

Transport Bill and Low Emission Zones

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Operators give thumbs down to Scots bus retrofit grant rate

By Andrew Hunter

TRANSPORT SCOTLAND'S programme to bring buses up to Euro VI emission standards by installing retrofit emission systems is being hampered by the low grant rate available to operators.

The cost to retrofit a low floor, medium density bus with such an alternative catalytic reduction may (SCRT), is around £15,000-£25,000. This compares to the full cost because operators gain no commercial benefit from the investment.

Transport Scotland, however, has set the grant rate of just 40 per cent for the largest operators, serving this is necessary to comply with EU state aid rules. The many local authorities in England are assessing the full cost.

Benefit to operators is the cheaper way to bring bus fleet up to the Euro VI emissions standard, which many cities are now setting as a minimum for Class Air Zones (England) and Low Emission Zones (Scotland).

Transport Scotland did pay 100 per cent of retrofit costs in the first round of its Bus Retrofit Abatement Retrofit (BEAR) programme. Funding was awarded for 47 retrofits, with operators who topped an EU state aid systems level.

Last October Transport Scotland announced a £7.5bn plan for the second round of the grant. BEAR2, The Confederation of Passenger Transport in Scotland says the rate was originally promised as a 100 per cent grant scheme but the rate was diluted as the last minute after Scottish Government lawyers raised concerns about the grant's state aid compliance.

The BEAR2 funding guidance states: "The grant funding mechanisms state aid within the context of the European Union rules. Applications should have the option of applying for BEAR2 phase 2 grant funding either under the full grant requirements" or to mitigate regulations, as under the General Block Exemption Regulation (GBER) requirements.

Transport Scotland says that, under Article 36 of the GBER, grant funding is limited to 40 per cent for large operators, 50 per cent for medium operators, and 80 per cent for small operators.



Grant payments for bus retrofits vary between countries because governments have taken different approaches to applying EU state aid rules

Grant payments for bus retrofits vary between countries because governments have taken different approaches to applying EU state aid rules

Operators can claim 100 per cent of certain start-up costs when installing a new system, but cannot receive more than £250,000 of state aid in any way over three years.

Given the restricted level of grant payment, Transport Scotland has tried to make the grant more attractive by allowing operators to bid on only for the capital cost of retrofit equipment but also for five-year ancillary costs, such as siting for emissions performance monitoring, maintenance costs, and the use of AdBlue, which breaks down nitrogen oxide emissions.

The grant is offering 30% BEAR2 funding as per "The Foreign Forging Trust (FFT)", which administers the grant, says funding will be awarded on a first-come-first-served basis. The grant is available to companies operating buses in air quality management areas at the four sites in which LEZs are to be implemented by 2025 (Glasgow - just implemented, Edinburgh, Aberdeen and Dundee). The deadline for applications is 4 March.

Who said some operators were probably holding off bidding because there was no pressing need to retrofit their

vehicles only Glasgow's LEZ is to be operational. Andrew Harris, managing director of Euro Bus in Scotland, said LTT "we have not applied for the BEAR2 grant yet. We have an agreed retrofit programme in England of over 500 buses, which we are busy fitting, with another 500 being bid for. This will have a huge benefit for air quality in English towns and cities. But in Scotland all have been agreed to state retrofit as part of the BEAR1 fund.

"The uncertainty and gap in funding has unfortunately impacted on our retrofit programme," he said. "If we have to pay the difference between the 40 per cent of the actual cost, our only choice is for payment to be for as part of the price they pay."

Calling for the grant to be paid at 100 per cent, he said Fort was engaging with Transport Scotland via CPT Scotland to discuss how the grant could be designed.

Who said the CPT hoped to persuade the Government to make BEAR2 more appealing, and/or ensure a third round of the grant is more generous. "There are other European examples, including England, of similar schemes providing funding for a portion of the 40 per cent that Scottish Government is offering," said White.

"The Scottish Government's approach appears counter-intuitive to its objectives regarding funding for a portion of the 40 per cent that Scottish Government is offering," said White.

A Transport Scotland spokesman defended the Scottish grant system, saying LTT is provided "to meet grant funding offer due to meet the needs of the population compared to the equivalent, but resulting scheme in England".

The German Government told the Commission that a high grant rate was necessary because a previous grant, implemented in accordance with the GBER, for example, only attracted a small number of applicants. In England, the Government has awarded local authority retrofits grant through the Clean Air Technology Fund (CATF). Councils have also awarded the grant to local bus operators.

The Government left it to local authorities to study themselves that their grant payments were compatible with EU State Aid rules. LTT understands that most recent bids were based on grant payment rates of 50 per cent, though Transport for London and Transport for the West Midlands may have paid a lower rates.

Southampton City Council's successful £5.50m bid was based on grants funding the entire costs of fitting SCRT systems, incentives, data feeds and five-year warranties to 346 vehicles. The city's operators pledged 220,000 for vehicle engine refurbishment, driver training and 'green' exits for drivers.

Southampton said the competitive bidding process was to distribute the grant via operators would help ensure it was an "effective one-off". All grant receipts are submitted to have awarded the grant via competition.



Local Transport Today provides regular coverage of the industry and regional UK transport news from the 'meat' of papers, policy makers, with road news, events, meetings and transport of the week.

