

Birmingham City Council

Report to the Cabinet

Date: 25th June 2019



Subject: **CLEAN AIR ZONE: CHARGING ORDER AND INDICATIVE ALLOCATION OF NET PROCEEDS**

Report of: **Director Inclusive Growth**

Relevant Cabinet Member: Councillor Waseem Zaffar: Transport and Environment
Councillor Tristan Chatfield: Finance and Resources

Relevant O &S Chair(s): Councillor Liz Clements: Sustainability and Transport
Councillor Sir Albert Bore: Resources

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Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference: 006457/2019		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, provide exempt information paragraph number or reason if confidential :		

1 Executive Summary

- 1.1 Following a successful business case submission to the Department for Environment, Food and Rural Affairs (DEFRA) to implement a Clean Air Zone (CAZ), grant funding of £14.215m (Implementation Fund) and £37.975m (Clean Air Fund) was accepted by the Council in March 2019. Government approval of the business case was accompanied by a Ministerial Direction, which required the Council to implement the approved scheme for a CAZ and supporting measures to achieve air quality compliance in the shortest possible time and by 2021 at the latest.

- 1.2 Bringing forward air quality compliance to 2021 was based upon a 2nd January 2020 commencement date for the CAZ as set out in the business case, with Government responsible for delivering a 'vehicle checker' to enable vehicle owners to obtain a definitive position as to their vehicles emissions standard, and subsequently compliance or non-compliance in respect of the CAZ. In addition, Government was to develop and implement a Payment, Settlement and Reconciliation (PSR) system, which would allow for the payment of charges by vehicle owners and match and reconcile payments in respect of compliance and date of entry into the CAZ. The system would also enable Government to send the Council a schedule of non-compliant vehicles that had entered the CAZ and failed to pay the charge to trigger the issue of a Penalty Charge Notice (PCN) once a cross check of local exempt vehicles had been undertaken.
- 1.3 Through the programme management arrangements put in place to work collaboratively with Government to deliver the CAZ, a delay to the delivery of the vehicle checker has been announced by the Joint Air Quality Unit (JAQU), which will see delivery following testing and commissioning in December 2019 rather than October 2019 as originally planned. In the context of a 2nd January 2020 commencement date for the CAZ, it is not considered acceptable to residents, businesses and visitors to the city to have a matter of weeks if not days to make key choices about their travel behaviour or upgrade their vehicle to a compliant standard. On this basis, it is proposed that the commencement date for the CAZ be delayed to no earlier than 1st July 2020, with air quality compliance subsequently moving back to 2022.
- 1.4 In terms of the PSR system referenced above, JAQU is currently looking for the reconciliation element of the system to be delivered by local authorities rather than Government, as ultimately local authorities will hold all payments. Whilst a formal change control has yet to be received from JAQU, it is estimated that development and delivery of this system could take upto 12 months from the point of local authorities receiving a detailed technical specification. Additional funding would also be required from JAQU in respect of confirmed scope changes and the need for local authorities to put in place a customer help desk to deal with payment queries.
- 1.5 Whilst the Council has asked JAQU to investigate procuring the reconciliation system for all local authorities set to introduce a CAZ as originally planned, it must be recognised that any formal change control or delay in the receipt of the technical specification could pose a further risk to the 1st July 2020 commencement date and associated achievement of air quality compliance in the shortest possible time.
- 1.6 Notwithstanding the above challenges, it is proposed that the Council working closely with Government and other CAZ cities continues to drive forward the clean air agenda and achieve air quality compliance in the shortest possible time. This includes commencing necessary exemption and mitigation processes to offset social and economic impacts identified as part of the Equalities Assessment

process. As such, this report seeks authority to make and implement the necessary Birmingham CAZ Charging Order (the Charging Order). In doing so, approval is sought to exercise the powers conferred on the Council by the Transport Act 2000 and all other powers enabling it to make the Order.

