

<b>DECISION-MAKER:</b>	COUNCIL
<b>SUBJECT:</b>	Delivery of the Local Plan to Achieve EU Nitrogen Dioxide Compliance
<b>DATE OF DECISION:</b>	20 <sup>th</sup> March 2019
<b>REPORT OF:</b>	CABINET MEMBER FOR GREEN CITY

**CONTACT DETAILS**

<b>AUTHOR:</b>	<b>Name:</b>	<b>Steve Guppy, Service Manager, Scientific Services</b>	<b>Tel:</b>	<b>023 8091 7525</b>
		<b>Rob Gloyns, Clean Air Zone Project Officer</b>		<b>023 8091 2983</b>
	<b>E-mail:</b>	Steve.Guppy@southampton.gov.uk		
<b>Director</b>	<b>Name:</b>	<b>Mitch Sanders, Service Director, Transactions and Universal Services</b>	<b>Tel:</b>	<b>023 8083 3613</b>
	<b>E-mail:</b>	Mitch.Sanders@southampton.gov.uk		

**STATEMENT OF CONFIDENTIALITY**

None

**BRIEF SUMMARY**

Southampton City Council (SCC) was one of the first five local authorities in England outside of London required to assess the need for a Clean Air Zone and have been served a Ministerial Direction requiring a Plan to be submitted to the Secretary of State by the 31<sup>st</sup> January 2019 demonstrating how compliance with EU Ambient Air Quality Directive limit for nitrogen dioxide (annual mean 40 µg/m<sup>3</sup>) will be achieved within the shortest possible time.

Options were assessed in accordance with the Government's Clean Air Zone Framework, the HM Treasury Green Book methodology with technical support provided by consultants Ricardo and Systra in collaboration with government's Joint Air Quality Unit (JAQU). A public consultation exercise also was carried out to help inform the assessment. All work was been funded by JAQU.

As a result of that additional technical work it has now been established that levels of nitrogen dioxide in Southampton will be compliant in 2020. A charging scheme could not be introduced any earlier than January 2020 so would not deliver compliance any sooner.

Consequently a package of non-charging measures was presented to cabinet on the 22<sup>nd</sup> January 2019 that to mitigate risk of exceedance, increase the likelihood that compliance is achieved before 2020 and to promote ongoing improvements in air quality. Cabinet approved those measures and a Plan reflecting those measures was submitted to the secretary of state on the 31<sup>st</sup> January 2019 seeking a total of **£6,423,625** from the government's Clean Air Zone Implementation Fund and Clean Air Fund for its delivery.

That Plan includes the following;

- Offering opportunities for businesses to assess and trial freight consolidation, thereby removing HGV trips in the city.
- An accreditation scheme for HGV operators so business can identify those who are the least polluting.
- Introduction of Traffic Regulation Condition that will ensure all operating buses meet the highest emission standard.
- Revising taxi licensing conditions to remove the most polluting vehicles.
- Expanding the existing low emission taxi scheme to support taxi operators deliver these upgrades.
- Offering a 'try before you buy scheme' for taxi operators to experience the benefits of an electric taxi for up to 3 months.
- An extension to the existing MyJourney programme to promote active and sustainable travel and reduce private vehicle use.
- Port measures including shore side power and preferential charging of the port HGV booking scheme.

JAQU are currently assessing that submission and a response is anticipated in March/April 2019. Success of the Plan is dependent upon prompt delivery and approval from council to spend could otherwise not be sought until the 15<sup>th</sup> May 2019. Prior approval would allow delivery to begin promptly on delivery of the funding.

#### **RECOMMENDATIONS:**

(i)	Subject to confirmation of an acceptable funding bid, to accept and authorising spend external funding anticipated to not exceed <b>£6,423,625</b> awarded by the Joint Air Quality Unit for the implementation of the Local Plan to Achieve EU Nitrogen Dioxide Compliance
(ii)	To delegate authority to the Service Director for Transactions & Universal Services to accept and spend funding awarded to support the Local Plan to Achieve EU Nitrogen Dioxide Compliance should this vary from the amounts requested from government.