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News

6th February

Glasgow taxis could be forced off the road under low emission zone plans

By Catherine Hunter
Local Democracy Reporter



Glasgow Taxi - Black Cab

Facebook, Twitter, LinkedIn, Email icons and '21 comments' button.

GLASGOW taxi drivers could be forced off the road if they have to spend **£40,000** each replacing vehicles to meet Low Emission Zone (LEZ) demands.

The council has agreed to implement the LEZ in the city centre to all vehicles which means petrol vehicles must meet a strict admissions standard for diesel by December 2022.

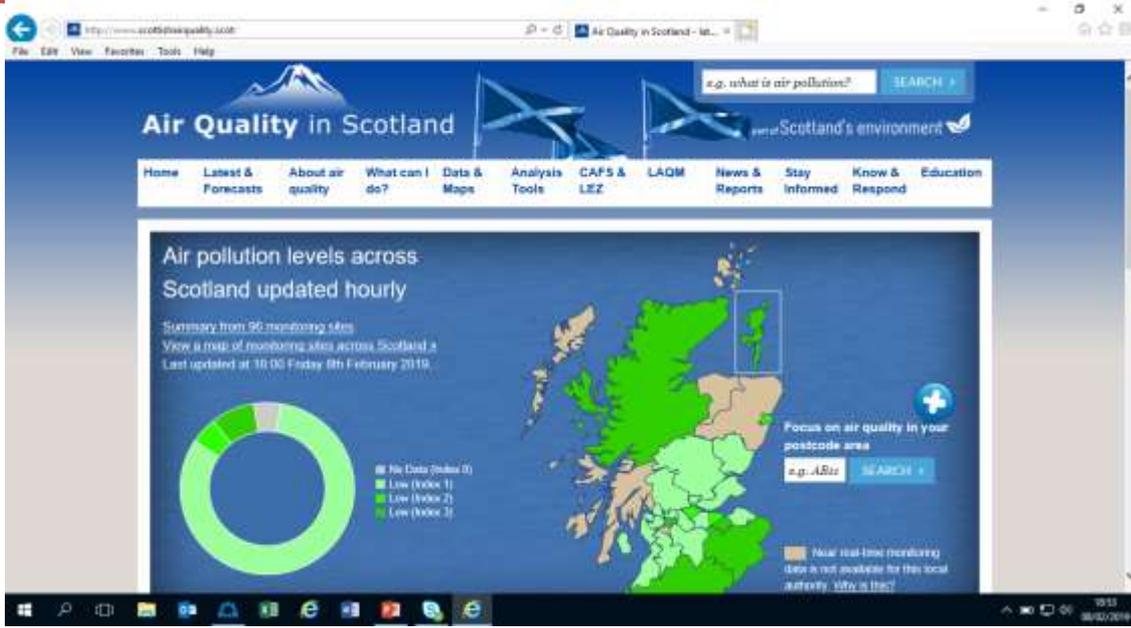
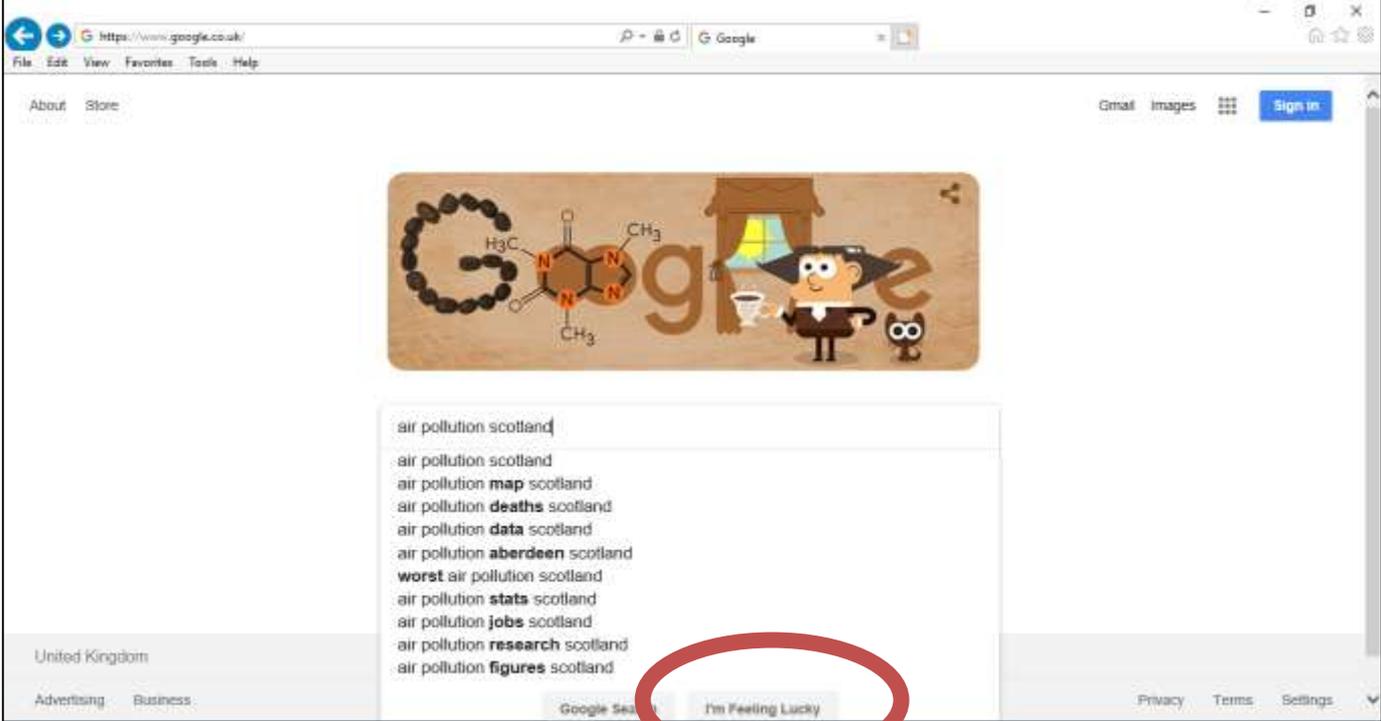
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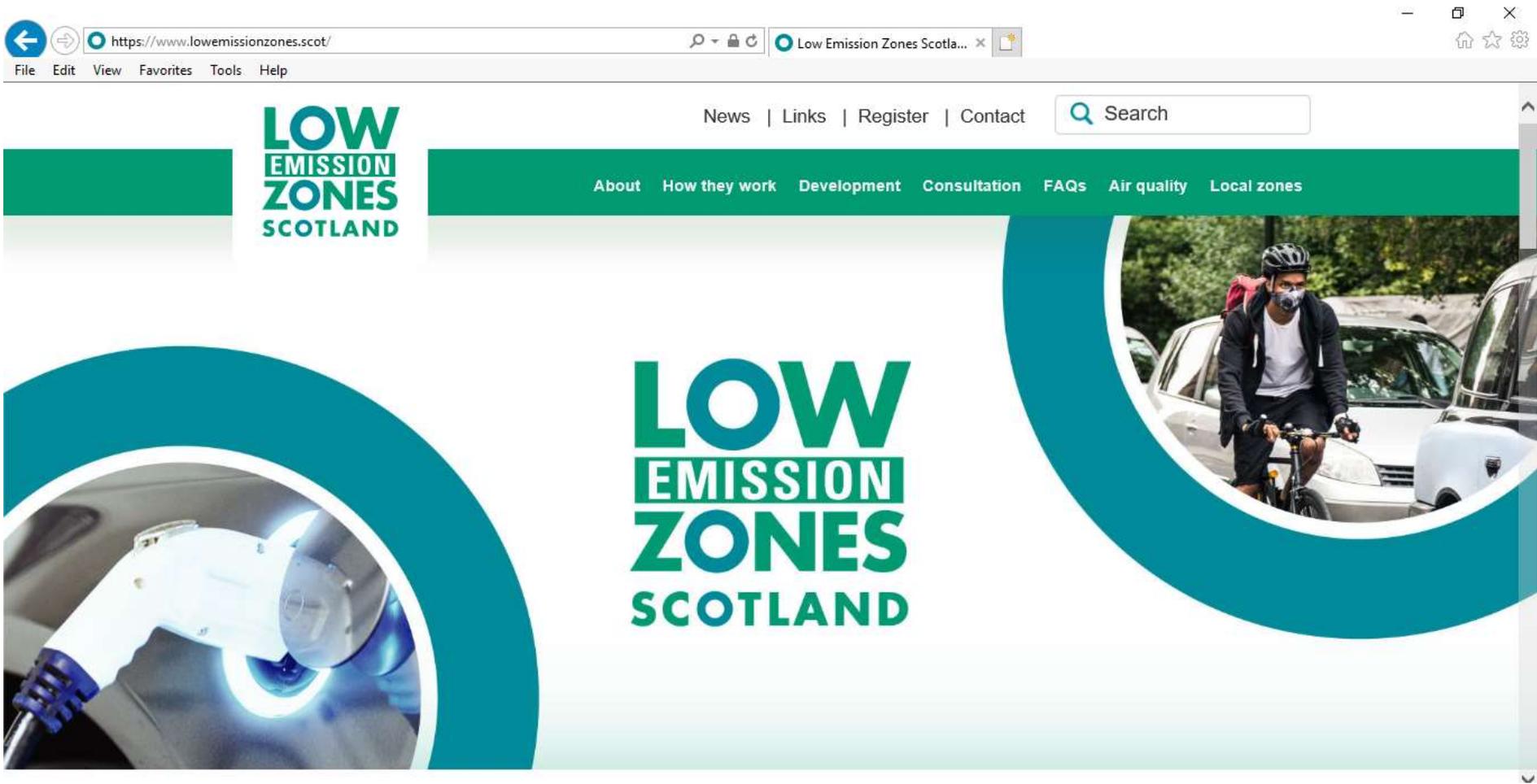
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Comments