- 1.7 The Charging Order is the legal instrument that allows the Council to implement a CAZ and introduce charges for non-compliant vehicles entering or passing through it. The Charging Order has been drafted in accordance with the requirements of the Transport Act 2000.
- 1.8 The draft Charging Order is provided as Appendix A to this report and includes: the boundary of the CAZ; the scope of vehicles concerned; required emissions standards; charges for non-compliant vehicles; exemptions and penalty charges for non-payment. Should Cabinet not approve the implementation of the Charging Order, it is unlikely that clean air compliance will be achieved in the shortest possible time, with a resultant risk of incurring significant but as yet unspecified fines.
- 1.9 This report also sets out a proposed indicative allocation of net proceeds resulting from the implementation of the CAZ in accordance with Part 3 of the Transport Act 2000. Schedule 12 paragraph 8 requires that net proceeds of a charging scheme shall be applied by a local authority “for the purpose of directly or indirectly facilitating the achievement of local transport policies of the authority”. This requirement was further embedded within reports to Cabinet on the 26th June 2017 and 11th December 2018 relating to air quality and the CAZ respectively.

2 Recommendations

- 2.1 Approves the making of the Birmingham Clean Air Zone Charging Order 2019 (the Charging Order) substantially in the form provided as Appendix A to this report, to take effect no earlier than the 1st July 2020.
- 2.2 Delegates authority to the Assistant Director Transport and Connectivity jointly with the City Solicitor (or their delegate) to agree and authorise any non-material changes to the Charging Order prior to making, in consultation with the Leader, Cabinet Member for Transport and Environment, and the Cabinet Member for Finance and Resources.
- 2.3 Authorises the City Solicitor to seal and make the Clean Air Zone Charging Order including any changes to the version of the Order provided as Appendix A as may be necessary in accordance with recommendation 2.2 above.
- 2.4 Approves the indicative allocation of net proceeds resulting from the implementation of the CAZ to the priority uses, projects and programmes set out in paragraph 7.3.4 of this report, noting that specific project approvals will be undertaken in accordance with the Council’s Gateway and Related Financial Approval Framework.
- 2.5 Authorises the City Solicitor to negotiate, execute, seal and complete all necessary documentation to give effect to the above recommendations.

3 Background

- 3.1 As a result of ongoing breaches of legal NO₂ limits the Government has identified Birmingham as one of 28 UK cities that must take action to achieve clean air compliance in the shortest possible time. The Council has developed a proposal, which supports the Government's industrial strategy so that it can deliver reduced emissions in a way that best meets the needs of communities and local businesses.
- 3.2 Following a successful business case submission to DEFRA to implement a CAZ, grant funding of £14.215m (Implementation Fund) and £37.975m (Clean Air Fund) was accepted by the Council in March 2019. Government approval of the business case was accompanied by a Ministerial Direction, which required the Council to implement the approved scheme for a CAZ and supporting measures to achieve air quality compliance in the shortest possible time and by 2021 at the latest.
- 3.3 Bringing forward air quality compliance to 2021 was based upon a 2nd January 2020 commencement date for the CAZ as set out in the business case, with Government responsible for delivering a 'vehicle checker' to enable vehicle owners to obtain a definitive position as to their vehicles emissions standard, and subsequently compliance or non-compliance in respect of the CAZ. In addition, Government was to develop and implement a Payment, Settlement and Reconciliation (PSR) system, which would allow for the payment of charges by vehicle owners and match and reconcile payments in respect of compliance and date of entry into the CAZ. The system would also enable Government to send the Council a schedule of non-compliant vehicles that had entered the CAZ and failed to pay the charge to trigger the issue of a Penalty Charge Notice (PCN) once a cross check of local exempt vehicles had been undertaken.
- 3.4 As set out in paragraph 1.3 there are delays in the delivery of the vehicle checker by Government that necessitate pushing back the commencement date for the CAZ to no earlier than 1st July 2020 so as to give residents, businesses and visitors to the city sufficient time to make travel behaviour choices or to upgrade to a compliant vehicle. This would resultantly push air quality compliance back to 2022.
- 3.5 As set out in paragraphs 1.4 and 1.5, there is a further risk to the commencement date for the CAZ relating to the delivery of the reconciliation element of the PSR system by local authorities rather than Government as planned. Whilst a formal change control has yet to be received from JAQU, it is estimated that development and delivery of this system could take up to 12 months from the point of local authorities receiving a detailed technical specification. Additional funding would also be required from JAQU in respect of the changed scope and the need for local authorities to put in place a customer help desk to deal with payment queries.
- 3.6 Whilst the Council has asked JAQU to investigate procuring the reconciliation system for all local authorities set to introduce a CAZ as originally planned, it must be recognised that any formal change control or delay in the receipt of the technical specification could pose a further risk to the 1st July 2020

commencement date and associated achievement of air quality compliance in the shortest possible time.

