

CLEAN AIR ZONE PUBLIC CONSULTATION

ANALYSIS OF BUSINESS RESPONSES



FINAL EXECUTIVE SUMMARY

SYSTRA

EXECUTIVE SUMMARY

Introduction

This executive summary provides an overview of responses, from a range of organisations, to Sheffield City Council's 2021 consultation on their proposed Category C CAZ, including their plans for financial support to help those whose vehicles would be subject to charges. This follows a previous consultation in 2019 on earlier Category C+ plans.

The consultation attracted large interest, with 218 organisations responding to the consultation via an online questionnaire; 53 providing a freeform email/telephone response, and 145 organisations taking part in one of thirteen interactive engagement sessions.

Those responding to the consultation were self-selecting rather than a representative sample of organisations and this must be taken into consideration when interpreting the findings. Survey respondents profile was as follows:

- Four in five had at least one site inside the CAZ, around a third were from the transport sector, and almost three quarters had less than 10 employees;
- Almost four in five believed they use a vehicle which is non-compliant and therefore which will be subject to the CAZ charges, slightly lower than reported in 2019; and
- Diesel vans or minibuses and diesel cars were the vehicles most likely to be used at present within the CAZ by respondents. LGVs owned by respondents were the most likely types of vehicle to be non-compliant, whilst coaches/buses were least likely to be non-compliant.

Views on air pollution and the CAZ

Over half of business representatives who took part in the consultation survey agreed that tackling air pollution should be a priority for Sheffield City Council, and that air quality in Sheffield was important to them.

However, three quarters of business representatives considered the CAZ would have a negative impact on their organisation, and on other businesses in Sheffield; almost three in five thought it would have a negative impact on Sheffield as a city, and around two in five thought it would have a positive impact on health. This represents a greater degree of negative sentiment compared to the findings of the 2019 consultation

Those supporting the CAZ tended to do so on the basis of the scheme tackling climate change. Those opposing the CAZ tended to cite concerns regarding the timing of introduction (during the Covid-19 pandemic), traffic displacement, and the perception that the role of the CAZ was to generate revenue rather than tackle air quality.

The most commonly perceived negative impacts of the CAZ on businesses were related to the impacts of increased costs from CAZ charges (including businesses becoming unviable), increased costs of deliveries, the need to divert routes, reduced trade, and lack of adequate EV vehicles and infrastructure. Businesses also expressed concern about reduced access to key modes of transport for individuals; and the diminished public realm, reduced footfall in the city centre, traffic, noise and air pollution displacement impacting on the city.

Many suggestions were made relating to the implementation of the CAZ, most commonly relating to changing the boundaries to not include the inner ring road, linking the CAZ to other city developments, and the provision of more detailed information regarding delivery and evidence to support the CAZ.

Working to improve clean public transport, taking action to reduce congestion, and encouraging low emission vehicles were the most commonly selected other actions that businesses considered Sheffield City Council should take to improve air quality in the city (as was the case in the 2019 consultation). Charging for private vehicles to drive into the CAZ, along with encouraging walking and cycling and lobbying for electrification of the rail network were each considered an action Sheffield City Council should take by over a third of businesses who took part in the survey.

Views on vehicle exemptions

Most representatives were in favour of each of the five vehicle types for which exemptions from charges are proposed, with more than seven in ten agreeing that specialist emergency service vehicles, and vehicles that cannot or are hard to be replaced, being exempt. Each of the other forms of exemption received support from over half of representatives.

Whilst several representatives felt that private vehicles should not be exempt from the CAZ charges, many further exemptions were also suggested, as was the case in 2019. These requests predominantly related to specific types of vehicles and groups which representatives felt should be exempt. The most commonly cited vehicle types and groups in these instances are summarised below:

SUGGESTIONS FOR EXEMPT VEHICLES	SUGGESTIONS FOR EXEMPT GROUPS
Camper vans/motorhomes	Key workers
Specialist vehicles	Sole traders/tradespeople
Vans	Trade customers and suppliers

After being presented with information on vehicle exemptions, around one in six representatives believed they own a vehicle which might be eligible for one of the exemptions. The exemption most likely to be applied for is the hard to replace vehicle exemption. Of the 18 representatives who suggested they were likely to apply for this type of exemption, the most common vehicle types they were considering applying for were petrol or diesel cars and LGVs or minibuses.

