



Response of the Road Haulage Association to Bath & North East Somerset Council's Consultation on

The Council's proposal to introduce a Class D, Charging Clean Air Zone (CAZ) in central Bath by the end of 2020.

26 November 2018

Summary

Bath and North East Somerset Council (B&NES), have been directed by DEFRA and the DfT to produce a clean air plan to achieve air quality improvements in Bath in the shortest possible time. In line with Government guidance as part of the Plan, B&NES is considering the implementation of a Clean Air Zone, in order to achieve sufficient improvements in air quality and public health.

The proposal

- Bath's assessments have determined that the most effective way to achieve NO₂ reduction targets is a Class D Clean Air Zone (CAZ)
- This would mean charging drivers of all higher emission vehicles – including cars – to drive in the city centre by the end of 2020
- The proposed zone would include the centre of the city, but air quality would improve across the city
- Lower emission vehicles would not pay the charge
- Higher emission buses, coaches and HGVs would pay £100 per day to drive in the zone
- Higher emission cars, taxis and vans would pay £9 per day to drive in the zone
- Bath are proposing exemptions and concessions and additional supporting measures to lessen the impact of the zone, especially on vulnerable groups and businesses
- The Government is reviewing their proposal, and the Council must reach a final decision in December 2018.

The consultation closes on 26 November 2018

Background about the RHA

The RHA is the leading trade association representing road haulage and distribution companies, which operate HGVs as profit centres. Our 7,000 members, operating near to 250,000 HGVs, range from single-truck firms to those with thousands of vehicles. These companies provide essential services on which the people and businesses of the UK depend.



The Road Haulage Association

We proactively encourage a spirit of entrepreneurism, compliance, profitability, safety and social responsibility. We do so through a range of advice, representation and services, including training.

We would like to thank Bath and North East Somerset Council for the consultation and the opportunity to comment on the issues raised.

Our responses focus on the impact on commercial road haulage operators and their customers.

RHA Answers

1. Are there any changes to the boundary of the proposed zone that you think we should consider? If your comment relates to a specific location, please provide street names.

Answer. A section of A36, and between London Road and Bathwick Street is included in the clean air zone. A36 is a trunk road and primary route that links Bath to the major ports of Southampton and Bristol. It passes through several towns and a city, including Warminster, Wilton, Salisbury, Wiltshire, Totton, and Hampshire on its way towards south from Bath, and joins with A35 on the western outskirts of Southampton. Similarly, the section between London Road and Bathwick Street is used by a high-volume traffic originated from or destined to adjacent areas such as Chippenham as a link road.

According to the Department for Transport's (DfT's) guidance on 'Road Classification and the Primary Route Network' (DfT, 2012)¹:

"Primary routes MUST remain reasonably direct and viable for medium and long-distance travel including, wherever possible, for freight traffic."

A significant proportion of the traffic that are not originated from or destined to Bath uses A36 as a link road. There is no viable alternative primary route to A36 for the traffic destined to areas outside of the clean air zone. In this regard, the DfT (2012) states that "In situations where no suitable alternative route exists, we cannot envisage environmental issues in themselves being sufficient to justify changes to a primary route."

It means that a high proportion of the traffic will be required to pay charges without being originated from or destined to the clean air zone when using the A36.

A question then arises:

"Is there any alternative primary route to the section of the A36, London Road, and Bathwick Street included in the clean air zone?"

if not, then it is very likely that a portion of the traffic will be using adjacent local roads to avoid paying clean air zone charges.

¹ DfT (2012). Guidance on Road Classification and the Primary Route Network. Department for Transport, London, UK.

The council needs to evaluate the impacts of traffic diversion in the context of Bath to assess the viability of including A36 in the clean air zone.

2. To what extent do you agree or disagree with the following statement

Answer. Disagree

3. Please explain your answer or suggest an alternative charge that you believe would be more effective in helping us to meet our air quality targets.

Answer. The Heavy Goods Vehicle sector is made up of 80,000 registered operators, 90% of which are small businesses with most owning between 1 and 5 vehicles, they are the life blood of the sector.

The larger organisations are the ones which can renew their fleets in a short turn around period and most if not, all will already be operating Euro VI lorries. The smaller operator usually relies on the second-hand market or has a much longer vehicle life 12 years in most cases, longer for the specialised equipment sector as they tend to be low mileage well maintained lorries.