3.7 The Charging Order is the legal instrument that allows the Council to implement the CAZ and introduce charges for non-compliant vehicles entering it. The Charging Order has been drafted in accordance with the approved business case submission to DEFRA and the necessary requirements of the Transport Act 2000.

3.8 The Charging Order in Appendix A details:

The Boundary: Once the order is made, the Charging Order will contain the plans delineating the precise CAZ boundary. At the current time the plans are shown separately in Appendix B.

The scope of the vehicles included within the CAZ: The proposed CAZ D with additional measures will impose charges on all non-compliant vehicles (except motorcycles).

The required emissions standards: As per Government guidance a vehicle is classed as non-compliant if it falls below Euro 4 for petrol vehicles and Euro 6 for Diesel vehicles.

The charges for non-compliant vehicles and penalty charges for non-payment: As per the legislation, penalty charges will be reduced if paid within 14 days as per the table below:

Vehicle	Car	LGV	HGV	Bus	Taxi
CAZ Charge	£8.00	£8.00	£50.00	£50.00	£8.00
Penalty Charge	£120.00	£120.00	£120.00	£120.00	£120.00
Penalty Charge (discounted)	£60.00	£60.00	£120.00	£120.00	£60.00

The exemptions: The local exemptions are set out in detail in Appendix C. These include all of the exemption categories referred to in Table 3.0 of the report to Cabinet dated 11 December 2018, with the exception of GP offices and care homes due to these medical facilities not offering an emergency out of hours service.

In addition, the following standard vehicle categories are exempt:

- Specialist emergency vehicles (ambulance, fire and police);
- Vehicles with a historic tax class;
- Military vehicles;
- Showman's vehicles;
- Recovery vehicles;

- Special vehicles;
- Agricultural and similar vehicles, and
- Vehicles within the disabled tax class.

The mechanisms for payment: The Charging Order has been drafted in advance of the finalisation by Government of the national payment portal which will govern the payment process and which is still under development. As such the Charging Order retains some discretion on exactly how payment provisions will operate to allow for the requirements of the payment portal when finalised.

The spending objectives: In the event that net proceeds are generated from the implementation of the CAZ, it is proposed that they are allocated in accordance with Part 3 of the Transport Act 2000. Schedule 12 paragraph 8 requires that net proceeds of a charging scheme shall be applied by a local authority “for the purpose of directly or indirectly facilitating the achievement of local transport policies of the authority. This requirement was further embedded within reports to Cabinet on the 26th June 2017 and 11th December 2018 relating to air quality and the CAZ respectively. Further detail in respect of priorities is provided below.

- 3.9 As noted in 3.8 above, certain provisions in the Charging Order may need to be changed prior to the making of the Order as greater detail becomes available from Government on the national payment portal. However, these changes are envisaged to be minor and will only impact on specific clauses of the Charging Order. As a result, it is proposed that any such changes be delegated to the Assistant Director Transport and Connectivity jointly with the City Solicitor (or their delegate) in consultation with the Leader, Cabinet Member for Transport and Environment, and the Cabinet Member for Finance and Resources.
- 3.10 In accordance with Department for Transport (DfT) guidance, the scheme will use a number of signs to provide advance warning of the CAZ, signal the start and end of the CAZ boundary, and signal where a camera is located. An example of the possible signage is shown below:



4 Options considered and Recommended Proposal

- 4.1 Approve the Charging Order in line with the recommendations in this report – this will enable the implementation of the CAZ to progress to enable air quality compliance in the shortest possible time.
- 4.2 Do not approve the Charging Order in line with the recommendations in this report – should the Council not approve the implementation of the Charging Order, it is unlikely that clean air compliance will be achieved in the shortest possible time, with a resultant risk of incurring significant but as of yet unspecified fines.

5 Consultation

- 5.1 A statutory public consultation was undertaken by the Council between July and August 2018. This was reported to Cabinet in September 2018.
- 5.2 The implementation of a CAZ has and continues to be governed by a cross-directorate Brum Breathes Project Board and cross-directorate Executive Board (chaired by the Cabinet Member for Transport and Environment and attended by Directors/Assistant Directors from all directorates). In addition, a Members working group has been established for all wards within the CAZ boundary, with this group chaired by the Member of Parliament for Ladywood.
- 5.3 Detailed discussions with JAQU have taken place and are continuing as part of the programme management arrangements put in place for CAZ cities.
- 5.4 The allocation of net proceeds resulting from the implementation of the CAZ has been considered by relevant portfolio holders including the Leader and Cabinet Member for Transport and Environment, and officers from Transport for West Midlands.
- 5.5 Officers from Legal and Governance Services, Finance and Procurement have been involved in the preparation of this report, with specialist external legal support engaged in terms of the drafting of the Charging Order.