#### **REASONS FOR REPORT RECOMMENDATIONS**

1.	Southampton City Council have been issued a Ministerial Direction that requires it to undertake a local assessment (feasibility study) of air quality in the city, and produce a business case for a Plan to demonstrate how compliance with the EU Ambient Air Quality Directive (AAQD) of 40 µg/m <sup>3</sup> for nitrogen dioxide (NO <sub>2</sub> ) can be achieved in the shortest possible time. This must be submitted to the Secretary of State for Environment for approval no later than the 31 <sup>st</sup> January 2019.
2.	SCC has concluded its feasibility study and can report the findings of its air quality technical assessment and economic appraisal. A Full Business Case was submitted to the Joint Air Quality Unit on 31 <sup>st</sup> January 2019 following approval of the Outline Business Case and approval to finalise at cabinet on 22 <sup>nd</sup> January 2019. The Full Business Case outlines a Plan to deliver compliance in the shortest possible time by delivering a Clean Air Zone in 2019 consisting of a package of non-charging measures to mitigate risk of exceedance, increase the likelihood that compliance is achieved before 2020 and to promote ongoing improvements in air quality. This plan was informed by a 12 week consultation with local authorities, local communities and businesses which received 9309 responses.

3.	The primary objective of the Clean Air Zone plan is to deliver compliance with the EU AAQD annual mean limit value for NO <sub>2</sub> within the shortest possible time. It is anticipated that the Joint Air Quality Unit will provide feedback on the plan 8 weeks after submission (i.e. 8 weeks after 31 <sup>st</sup> January 2019, end of March 2019). In the absence of a council meeting in April approval would be delayed until May 15 <sup>th</sup> preventing implementation to begin in earnest until later in the month at best. Approval subject to confirmation of funding will ensure implementation could begin in early April 2019, thereby supporting its very aim of delivering compliance in the shortest possible time. Therefore, to avoid delay in implementation that could arise as a result of the availability of planned Council meetings in April and ensure the objective is achieved within the shortest possible time approval is being sought for spend in advance of funding confirmation (subject always to being limited to the amount of any funding awarded).
4.	Delegated powers are sought to allow the Service Director for Transactions & Universal Services to implement the Plan as approved by the Secretary of State, whether that includes all measures and related funding or should it differ in terms of some measures not being supported.

#### ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

5.	Do not pre-emptively approve spend: Not pre-emptively approving spend of funding awarded by JAQU for the Clean Air Zone plan is likely to introduce a delay in implementation of between 6 and 8 weeks, risking the ability of the plan to be delivered within the shortest possible time. This option has therefore been rejected in order to support the primary objective of the plan.
6.	Do not delegate powers to the Service Director for Transactions & Universal Services to spend funding should the value of funding awarded from JAQU differ from that requested: There is a possibility that government's review process for the Clean Air Zone plan will identify some measures and/or elements of measures that should be amended, included or removed from the scheme. This will impact the funding awarded and therefore it is essential that officers are enabled to spend funding that varies from the Full Business Case request, supporting the primary objective of the plan for achieving compliance within the shortest possible time by avoiding a requirement to return to Full Council for approval.