Your ANPR statistics are based on a forward view of what is happening at the moment, as stated in the previous paragraph those that can afford to renew fleets are already doing so, those that cannot will still not be able to do so.

The insistence of the Government of Euro VI being the only compliant vehicles allowed to enter for free has caused a market distortion in vehicle sales and the second-hand market.

There is insufficient Euro VI to meet demand if the businesses could afford them which they cannot. A second-hand Euro VI has been made much too expensive and with residual values of all other Euro engines substantially reduced making any Euro V or below worthless.

The infrastructure for alternative fuels is extremely poor for the HGV sector, there are no heavy-duty electric lorries that will be available by 2020 and if they were are extremely expensive. There is no Retrofit for the HGV sector other than limited Refuse Collection Vehicles.

4. Does your business or organisation own or operate vehicles that travel into or through the proposed zone in Bath?

If no, please skip to question 9.

Answer. No

9. Below is the full list of concessions that we're currently looking at to help reduce the impact of the zone on the local community and economy. Please can you consider each one and rank them in terms of importance to your business and operations, including your staff, suppliers and customers. Alternatively, please skip this question if none apply.

Please identify your top 3, ranked from 1 to 3 where 1 is most important.

Our top rated three concessions are listed below:



The Road Haulage Association

Recovery vehicles or breakdown trucks over 3,500 kg (Delaying the introduction of charges until 1 Jan 2025)

Vehicles in the Special Vehicles tax class (Delaying the introduction of charges until 1 Jan 2025)

Vehicles in the Special Types tax class (Delaying the introduction of charges until 1 Jan 2025)

Vehicles in the General Haulage Vehicle tax class (Delaying the introduction of charges until 1 Jan 2025) - **This is an unused taxation class and is not a concession for Heavy Goods Vehicles.**

10. Do you have any suggestions for further concessions that you think would be effective in supporting your business or operations, including your staff, suppliers and customers? Please also outline your reasons.

Answer. The RHA believe that Bath need to review the level of charging for HGV's. As explained previously it is very likely that many small hauliers will not be able to upgrade their fleets and may go out of business if other work which does not mean travelling into cities cannot be found. Bath have the option under Government guidance to vary any charges made and we therefore suggest that you consider our suggestion of Phased Charging

The RHA has recommend, **if any CAZ is introduced**, that an Intelligent Phasing of the charges is applied. One example would be charging older Euro III and Euro IV lorries a full charge, and Euro V A £25 charge until the end of 2023, then Euro V half charge until 2024. Alternatively, simply use the year of first registration as a proxy for the Euro standard and phase on that basis. (e.g. 14-year-old vehicles full charge, 11 - 14 year old vehicles half charge, 10 year or less no charge).

This approach will make it much cheaper and quicker for operators working in Clean Air Zone areas to remove higher emitting older lorries, such as Euro II, to much cleaner Euro V and VI lorries.

We believe this approach is in line with the requirement to clean our air quickly as it encourages the use of ever cleaner vehicles over time. The current Euro VI approach does not do this because it does not distinguish between a Euro II and a much cleaner Euro V.

There is no evidence that charges as high as £100 are needed to promote change in the way the lorry fleet is used – the market is highly competitive with very low margins; even modest charges will impact operator behaviour and choices.

The RHA also proposes that no lorry should be charged twice in a day to enter Clean Air Zones. We have a situation where it is common for lorries to enter multiple cities in a day. Charging the same lorry 2 or 3 times in a day when the lorry spends limited time in each zone is unfair, so only one charge per day should apply.

11. If your business has non-compliant vehicles, and none of the proposed exemptions or local concessions apply, what do you think your business or organisation would do if the zone is introduced in late 2020? If you expect all of your vehicles to be compliant or you don't operate vehicles directly, please skip to Section 6.

Answer. We do not operate vehicles but represent the Road Haulage Sector, many of our members have suggested that if other work is not available that does not require them entering charging clean air zones then they will likely go out of business

12. We're considering the following supporting measures to be introduced alongside a proposed zone in late 2020. Which would be a priority for your business or organisation?

Answer. Option One very important - Financial support for local businesses to upgrade from non-compliant pre-Euro 6 commercial vehicles

This is essential and should be a priority for local businesses not just those based in the CAZ.

13. We're also considering the following proposed supporting measures to be introduced after 2021. Which would be a priority for your business or organisation? Alternatively, please skip this question if none apply.