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<https://www.lowemissionzones.scot/>



About

Scotland's first zones are being introduced by the Scottish Government and local authorities.



How they work

Local authorities will be able to create, enforce and operate the low emission zones in their cities.



Development

The low emission zones will be developed through legislation from the Transport (Scotland) Bill.

Glasgow low emission zones



Scotland's first low emission zone, covering Glasgow city centre, will come into effect at 00:00 on 31 December 2019.

Glasgow's low emission zone approach represents one of the most challenging, all-encompassing low emission zones in Europe and will be similar to London's Ultra Low Emission Zone (ULEZ) currently in development.

A priority is to improve emissions from buses operating in the low emission zone with a phased implementation over four years. This will apply to 20% of routes from the launch date, increasing to 100% by December 2022.

All vehicles entering the zone will need to be fully compliant by 31 December 2022.



Consultation

Engagement with stakeholders will ensure their involvement in the implementation of the zones.



FAQs

Frequently asked questions about Low Emission Zones and how they will affect you and your town/city.



Air quality

Low emission zones will help to deliver air quality improvements in our urban areas.



A Glasgow low emission zone delivery group was established in September 2017 with meetings being held on a monthly basis. This group includes representatives from:

- Glasgow City Council (Committee Report and Update Report)
- Transport Scotland
- Scottish Environment Protection Agency (SEPA)
- Health Protection Scotland
- Strategic Partnership for Transport (SPT)

The group is responsible for addressing the technical and legal issues required to set up the low emission zone, ensuring benefits are delivered without a detrimental impact on transport or Glasgow's economy and businesses.

A Glasgow low emission zone delivery forum supports engagement and consultation with residents, businesses and other stakeholders in order to identify and overcome possible barriers to implementing the new phases. The council is also committed to working with the Scottish Government to ensure that everyone is aware of and prepared for the low emission zone.

Information will be updated as more details on the implementation of Glasgow's low emission zone become available.

www.glasgow.gov.uk/LEZ

Between 2018 and 2020, low emission zones will be introduced to Scotland's four biggest cities:

GLASGOW

EDINBURGH

ABERDEEN

DUNDEE

 **Transport Scotland**
@transcotland Follow

New funding announced for bus operators and local authorities to support #LowEmissionZones in order to help improve air quality in our towns and cities.
transport.gov.scot/news/continued...

4:14 am - 26 Oct 2018

12 Retweets 12 Likes

2 12 12

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1:03 2,454 views

9 9

Show this thread

Transport Scotland Retweeted

 **Glasgow City Council** @GlasgowCC · 21h

Low Emission Zones will be introduced in Glasgow, Edinburgh, Aberdeen & Dundee between 2018 & 2020. Glasgow's LEZ will be phased in from the end of this year and will initially affect local service buses only. Hear from Transport Secretary @MathesonMichael

 **Transport Scotland** @transcotland

Transport Secretary @MathesonMichael talks about the importance of #lowemissionzones and encourages people across #Scotland to visit new website lowemissionzones.scot

6 15 21

“Change is coming”



LEGISLATION, VIEWPOINT // 24.01.2019

Interview: Cllr Anna Richardson on Glasgow's Low Emission Zone

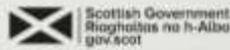


...vehicles on 31 December 2022. Cllr Anna **Richardson** of Glasgow City Council spoke with Air Quality News about the LEZ, concerns over its speed of implementation and how the scheme...

[READ MORE](#)

A NATION WITH AMBITION

THE GOVERNMENT'S PROGRAMME FOR SCOTLAND 2017-18



- Introduce Low Emissions Zones (LEZ) into Scotland's four biggest cities between 2018 and 2020
- LEZs into all other AQMAs by 2023 where NLEF appraisals advocate such mitigation
- Promote the use of ultra-low emission vehicles (ULEVs), with a target to phase out the need for new petrol and diesel cars and vans by 2032
- Create Scotland's first 'electric highway'.
- Doubling of active travel budget
- Introduce Europe's most comprehensive network of cutting-edge remote sensing air quality monitors on local and trunk roads
- To help those who will have the most difficulty in making the transition, will create a **Low Emission Zone Support Fund**

ROSEANNA CUNNINGHAM MSP

Cabinet Secretary for Environment, Climate Change and Land Reform

“Delivering multiple LEZs across Scotland is ambitious. It represents the largest ever programme of transport-based air quality mitigation in Scotland.”



MICHAEL MATHESON MSP

Cabinet Secretary for Transport, Infrastructure and Connectivity

“It is critical is that LEZs are brought forward in tandem with other measures like bus priority”



CLLR. ANNA RICHARDSON

GCC Convenor Transport and Environment

“The LEZ will make significant reductions to air pollution in the city centre and when fully implemented, will cover all vehicles by December 2022”



TS Air Quality team

Dr. Stephen Thomson – Head of Air Quality

Yvette Sheppard* – Environment & Air Quality Manager

Katrina Shiells – Air Quality Legislation and Enforcement Policy Lead

Derek McCreadie – Senior Air Quality Emissions Adviser

Emma Whorlow – Briefings and Correspondence Officer

Clare Sloan – Administrator

Scottish Parliament scrutiny of LEZs



Rural Economy and Connectivity Committee
Transport (Scotland) Bill

24 Oct



09:56:03



Air Quality Statements, Debates, MACCS and Parliamentary Questions; ECCLR Committee Air Quality Inquiry 2017 into 2018; Inclusion of LEZs into Transport (Scotland) Bill; REC Committee Bill call for evidence in 2018,

Governance

Transport Scotland @transcotland · Oct 11

Today @mathesonmichael met @GlasgowCC, @Edinburgh_CC, @DundeeCouncil and @AberdeenCC to discuss progress on #LowEmissionZones and how, by working in partnership, we can improve #AirQuality in Scotland's towns and cities by 2020.