When provided the opportunity to provide feedback on vehicle exemptions, business representatives often made reference to a requirement for further clarity around the following three themes:

- Whether different types of businesses qualify for exemptions, including those based outside Sheffield;
- How businesses should go about applying for exemptions; and

- Whether different types of vehicles qualify for exemptions.

Views on support packages

Sentiments towards the available support packages varied greatly by the types of vehicles owned by businesses. Private hire vehicle drivers, HGV and LGV owners/operators were most likely to apply for one of the available support packages. By contrast, bus and coach owners/operators and Hackney Carriage drivers were most likely to be either undecided in which type of support they would apply for, or state that they would not apply for any of the available support measures.

Many business representatives made comments on the financial elements of support packages, particularly with regards to concerns about the size of the loans/grants available, and the affordability of upgrading. The sentiments around affordability appeared to be particularly pertinent in relation to smaller business, and the voluntary/third sector.

Further comments were provided by representatives around the requirement for further clarity around applications procedures, eligibility criteria, and the exact means through which support will be provided. In particular, there were many requests for further information on:

- The size/scale of funding that could be received, both in terms of value of funding for individual vehicles, and the number of vehicles for which applications could be made;
- The format in which funding will be received (e.g. in cash, or as part of the vehicle itself);
- Whether funding will be available retrospectively for those who have already upgraded their vehicle(s) without the aid of grants;
- Where the revenue generated by the CAZ will go;
- What the eligibility criteria for different support packages will be;
- The format in which applications will need to be completed; and
- How businesses which cease trading as a result of the CAZ will be supported.

Likely response to the CAZ

In terms of likely response towards the CAZ, businesses were most likely to state they would divert journeys around the CAZ, reduce numbers of journeys in the CAZ, and relocate the business to outside the CAZ. These three likely responses were each reportedly more likely than was identified in the 2019 consultation. However, around half of representatives indicated that they would replace their vehicle with a compliant model and almost a third would retrofit their vehicle so it is compliant.

The measures likely to be applied for were as follows:

- Bus owners/operators: upgrade grant of up to £16K (26%); retrofit grant of £16K (16%);
- Coach owners/operators: retrofit grant of £16K (28%); upgrade grant of up to £16K (11%);
- Hackney Carriage drivers: interest free loan (11%); retrofit grant (11%);
- Private Hire Vehicle drivers: interest free loans (32%); lump sum grants (25%);
- HGV owners/operators: upgrade grant of up to £16k (49%); retrofit grant of £16k (3%);

- LGV owners/operators: lump sum grant for Euro 6 diesel or Euro 4 petrol hybrid upgrade (31%); interest free loan (11%); and upgrade grant for EV upgrade (9%).

Around half of LGV owner/operators and HGV owner/operators in the business survey indicated that they are likely to apply for support measures, compared to around a quarter of LGV owner/operators and less than one in ten HGV owner/operators in the citizens survey.

In summary

- Respondents to the consultation overall viewed the CAZ as having an overall negative impact on businesses and Sheffield as a city, and there is a lot of concern about these impacts. Many suggestions were made about how these impacts can be mitigated, and alternative suggestions on CAZ delivery put forward.
- Proposed exemptions were generally supported and many others were suggested; although some considered private cars should not be exempt.
- Support packages were often perceived as inadequate in value but are likely to be taken up by about half of respondents for each vehicle type, other than Hackney Carriage drivers, for which closer to one in four are likely to take up either a loan or retrofit grant. Several questions remain from businesses regarding support package delivery and eligibility.
- Businesses were most likely to state they would divert journeys around the CAZ, reduce numbers of journeys in the CAZ, and relocate the business to outside the CAZ. However, almost half indicated that they would replace their vehicle with a compliant model and almost a third would retrofit their vehicle so it is compliant.

Next steps

This report provides a comprehensive account of all of the views and opinions provided by businesses and organisations who responded to Sheffield County Council's consultation on the Category C plans for the CAZ. An accompanying report provides the views of the general public.

The findings will be used by SCC to inform the development of the Final Business Case for the Clean Air Zone, and allow SCC to proceed with implementing the necessary measures by the end of 2022.

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