#### DETAIL (Including consultation carried out)

7.	In 2015, Defra published its Air Quality Plan for Nitrogen Dioxide (NO <sub>2</sub> ) in the UK. Defra reported that the national <b>Pollution Climate Mapping (PCM) model indicated that an exceedance of the EU Ambient Air Quality Directive level for nitrogen dioxide would persist at locations in Southampton beyond 2023.</b> Consequently Southampton was identified as one of five cities needing to deliver compliance by introducing a Class B Clean Air Zone for buses, coaches, taxis and HGV, and legislation would be passed to this effect. In May 2016 the Joint Air Quality Unit (JAQU) was established to deliver the national nitrogen dioxide plan. Hosted by Defra, the team comprised of staff in Defra and the Department for Transport (DfT) as well as the close involvement of a number of other government departments and delivery bodies. Direct links with officers in local authorities were established and JAQU were charged with the responsibility to provide guidance to assist in the delivery of local plans.
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8.	<p><a href="#">A Clean Air Zone framework</a> was subsequently published in May 2017 by Defra outlining the principles for the operation of Clean Air Zones in England. It provides the expected approach to be taken by local authorities when implementing and operating a Clean Air Zone.</p>
9.	<p>In July 2017, the national nitrogen dioxide plan was revised and Southampton City Council were instead of being mandated to introduce a charging CAZ were required to undertake an assessment to determine what measures would be required to ensure compliance with the legal limit value for nitrogen dioxide in its area in the shortest possible time.</p>
10.	<p>The UK Government has committed to funding the studies for plans to bring about compliance with legal NO<sub>2</sub> objectives in the shortest possible time. These feasibility studies recommend a preferred option for implementation that achieves this objective. In Spring 2018, UK Government announced its commitment for funding the introduction of the plans through the Implementation Fund (£255m). An additional Clean Air Fund (£220m) was also introduced to support and mitigate the plans, totalling £475m.</p>
11.	<p>SCC received a Ministerial Direction which required the Council to deliver a full business case to the Secretary of State by 15th September 2018. This was subsequently updated to the 31<sup>st</sup> January 2019. The business case was to set out detailed proposals for a scheme (the Plan) which is the authority's preferred measure to deliver compliance in the shortest possible time and was to be developed in accordance with <a href="#">HM Treasury's Green Book: Appraisal and Evaluation in Central Government</a>.</p>
12.	<p>SCC &amp; NFDC conducted a joint public consultation exercise from the 21<sup>st</sup> June 2018 the 13<sup>th</sup> September 2018. The consideration of a charging CAZ was a significant issue for the city and the need to conduct a 12 week consultation was one reason why it was not possible to meet the deadline of the 15<sup>th</sup> September 2018 in the first Ministerial Direction. The additional technical assessment work that would also be required following consultation and the council's decision making process also meant that the September deadline which had been set without any agreement with SCC was unachievable. Representations were made to government but any extension of the deadline was refused.</p>
13.	<p>To assist in the technical assessments Systra and Ricardo were commissioned to deliver transport modelling and air quality modelling respectively. Ricardo were also commissioned to undertake the economic appraisal. This technical assessment has concluded that SCC will achieve compliance with the EU AAQD by 2020 without further intervention. However, a package of non-charging measures could increase the likelihood of compliance by further reducing emissions of nitrogen oxides (NO<sub>x</sub>), a precursor to NO<sub>2</sub>.</p>
14.	<p>Full results for the air quality assessment were reported in the appendices of the Cabinet paper approved on 22<sup>nd</sup> January 2019. The Full Business Case for Achieving EU Nitrogen Dioxide Compliance in Southampton in the Shortest Possible Time, which identifies a preferred option and a plan for delivery (the Plan) is published alongside this paper (appended)</p> <p>The nitrogen dioxide annual mean results of the do minimum (i.e. no further intervention) are summarised in the table below for key locations. This compares the governments' national model, which predicted Southampton would exceed beyond 2020, and the local model that was undertaken to inform this plan. Bold and underlined values represent exceedances of the EU Ambient Air Quality</p>

Directive limit value. Values are reported to the nearest whole figure in accordance with EU Air Quality compliance guidelines.

Census ID	Location	PCM National Model NO <sub>2</sub> Annual Mean (µg/m <sup>3</sup> )		Local Model NO <sub>2</sub> Annual Mean (µg/m <sup>3</sup> )	
		2015	2020	2015	2020
46963	A3024 Northam Bridge	37	32	<b>50</b>	38
56347	A33 Millbrook Road West	<b>55</b>	<b>46</b>	<b>43</b>	36
6368	A33 Redbridge Road	<b>58</b>	<b>44</b>	<b>43</b>	36
6933	St Andrews Road	<b>35</b>	30	<b>46</b>	37
73615	Redbridge Causeway/A35	<b>63</b>	<b>49</b>	<b>46</b>	36
75251	A3057 West Quay Road	<b>42</b>	37	39	32

The results for nitrogen dioxide annual mean in 2020 under non-charging and city wide CAZ B options are compared in the table below.