6

10

21

LEZ Leadership Group

4 Cities Consistency Group

LEZ Delivery Groups

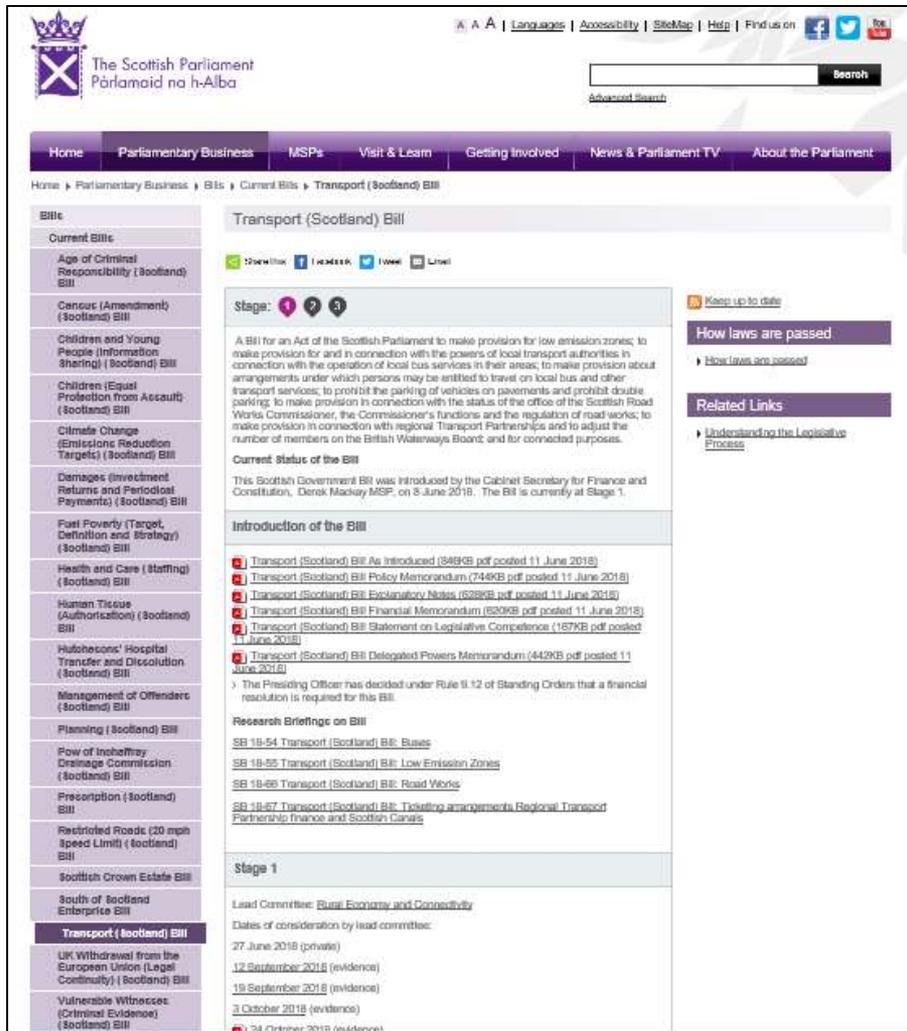
Group stakeholder engagements

TS Project Lead

TS Project Director

TS Project Managers

LEZs in the Transport (Scotland) Bill



The screenshot shows the Scottish Parliament website with the Transport (Scotland) Bill page. The page includes a navigation menu, a search bar, and a list of bills. The main content area is titled "Transport (Scotland) Bill" and shows the current status of the bill as "Stage 1". It also includes a list of related links and a section for "Research Briefings on Bill".

Section	Section topic
1	Restriction on driving within a zone
2	Proving contraventions and issue of as penalty charge notice
3	Enforcement
4	Power to make or modify a low emission zone scheme
5	Ministerial approval
6	Prior consultation
7	Local Inquiries
8	Ministers' powers to regulate process
9	Required content of a scheme
10	Grace Period
11	Grace Period: further provision
12	Time limited exemption
13	Power to alter operating hours
14	Ministers power to specify additional content
15	Use of equipment
16	Approved devices
17	Traffic signs
18	Temporary suspension for events
19	Ministers grant making powers
20	Financial powers etc
21	Application of penalty charge
22	Accounts
23	Annual report
24	Direction to carry out a review
25	Actions following a review
26	Guidance
27	Interpretation of Part

A Scottish Government spokesperson said:

*“As we set out in the Programme for Government, the need for the Scottish Government and the Scottish Parliament to process Brexit legislation meant this **might have an impact on the legislative programme.**”*

The deferral of a few bills are unconnected to the Budget and were discussed with the parliamentary bureau and agreed in conjunction with relevant committee Conveners. It is highly regrettable that Brexit is impacting on our priorities in this way.

We remain committed to the delivery of our ambitious legislative priorities, once this period of intense Brexit activity has passed.”

“...individuals driving vehicles which **fail to meet specified emission standards** will be prohibited from driving those vehicles in the designated geographical area.

Where a person breaches this rule, a **penalty charge** will be payable unless the vehicle is exempt.”