Please identify your top 3, ranked from 1 to 3 where 1 is most important.

Answer. This option although offered is NOT currently available and when it is will be too expensive for most hauliers running general haulage vehicles. - **Support for local HGV owners to retrofit Euro 4 and 5 diesel vehicles.**

14. Please let us know of any other measures that might help your business or organisation, including your staff, suppliers and customers adapt to the proposed charging zone?

Answer. There are various engineering options available to Bath similar to the action taken by the Derby team.

15. Please tell us about any steps that your business has already taken or is planning to make to reduce air pollution in Bath?

Answer. No Comment

16. We want to find out if any particular types of business or organisation will be affected (positively or negatively) by the introduction of a Clean Air Zone. Please use the space below to tell us if you think your business or organisation will be affected due to the particular nature of your operations or the specifics of your staff, suppliers or customers.

Answer. Compliance with the Clean Air Zone requirements will be impossible for many businesses due to the cost of change, the shortage of second hand Euro VI lorries, the absence of a lorry retrofit option, and the limited opportunity for redeployment of Euro IV and V vehicles. In effect, for many operators it will become a tax on the sector that will destroy some businesses and will make no material difference to overall air quality

emissions from HGV's. The current proposal will be a catastrophe for many, mostly smaller, road haulage businesses. We have members who have told us that they will need to cease trading if the Clean Air Zone is introduced as currently proposed. We believe that Bath Council have underestimated the negative impacts of the proposals on the haulage sector in several key areas and had made a number of errors in its assessments with regards to the age profile.

The ANPR data used by Bath is based on data from the current fleet, as stated by the RHA at recent meetings, those in the sector that can afford to upgrade on a regular basis have done so already. Those that cannot will not be able to due to the market fluctuations caused by the insistence on Euro VI as the only free to enter vehicles.

17. Please share any further thoughts you have about this proposal, or any comments you have about this proposal as a whole relating to your business or organisation. This might include any alternative approaches that you think would be effective in meeting our air quality targets by 2021 at the latest.

Answer. Incredibly Bath have predicted that with a Clean Air Zone that compliance will hit 98%. The justification for the 98% figure is not clear, this predicted outturn is fantastically higher than the JAQU behavioural assessment guidance – which itself is high and lacks credibility because it is out of date.

At the beginning of 2020 just over 50% of lorries in Great Britain will be Euro VI (see table 1 below), around 25% will be Euro V. We do not believe that the increase in the Euro VI share of lorry journeys stated by the Southampton consultation – from 85% in the “do minimum” to 97% in the CAZ B option is achievable. The lorry fleet cannot support the 97% share claimed.

Table 1. Changes in the lorry fleet, by emission standard over time

	2013	2015	2017	2019*	2021*	2023*	2025*
Euro VI	0	83,236	177,327	244,853	308,349	360,632	398,438
Euro V	180,000	168,162	142,497	136,367	104,378	73,064	48,731
Euro IV	108,600	91,598	70,641	43,169	28,437	18,453	13,020
Euro III	104,100	79,566	59,406	32,046	22,232	16,301	11,820
Pre Euro III	65,600	49,497	38,406	33,565	26,604	21,550	17,992

Data to 2017 extracted from DfT Statistics - VEH0511, published April 2018.

* RHA Data generated from long-term fleet profile information derived from VEH0511 - April 2018.

There is no economic assessment looking at the affordability of the scheme and impact on the businesses in the CAZ, there is no credible number given for the cost to business and there is no consideration on the disproportionate impact that will fall on small and micro businesses. Given that even JAQU note that micro and small “businesses make up a significant proportion of the non-compliant fleet entering the zones” this is a serious oversight.

Bath’s assessment of welfare costs has not taken into account the market fluctuation for HGV’s and therefore the data is flawed. Further you have not calculated the increase in costs that will have to be passed on from the HGV fleet who enter and pay the charge, the individual businesses will not be able to take the costs.

Bath’s assessment of final primary behavioural response rates that 80% would upgrade is also flawed as stated those that can upgrade have and those that have not cannot.

Euro VI vehicles are in very high demand. The HGV second hand market for Euro VI HGV’s is highly inflated due to the insistence of Euro VI being the only acceptable lorry allowed within all CAZ proposals without charge.

Bath is still promoting the myth that retrofit for lorries is available. We have solid evidence that retrofitting in our sector is not available, there is no CVRAS approval for any lorries, nor is any likely before 2020.