Census ID	Location	Do minimum baseline local model annual mean NO <sub>2</sub> (µg/m <sup>3</sup> )	Non-charging local model annual mean NO <sub>2</sub> (µg/m <sup>3</sup> )	City wide CAZ B local model annual mean NO <sub>2</sub> (µg/m <sup>3</sup> )
		2020	2020	2020
46963	A3024 Northam Bridge	38	38	36
56347	A33 Millbrook Road West	36	36	32
6368	A33 Redbridge Road	36	35	32
6933	St Andrews Road	37	37	34
73615	Redbridge Causeway/A35	36	36	33

15. ESIA/Distributional Assessment Conclusions

An Equalities Safety and Impact Assessment (ESIA) has been undertaken for both the non-charging and charging Clean Air Zones. Furthermore, a Distributional Assessment has been carried out by Ricardo.

Air pollution has health effects across the course of a person's life; from the underdevelopment of the unborn baby through to dementia in the later years of life. The strongest evidence of health impact is worsening symptoms of respiratory diseases including asthma, COPD and cardio-vascular disease. Poor air quality is also known to have more severe effects on vulnerable groups including the elderly, children and people already suffering from existing conditions such as respiratory and cardiovascular conditions. Achieving and maintaining NO<sub>2</sub> concentrations below EU limit values (i.e. an annual mean NO<sub>2</sub> 40µg/m<sup>3</sup>) will benefit these health outcomes.

16.	<p><u>Non Charging ESIA</u></p> <p>The non-charging package of measures would also place financial pressure on taxi operators (through a change in licensing condition) and bus routes. However, the Clean Bus Technology Fund is secured and being delivered regardless of the CAZ local plan. The plan also includes measures to expand financial support for taxi operators in upgrading to low emission vehicles. The plan also requests that this financial support is extended to include Wheelchair Accessible Vehicles and those vehicles which carry 5-8 passengers to upgrade to euro 6 diesel, recognising the limited availability of low emission alternatives currently on the market.</p> <p>NO<sub>2</sub> reductions are smaller than a CAZ B option, and the distributional assessment does not conclude a significant distributional impact for air quality under the non-charging option.</p>
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**RESOURCE IMPLICATIONS**

**Capital/Revenue**

17. The Air Quality Plan approved by cabinet includes significant capital expenditure to ensure its implementation, for which the Council has requested funding from government. A summary of the funding requested is provided below. The City Council is requesting the following funding in order to implement our package of measures to achieve compliance:

<b>Scheme</b>	<b>Revenue</b>	<b>Capital</b>	<b>Source</b>
<b>Taxi Licensing Condition Change</b>	<b>£8,000</b>	<b>-</b>	<b>Clean Air Fund</b>
<b>Restrict non-SCC vehicles from bus lanes</b>	<b>-</b>	<b>£88,500</b>	<b>Clean Air Fund</b>
<b>Low emission taxi incentive scheme</b>	<b>-</b>	<b>£164,250</b>	<b>Clean Air Fund</b>
<b>ULEV Taxi Trial</b>		<b>£36,000</b>	<b>Clean Air Fund</b>
<b>Taxi Electric Vehicle Charging Points</b>	<b>-</b>	<b>£100,000</b>	<b>Clean Air Fund</b>
<b>Bus Traffic Regulation Condition</b>	<b>£8,000</b>		<b>Implementation Fund</b>
<b>MyJourney A3024 Scheme</b>	<b>£103,000</b>		<b>Implementation Fund</b>
<b>Communications</b>	<b>£55,740</b>		<b>Implementation Fund</b>
<b>Officer Support To Mitigating Measures.</b>	<b>£385,350</b>		<b>Implementation Fund</b>
<b>Monitoring And Evaluation</b>	<b>£483,200</b>		<b>Implementation Fund</b>

	<b>Sustainable Delivery Centre</b>		<b>£900,000</b>	<b>Implementation Fund</b>
	<b>Delivery Support plans</b>		<b>£450,000</b>	<b>Clean Air Fund</b>
	<b>Fleet Accreditation</b>		<b>£170,000</b>	<b>Clean Air Fund</b>
	<b>Additional Business Support</b>		<b>£75,000</b>	<b>Clean Air Fund</b>
	<b>Contingency on Sustainable Delivery Centre projects</b>		<b>£240,000</b>	<b>Clean Air Fund</b>
	<b>Shore side Power Facilities</b>		<b>£3,156,585</b>	<b>Implementation Fund</b>
	<b>Total Funding request</b>	<b>£1,043,290</b>	<b>£5,380,335</b>	

Cost estimates have been derived through initial market consultation and engagement, and where this has not been possible, have been derived through estimation and experience of similar schemes. Further detail can be found in the financial case, section 4 in the Full Business Case.