[http://www.parliament.scot/S5_Bills/Transport%20\(Scotland\)%20Bill/SPBill33ENS052018.pdf](http://www.parliament.scot/S5_Bills/Transport%20(Scotland)%20Bill/SPBill33ENS052018.pdf)

NLEF and powers to appraise an LEZ

Air quality-focused, evidence-based appraisal process

Las to consider transport related actions to improve local air quality where transport is identified as the key contributor to air quality problems

PfG - LEZs into all other AQMAs by 2023 where NLEF appraisals advocate such mitigation

<https://www.gov.scot/publications/national-low-emission-framework/>



National Low Emission Framework

January 2019



Scottish Government
Riaghaltas na h-Alba
gov.scot

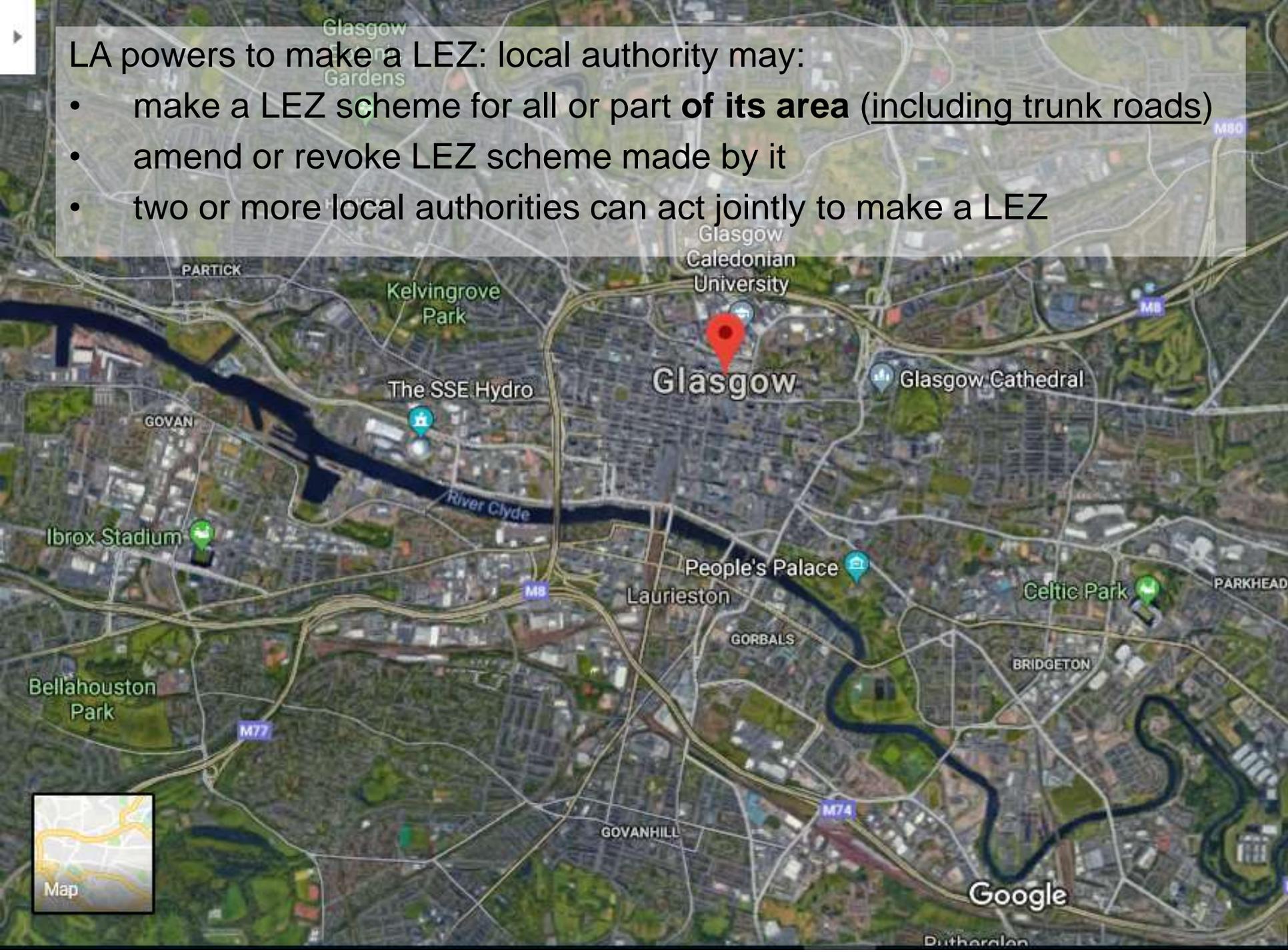
LEZ objectives

The LEZ scheme objectives must include an objective of contributing towards **meeting the air quality objectives** prescribed under section 87(1) of the Environment Act 1995 (regulations about air quality).

Objectives met \neq LEZ revoked

LA powers to make a LEZ: local authority may:

- make a LEZ scheme for all or part **of its area** (including trunk roads)
- amend or revoke LEZ scheme made by it
- two or more local authorities can act jointly to make a LEZ



Ministerial approval

A low emission zone scheme cannot be made, amended or revoked unless the proposal to make, amend or revoke the scheme is approved by the **Scottish Ministers**.

Required content of a scheme

- Area on a map
- Specifying the roads
- Date when the scheme comes into effect
- Scheme objectives
- Scheme may not specify a private road or special road

Operating hours

OPEN

24/7

Emission standards

“Although the specific emissions standard will be set by regulations and is not specified in the Bill, **it may be a reasonable assumption** that this will be consistent with the general leading emission standards for low emission zones established in Europe – presently **Euro VI/6 for diesel vehicles and Euro 4 for petrol vehicles**”

To be set out in Regulations...

