAs. Some 26% of HC drivers and 18% of PHV drivers reside in the 10% most deprived LSOAs, when compared to the England average
- Grants are proposed to incentivise the upgrade to compliant vehicles
- A request was made for further funding than obtained from the OBC, to allow for a larger grant towards upgrading Wheelchair Accessible Vehicles

Mitigation Measures for Buses and Coaches

- By the time the CAZ B is implemented in 2021, the majority of local scheduled buses operating in Portsmouth are expected to be compliant with the CAZ requirements
- In 2018 PCC was awarded £1.5 million from Defra to retrofit 105 buses (68 First buses and 37 Stagecoach buses) passing through Mile End Road and Alfred Road to meet Euro 6 standards
- There are expected to be a large number of coaches which will be non-compliant in 2022, with analysis estimating 42% of the locally based coach fleet being non-compliant in 2022
- For the minority of the buses and coaches remaining in the city which will remain non-complaint because retrofitting technology is not available, the grant funding can instead be used to contribute towards the cost of replacing the vehicle

- ANPR data indicated approximately 84 non-compliant coaches entering the CAZ per day, with approximately 67 entering the CAZ on at least two days a week. Similarly, engagement with the trade has identified approximately 28 non-compliant buses and 47 non-compliant coaches

Mitigation Measures for HGVs

- It is estimated that a Small Area CAZ B would affect approximately 430 non-compliant HGVs in an average week in 2022.
- The JAQU national dataset suggests that an average brand new rigid HGV would cost over £60,000 and an articulated vehicle would cost over £115,000 (2018 prices).
- To mitigate against the impacts a CAZ may have for businesses operating HGV fleets (and consumers who would face increased transportation costs from operators passing on the CAZ charge), the proposed measure are grants towards retrofit or replacement of non-compliant HGVs
- Engagement undertaken identified at least 44 non-compliant HGVs that could apply for and justify an urgent need for funding assistance, with at least another 14 non-compliant HGVs identified as reasonably requiring funding support to avoid detrimental impact to their associated businesses.

Summary of Measures:

Measure	Who will it help?	Funding Awarded at OBC	Total funding requested (OBC and FBC)
Financial incentives for HC and PHV drivers to upgrade to a compliant vehicle	Operators of non-compliant hackney carriages / private hire vehicles within the city including Wheelchair Assisted Vehicles. PCC will prioritise those licensed with Portsmouth City Council. Eligibility criteria to be developed in early 2021 prior to rollout through engagement with the trade. EV Charging Points to be applied for in support of incentivising further air quality improvements	£604,000	£1,264,500 for all non-compliant vehicles; not including staff and risk mitigation costs. £499,279 for Electric Vehicle Rapid Charging Points
Retrofitting of remaining non-compliant buses and coaches	Operators with non-compliant coaches, particularly small operators and those based in Portsmouth or the Isle of Wight. Buses who were not included in the recent bus retrofit programme.	£495,000	£900,000 for 60 buses and coaches; not including staff and risk mitigation costs.
Financial subsidies to replace or retrofit non-compliant HGVs (subject to availability of appropriate technology)	Operators of non-compliant HGVs. Targeted at the following most impacted groups: - SMEs with older vehicles (and potentially specialist vehicles) and that are heavily impacted by the CAZ (i.e. frequently enter the CAZ); - Businesses that supply local SMEs through hire or reward HGV services; and - businesses with a strategically important role within the City, - with priority given to those committed to developing and implementing a Delivery & Service Plan which will result in more sustainable transport operations.	£576,000	£800,000, for 50 non-compliant HGVs (assuming 25% take-up); not including staff and risk mitigation costs.