Government funding for implementing Clean Air Zones (charging or non-charging schemes) is being made available through JAQU's Clean Air Implementation Fund. SCC's financial case has sought full Government funding to cover all costs that it would incur during its implementation. The total funding request is **£6,423,625**.

18.	Shore side power is estimated to cost £6.3M to deliver. The project is dependent on receiving match funding from the port operator and will not go ahead without the proposed £3.15m contribution.
19.	There will be no statutory duty to deliver the Plan in the absence of funding from central government. SCC anticipate that confirmation of funding will be contained with the Ministerial Direction requiring the implementation of the Plan. The Plan was submitted on the 31 <sup>st</sup> January 2019 and it is anticipated that the Secretary of State will confirm funding in March 2019.
20.	<u>Communications</u> A communications plan has been developed in support of the plan and funding has been requested to support this. It aims to raise awareness of the plan and of the importance of clean air in Southampton. It will support the proposed measures by ensuring stakeholders are aware of the plan along with the impacts, mitigations and further opportunities it presents.
21.	<u>Resourcing</u> The Full Business Case includes a request for funding to provide staff resource to ensure effective delivery of the plan. This includes funding to cover existing staff time/resource and funding for an additional two posts.

<b><u>Property/Other</u></b>	
22.	None
<b>LEGAL IMPLICATIONS</b>	
<b><u>Statutory power to undertake proposals in the report:</u></b>	
23.	The UK Government , as the ‘competent authority, for the purposes of the EU Air Quality Directive, is under a legal obligation in accordance with Article 13 of the Directive to ensure emissions of certain pollutants are below the prescribed limit values by relevant deadlines (January 2010). The UK has been in breach of these limit values since January 2010 and continues to breach the limit values at various locations across the Country. Southampton has been identified as being one of a number of Local Authority areas in which an exceedance of the limit value is modelled to have occurred and continues occurring. The UK Government is under a legal obligation within the Directive (Article 23) to establish air quality plans setting out appropriate measures to ensure the exceedance period is kept as short as possible.
24.	Following legal action (Client Earth v SEFRA 2016) the UK Government has been ordered to secure compliance in the shortest possible time. As a result, areas which have an exceedance using national desktop modelling have been served with Ministerial Directions under s.85(5) Environment Act 1995 to secure compliance in those areas. Southampton is subject to such a Direction. A ministerial Direction was served on the Council on 19 <sup>th</sup> December 2017 requiring submission of an outline business case followed by a full business case for securing compliance by 15 <sup>th</sup> September 2018.
25.	<p>A further Ministerial Direction was served on the Council on 17<sup>th</sup> December 2018. Under section 85(7) of the Environment Act it is the duty of a local authority to comply with a Direction given to it. The revised requirements of the new Direction were:</p> <p>(i) Provide the necessary final modelling outputs, prepare an outline business case and full business case for its area.</p> <p>(ii) Produce the necessary final air quality and transport modelling outputs for the baseline and scenario modelling that feed into the outline business case as soon as possible and by 18 December 2018 at the latest.</p> <p>(iii) The outline business case must be submitted to the Secretary of State as soon as possible and by 21 December 2018 at the latest.</p> <p>(iv) The full business case must be submitted to the Secretary of State as soon as possible and by 31<sup>st</sup> January 2019 at the latest.</p> <p>That Direction was fully complied with within the required timescales.</p>
26.	The UK Government is currently in breach of the EU Directive. If it fails to secure compliance to the satisfaction of the European Court of Justice through the current JAQU engagement with local authorities and the non-compliance with limit value continues the Court is entitled to levy penalty measures on the UK under Article 260 of the TFEU. Penalties comprise a minimum sum to reflect non-compliance based on minimum lump sum multiplied by a factor representing the GDP and voting rights of the defaulting Member State (currently €10,328,000) supplemented by a discretionary uplift of €4,163 for each