TRANSPORT (SCOTLAND) BILL

POLICY MEMORANDUM

INTRODUCTION

1. As required under Rule 9.3.3 of the Parliament's Standing Orders, this Policy Memorandum is published to accompany the Transport (Scotland) Bill introduced in the Scottish Parliament on 8 June 2018.
2. The following other accompanying documents are published separately:
 - Explanatory Notes (SP Bill 33-EN);
 - a Financial Memorandum (SP Bill 33-FM);
 - statements on legislative competence by the Presiding Officer and the Scottish Government (SP 33-LC).
3. This Policy Memorandum has been prepared by the Scottish Government to set out the Government's policy behind the Bill. It does not form part of the Bill and has not been endorsed by the Parliament.

BILL CONTENT

4. The Bill is structured in the following Parts:
 - Part 1 – Low emission zones: makes provision in relation to the creation and enforcement of low emission zones in Scotland.
 - Part 2 – Bus services: ensures that local transport authorities have viable and flexible options to improve bus services in their areas.
 - Part 3 – Ticketing arrangements and schemes (“smart ticketing”): makes provision enabling the Scottish Ministers to specify a national technological standard for the implementation and operation of smart ticketing arrangements and providing local transport authorities with additional powers to develop and deliver effective smart ticketing arrangements and schemes.
 - Part 4 – Pavement parking and double parking: introduces prohibitions on parking on pavements and double parking.
 - Part 5 – Road works: enhances the role of the Scottish Road Works Commissioner (SRWC) and the wider regulation of road works.

Euro emission standards

Vehicle emissions standards are part of the low emission zone proposals included in the Transport (Scotland) Bill which was introduced to the Scottish Parliament on 8 June 2018. Whilst the Bill does not set the mandatory vehicle emissions standards for entering a low emission zone, it does set provisions for Ministers to create such regulations.

The consultation titled 'Building Scotland's Low Emission Zones' outlined proposals for the minimum emission standards for low emission zones to be Euro four for petrol engines (generally vehicles registered from 2005) and Euro six for diesel engines (generally registered from 2014). The use of Euro standards in this manner is commonplace across European low emission zones.



Whilst there is currently no database available for the public to check their vehicle against the corresponding Euro standard, the DVLA are developing such a programme.

The current proxy is to use vehicle age as a guide to the corresponding Euro classification, noting the dates when each Euro category was introduced. The Euro six standard for diesel cars was introduced in September 2014, with any new car sold after September 2015 having to meet this standard. The Euro 4 standard for petrol engines was introduced in January 2005, with any new vehicles sold after January 2006 having to meet this standard.

Grace periods

The grace period applicable to non-residents must expire:

- not less than **1 year** after it begins, and
- not more than **4 years** after it begins.

The grace period applicable to residents must expire:

- not less than **1 year** after the expiry of the grace period applicable to non-residents, and
- not more than **2 years** after the expiry of that period.

Enforcement and detection

A white dome-shaped speed camera is mounted on a black metal pole. The camera has four lenses and is positioned to monitor traffic. The pole is attached to a brick building with several windows. The background shows the building's facade and a clear sky.

Regulations will focus on approved devices and penalty method of issue, timings and manner of payment of a penalty + reviews and appeals

Penalties

Only one penalty charge notice in the same day per LEZ to the registered keeper

DVLA record certifying a vehicle's emission standard is determinative

Fine not exceeding level 5 on the standard scale (+ surcharge option)

Penalties

Bill does not make reference to **foreign vehicles**

Challenges around enforcement of unregistered foreign vehicles:

- European vehicle databases
- Interoperability?
- European Electronic Toll System (EETS)

Application of penalty money

Any penalty monies only for the purposes of:

- facilitating (directly or indirectly) the achievement of the scheme's objectives, **and**
- making any repayments required as a condition of a grant

Time limited exemptions

1. Nationally consistent exemptions

2. Granting and renewal of a time-limited exemption by the LA

The maximum period for an exemption must be no longer than 1 year.

National consistency as we consider options including:

- Emergency services
- Military
- Blue Badge
- Historic
- Hearses
- Etc...

Temporary suspension

...suspend the LEZ...for a specified period
...for the purposes of an event which:

- is being held within, or in the vicinity of, the zone to which the scheme relates, and
- the local authority considers to be of **national importance**.

27th October

Buses can help tackle pollution in towns and cities, says Transport Secretary

Herald Scotland Online



Buses can help tackle pollution in towns and cities, says Transport Secretary

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Latest phase of Scottish bus retrofit fund opens

29.10.2019

BUSES, COUNCIL

WILL DATE

Up to £7.8 million in funding is being made available to Scottish local authorities and bus operators to retrofit buses to reduce nitrogen dioxide emissions.

The second phase of the Bus Emissions Abatement Retrofit (BEAR) programme opens this week, and will 'significantly offset the financial costs associated with the installation of accredited retrofitting technology to reduce emissions', the Scottish Government has said.