6 Risk Management

- 6.1 The CAZ is now proposed to commence no earlier than 1st July 2020, with good progress being made in terms of programmes of capital works, exemptions and mitigations packages, and Council back-office systems.
- 6.2 JAQU is responsible for production and implementation of a charging portal, payment, settlement and reconciliation system and a vehicle compliance database and checker that will enable the timely commencement of the CAZ. As described above, there are currently delays to these activities and the strong likelihood that the reconciliation and possibly certain other system elements may be passed to the Council for delivery. These would represent a change in scope and lead to additional costs not included within the approved business case. In addition, such delays will result in air quality compliance being pushed back into 2022. It should be noted that any further changes in scope could result in further delays and costs.

- 6.3 A Senior Responsible Officers (SRO) group has been established to manage risks in this respect, with membership comprising of senior JAQU civil servants and senior officers from both the Council and Leeds City Council (who are also taking forward a CAZ).
- 6.4 The Council has requested in writing formal change controls from Government and has sought additional funding to cover any costs not included in the approved business case. Appropriate acknowledgement has been sought from JAQU to protect the Council from any subsequent legal action by third parties arising from delays in achieving air quality compliance.
- 6.5 Overall programme risks are managed through the Brum Breathes Project Board and Executive Board, while monthly dashboard reports are scheduled for ongoing consideration at Council Management Team.
- 6.6 An update report will be brought to Cabinet in February 2020 to provide a holistic view of progress and address any scheme revisions. Other reports will be brought forward as required.
- 6.7 A risk register is provided as Appendix D to this report.

7 Compliance Issues:

7.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?

- 7.1.1 The recommendations of this report are fully consistent with the Council Plan 2018-2022, with clean air a key corporate priority.
- 7.1.2 Improving air quality is a key ambition of the Birmingham Health and Wellbeing Strategy and supports the delivery of policies included in the Birmingham Connected Transport White Paper, which in turn, supports delivery of the Birmingham Development Plan and the West Midlands Combined Authority's Movement for Growth.

7.2 Legal Implications

- 7.2.1 The Charging Order has been drafted in accordance with statutory powers pursuant to Part III and Schedule 12 of the Transport Act 2000, The Road User Charging Schemes (Penalty Charges, Adjudication and Enforcement) (England) Regulations 2013, and of all other enabling powers. The Charging order is the legal instrument that practically implements the Full Business Case for the CAZ and sets out the requirement for road users who are subject to charging in the CAZ as well as a plan for applying any of the net proceeds.
- 7.2.2 The Air Quality Standards Regulations 2010 ("the Regulations") have brought Directive 2008/50/EC of the European Parliament and of the Council on Ambient Air Quality and Cleaner Air for Europe into UK Law. Regulation 26 of the Regulations required the Secretary of State to draw up and

implement an air quality plan to achieve the relevant limit or target value of pollutants in ambient air within the shortest possible time.

- 7.2.3 The Government's Air Quality Plan (the UK Plan for Tackling roadside Nitrogen Dioxide Concentration) was published in July 2017 and required Local Authorities to set out their initial plans for improving air quality by the end of October 2017 and their final plan by the summer of 2018.

7.3 Financial Implications

- 7.3.1 Government funding to implement the CAZ comprising £14.215m (Implementation Fund) and £37.975m (Clean Air Fund) was accepted by the Council in March 2019. Expenditure will be approved in accordance with the Council's Gateway and Related Financial Approval Framework and the delegations approved by Cabinet on the 11th December 2018. Any change controls will be managed in accordance with the Council's standard governance procedures and the grant conditions set out by Government in providing the above grant awards.
- 7.3.2 Subject to the approval and making of the Charging Order, the Council will be able to charge non-compliant vehicles entering the CAZ and associated penalty charges in the event of non-payment (as detailed in section 3.8). In accordance with the Transport Act 2000 the first call on such revenue resources will be CAZ operating costs as set out in the full business case approved by Cabinet on the 11th December 2018.
- 7.3.3 After funding operating costs it is estimated that £82.174m of net proceeds will be available between 2020/21 and 2030/31. This figure is considered to be a prudent estimate by assuming net proceeds of 65% of the annual forecasts shown in the full business case approved by Cabinet on the 11th December 2018. This prudent approach allows for variations from annual forecasts for income and expenditure and aligns with a similar methodology applied by the Greater Birmingham and Solihull Local Enterprise Partnership's Enterprise Zone in respect of forecast business rates growth income.
- 7.3.4 Part 3 of the Transport Act 2000, section 12, paragraph 8 requires that net proceeds of a charging scheme shall be applied by a local authority "for the purpose of directly or indirectly facilitating the achievement of local transport policies of the authority". Further to reference to the Council's transport policies and consultation with, relevant portfolio holders and Transport for West Midlands the projects and initiatives below have been given the indicative allocation totalling £75.700m of net proceeds. to the below projects.
- Controlled Parking Zones to mitigate localised impacts of the CAZ;
 - Gap funding for the Hydrogen Bus Pilot;
 - City centre pedestrianisation and public realm improvements;