	<p>day beyond the deadline for compliance that the UK remains in breach of the Directive. The UK Governments exposure to potential penalties is there for extremely significant and will survive any 'Brexit' implications. The significance of this risk for the Council arises under the Localism Act 2011, s.48 which allows the Secretary of State to apportion the liability of any financial sanctions imposed by the EU on the UK Government to any Local Authority found to have contributed to the default occurring. If the Council fails to implement an approved plan which meets the deadlines set out in the Ministerial Direction to be served on the Council with funding approval and fails to ensure compliance with the limit value by the specified date it will be possible for the Secretary of State to apportion a percentage of the penalty imposed on the UK by the Court for non-compliance. That percentage would be attributed according to the degree of default that has contributed to the overall UK default but the risk of significant financial penalty being imposed on Southampton remains high unless compliance is secured with NO2 limit values by 2020It would also be open to any party having an interest in the matter, including the Secretary of State, to issue proceedings against the Council in order to seek a Mandatory order securing the Council's compliance with the Directive. The Council would likely be liable for the full costs of such proceedings in the event it was found to be in breach.</p>
27.	<p>In terms of the substantive proposals set out in the Officer recommendations and the proposed Full Business Case, the Council's statutory powers to implement the measures put forward derive from s.1 Localism Act 2011 (the General Power of Competence) together with a number of area specific discretionary powers associated with certain functions and services themselves. S.1 provides that a local authority has power to do anything that individuals generally may do. The generality of the power conferred is not limited by the existence of any other power of the authority which (to any extent) overlaps the general power but cannot override an express prohibition contained in any other statute (i.e. The Council may do anything unless either another Statute or the Courts determine it cannot do that thing or can only do it in certain prescribed circumstances).</p>
28.	<p>Part IV of the Environment Act 1995 requires all local authorities to review and assess air quality in their areas. Where standards are being exceeded or are unlikely to be met, local authorities are required to take remedial action such as designation of Air Quality Managements Areas (AQMA's) and introduce action plans for achieving compliance or other action under the Local Air Quality Management Framework in accordance with the EU Directive. Where an AQMA is in effect fixed penalty notices can be issued to vehicles that exceed emission limits or which commit a stationary idling offence (subject to the Local Authority being designated by the Secretary of State for the issue of Fixed Penalties and covering only that part of the area covered by an AQMA). The Council is not currently designated to issue fines but could consider taking that forward in respect of the areas within the City covered by its existing (or amended) AQMA's.</p>
29.	<p>Additional powers to implement the non-charging measures contained within the proposed plan include, but are not limited to:  <b>Applying a Traffic Regulation Condition</b> by application to the <b>Traffic</b> Commissioner under section 7 of the <b>Transport</b> Act 1985. This can be used to restrict any class of vehicle (including <b>buses</b>) from using any road;</p>