Glasgow city council will be the location for Scotland's first low emission zone which is expected to initially focus on buses

The funding is available to licensed bus and coach operators, local authorities and community transport operators operating on routes within Aberdeen, Dundee, Edinburgh and Glasgow or one of Scotland's Air Quality Management Areas.

airquality news.com

Renewable Energy Home Insulation Home Energy Efficiency Transport Programme Management Council

Home > Buses > Scotland > Environment > Funding

Scottish Bus Emissions Abatement Retrofit Programme

Phase 2

Up to £7.8 million in funding is being made available to Scottish local authorities and bus operators to retrofit buses to reduce nitrogen dioxide emissions.

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The funding is available to licensed bus and coach operators, local authorities and community transport operators operating on routes within Aberdeen, Dundee, Edinburgh and Glasgow or one of Scotland's Air Quality Management Areas.



Energy Saving Trust

@EnergySvgTrust

Follow

The first 7 of 42 buses awarded funding from the Bus Emissions Abatement Retrofit (BEAR) phase 1 scheme have been revealed.

Funded by @transcotland & delivered by @EnergySvgTrust, BEAR enables Scottish bus operators to retrofit existing vehicles.

More: ensvgr.uk/2gAzV



2:01 am - 31 Jan 2019

16 Retweets 19 Likes



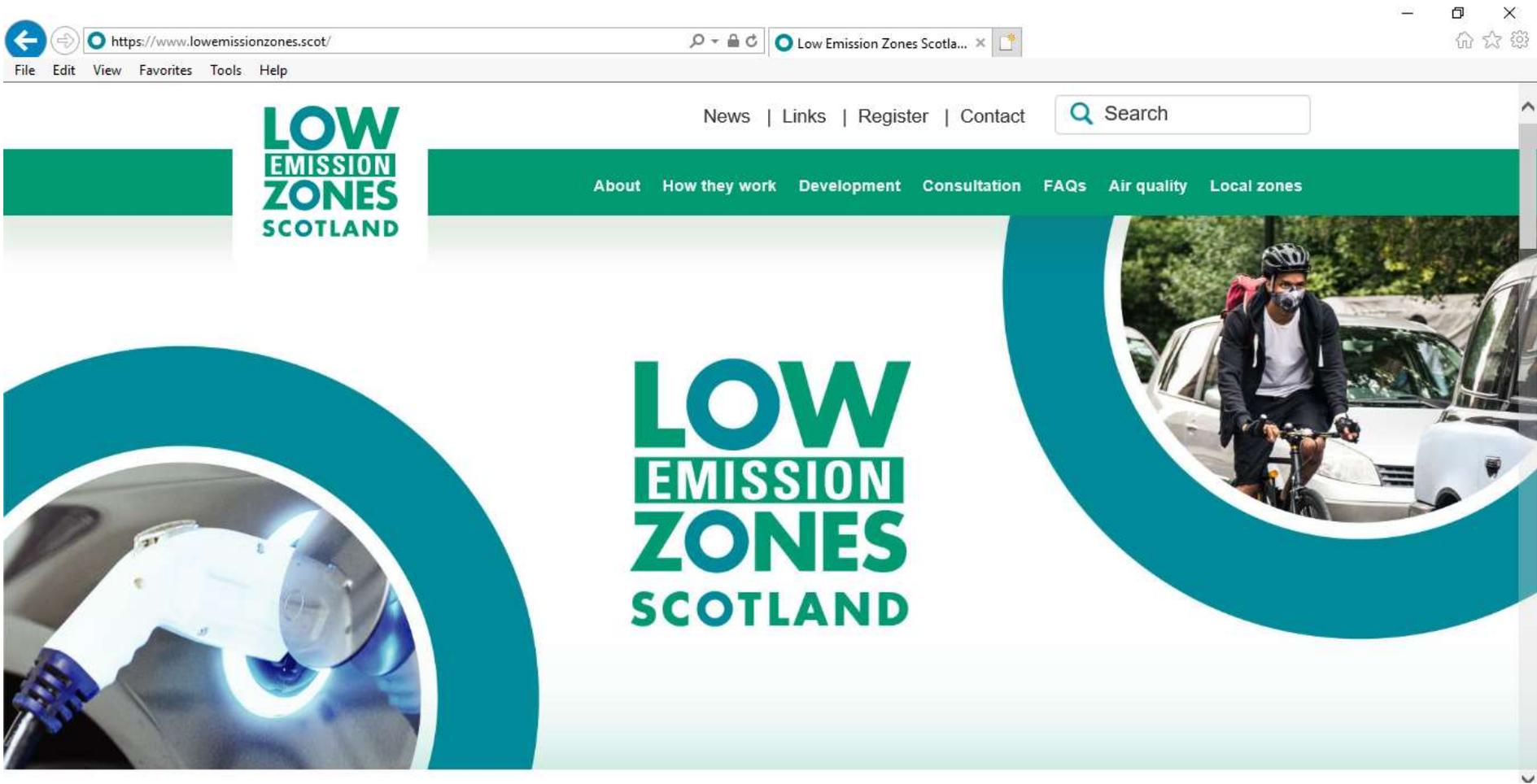
Regulation and Guidance stakeholder workshops



2 April – 0900 to 1700 – Buchanan House, Glasgow

8 May – 0900 to 1700 – Buchanan House, Glasgow

11 June – 0900 to 1700 – Buchanan House, Glasgow



<https://www.lowemissionzones.scot/>

Transport Bill and Low Emission Zones

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