It is very disappointing that Bath has disregarded phasing the introduction of the CAZ so that modern high value vehicles, many just half way through their economic life, could continue in use for longer – thus minimising that significant financial penalties for many smaller businesses.

Bath make suggestions that there will be a mitigation plan for HGV’s we have already mentioned that Retrofit is not available. When it is, it will be overly expensive. Upgrade costs are disproportionate due to the insistence of Euro VI being the only compliant HGV. Any assistance offered by way of local discounted charges will enable an unfair advantage over other operators.

The RHA would like to make some important general points about air quality and the road haulage sector.

Over recent decades UK air quality has improved significantly thanks to concerted action at all levels. Total UK emissions of nitrogen oxides (NOx) fell by almost 70% between 1970 and 2015 and by over 19% between 2010 and 2015. Poor air quality is a serious environmental risk to public health in the UK and investing in cleaner air and doing even more to tackle air pollution are priorities for the RHA membership.

Road haulage is not discretionary, goods have to move for the wellbeing of people and businesses. Every home built requires tonnes of furniture, bricks, concrete and wood. All Bath residents need feeding and resupplying and their waste dealing with on a daily basis, and this has to be done by road vehicles.



The Road Haulage Association

Our view, and feedback from members, is that many of the smaller operators cannot afford to upgrade to Euro VI. The RHA position has been that any Clean Air Zones need to be phased in a way that supports clean air objectives without major disruption to small businesses and their customers. In particular that we need to accommodate newer Euro V lorries for longer than is currently planned (either exempting Euro V from charges initially or having a much lower or no charge, to the end of 2024).

It will not be a viable option for many small operators to pay the charge as the cost cannot be passed on; there are slim profit margins in the Road Haulage Sector many small businesses operating HGV's will have no alternative to but to cease to trade.

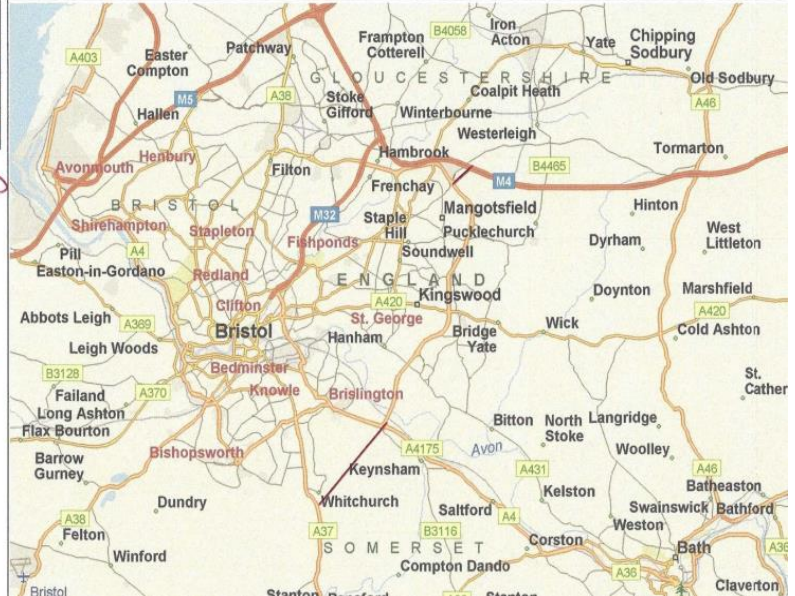
We note that Bath have not made mention of removing the CAZ when it meets the required levels, something that is clearly stated in the CAZ Framework.

Cars and vans make significant contributions to congestion; the data provided by Bath confirms this. Tackling congestion during rush hours and school start and end times will have a major impact, free school transport and even more radical a free public transport zone would mitigate car use and may have an impact on Air Quality.

At a recent meeting with the Bath CAZ team the RHA and one of its members pointed out the possibility of the link road at M4/A4174 to A37. The RHA propose that both Bath and Bristol look into whether this is feasible. Map attached.

C.T. Snape
Deputy Policy Director
20 November 2018

Upton Lovell to Leighton



TO COMPLETE RING ROAD
 JUNCTION FROM M4
 TO A4174 AROUND
 MANGOTSFIELD
 CONNECTION FROM HICKS
 GATE TO THE A37
 AT WHITCHURCH