	<p>Taxi Licensing conditions may be imposed pursuant to Taxi and Private Hire Vehicle (PHV) legislation, primarily contained within the Town Police Clauses Act 1847 and the Local Government (Miscellaneous Provisions) Act 1976 together with ancillary legislation.</p> <p>Funding measures may be provided through Grant or Loan schemes introduced under s.1 Localism Act 2011 but will be subject to State Aid compliance and applications and measures will be assessed on a case by case basis to ensure funding remains within the legal framework for public funding.</p>
30.	<p>It should be noted that, cumulatively, the measures proposed within the recommended Business Case can be taken forward as part of a Clean Air Zone. A Clean Air Zone can comprise non-charging measures, or charging measures or both.</p>
<p><b><u>Other Legal Implications:</u></b></p>	
31.	<p>S.108(1) Transport Act 2000 imposes a duty on local transport authorities, including the Council, to develop policies for the promotion and encouragement of safe, integrated, efficient and economic transport to, from and within their area and to carry out their functions so as to implement those policies. The duty requires the Council to also take into account and have due regard to any policies announced by the Government and to any guidance issued in respect of the mitigation of or adaption to climate change or otherwise with respect to the protection or improvement of the environment. The measures proposed have been put forward having due regard to this duty and all relevant government guidance, including the Clean Air framework issued by JAQU, and are wholly in accordance with the Council's adopted Local Transport Plan which is further discussed below.</p>
32.	<p>S.149 of the Equality Act 2010 (the 'Public Sector Equality Duty') requires the Council to exercise its functions having due regard to the need to:</p> <ul style="list-style-type: none"> <li>(a) eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Act,</li> <li>(b) advance equality of opportunity between persons who share relevant protected characteristics and those who do not, and</li> <li>(c) foster good relations between persons who share protected characteristics and those who do not.</li> </ul>
33.	<p>Protected characteristics comprise age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.</p>
34.	<p>The Council has carried out a full Equality Impact Assessment of the proposals set out in the Business Case submitted to JAQU.</p>
<p><b>RISK MANAGEMENT IMPLICATIONS</b></p>	
35.	<p>Pre-emptive funding is requested to mitigate the risk that there may be a delay in approval for spend, and therefore implementation of the CAZ plan, as a result of purdah in March/April 2019.</p>
36.	<p>SCC's Strategic Risk Register includes "Failure to improve air quality to legal levels" and is subject to regular Service Director oversight.</p> <p>Failure to achieve legal compliance and/or deliver a Plan that can ensure it, will elevate the level of corporate risk in terms of formal legal action by government to the highest level and present further risks to reputation and delivery of strategic goals i.e. improving health and economic growth.</p>

**POLICY FRAMEWORK IMPLICATIONS**

37.	The recommendations are consistent with SCC’s Clean Air Strategy 2016-2025 (published 2016) which identifies the need to improve air quality in the city as a priority. However, delivery priorities include <i>the introduction of penalty charges in 2019/20 for the most polluting vehicles</i> . At the time of publication the governments Air Quality Plan for Nitrogen Dioxide (NO <sub>2</sub> ) in the UK suggested SCC would be mandated to introduce a charging scheme of this type. Subsequent iteration of the national plan and a Ministerial Direction have not required this. The feasibility study undertaken by SCC indicates that a charging scheme is not required to deliver compliance. A charging scheme could deliver additional benefits but would need to be funded by SCC. The business plan also suggests that a charging scheme could have localised but significant economic impacts on business. The proposed non-charging measures in the Plan are an alternative to a penalty charges that can deliver sustainable improvement. It is recommended that the Clean Air Strategy 2016-2025 delivery priorities are revised to reflect this in the event a Plan is approved and supported by the Secretary of State and prior to implementation of Plan measures. The Strategy is not a Policy Framework document and can therefore be amended under delegated power from Cabinet. None of the proposals set out in this report are contrary to any existing Policy Framework Plan such as the Local Transport Plan or Local Development Framework and can be accommodated without further alteration of those Plans and Strategies.
38.	The recommendations are consistent with the Health and Wellbeing Strategy 2017-2025 within which an outcome is to ensure Southampton is a healthy place to live and work with strong active communities. This is to be achieved by delivering a cleaner environment through a Clean Air Zone with vehicle access restrictions to the city.
39.	The recommendation supports the South Hampshire Joint Local Transport Plan 3 policies A (‘optimise capacity of the highway network and improve journey time reliability’) and E (‘deliver improvements in air quality’).
40.	The recommendation is consistent with the priority within the Southampton City Council strategy 2016-2020 to “improve air quality”.

<b>KEY DECISION?</b>	<b>No</b>
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<b>WARDS/COMMUNITIES AFFECTED:</b>	
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SUPPORTING DOCUMENTATION

**Appendices**

- CAZ Full Business Case

**Documents In Members’ Rooms**

1.	None
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**Equality Impact Assessment**

<b>Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.</b>	<b>Yes</b>
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**Data Protection Impact Assessment**

<b>Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out?</b>	<b>Yes</b>
<b>Other Background Documents; None</b> <b>Other Background documents available for inspection at: N/A</b>	
<b>Title of Background Paper(s)</b>	<b>Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)</b>
N/A	N/A