- Enhanced programme of bus priority, walking and cycling schemes;
- Creation of Clean Air City Fund, with a proposed annual allocation of £20,000 to each ward (£40,000 for two member wards) for use against a defined catalogue of measures to aid sustainable transport and improve air quality;
- New transformational transport plans for the period up to 2050; and
- Match funding contributions towards new or upgraded public transport projects.

7.3.5 The net proceeds will be monitored through the quarterly financial reporting processes to Cabinet, with annual programming revised or updated as part of the annual Transportation and Highways Capital Programme report to Cabinet, similarly to reporting of net surplus bus lane enforcement income.

7.4 Procurement Implications (if required)

7.4.1 Procurement arrangements have previously been agreed by Cabinet.

7.4.2 It should be noted that any changes in scope may require additional Procurement approvals.

7.5 Human Resources Implications (if required)

7.5.1 Human resource implications have been previously agreed by Cabinet, with new posts or agency worker requests actively being handled by the Council's Review Board in accordance with normal practise.

7.5.2 It should be noted that any changes in scope may have an impact on additional Human Resources, with these to be handled in accordance with normal practise.

7.6 Public Sector Equality Duty

7.6.1 The Council has a statutory equality duty to ensure that no dis-benefits are introduced to any persons who share a protected characteristic. The CAZ programme will have an impact on a variety of aspects including the health and well-being and financial capacity of those working, living and visiting the city. The scheme will have an impact upon air quality, congestion, ease of travel, within the city and also the capacity of the city's roads which will see an increased volume of traffic in some areas. As such, an Integrated Impact Assessment (IIA) has been undertaken during the feasibility phase which consists of an Equality Impact Assessment (EIA) and a Health Impact Assessment (HIA). As described below:

- Equality Impact Assessment: the purpose of this piece of work is to assess the impacts to the various socio economic groups which inhabit the city. The assessment shows that the largest impact will be to lower income families and those with disabilities. As part of the CAZ programme a number of mitigation measures have been developed

which will aim to reduce the impact on the people who fall into these groups.

- Health Impact Assessment: the purpose of this piece of work assesses the implications of introducing the various schemes on the health and well-being of those people who live, work and visit the city, highlighting the particular impacts on identified vulnerable groups such as, children and disabled people. The output of this assessment showed that the overall health impact would be positive, with areas of high income deprivation benefitting most. This is partly due to the improvement in vehicle emissions and the indirect benefits of the modal shift towards active travel.

7.6.2 Equality Assessment (EQUA210) is provided as Appendix E, as submitted as part of the full business case to Government. This document is being kept under review.

8 Appendices

- 8.1 Appendix A: Clean Air Zone Charging Order
- 8.2 Appendix B: Clean Air Zone Charging Order Plans
- 8.3 Appendix C: Local Exemptions
- 8.4 Appendix D: Risk Register
- 8.5 Appendix E: Equality Assessment

9 Background Documents

- 9.1 Tackling Air Quality in Birmingham, Cabinet Report, 26th June 2017.
- 9.2 Birmingham Clean Air Zone submission of a Preferred Option Business Case to Government, Cabinet report 10th September 2018.
- 9.3 Joint Cabinet Member/Chief Officer report “Joint Air Quality Unit Early Measures Fund for Local NO2 Compliance – Application for and acceptance of funding” 19th September 2018.
- 9.4 Birmingham Clean Air Zone Submission of Full Business Case and Request to Proceed with Implementation, Cabinet Report, 11th December 2018.
- 9.5 Clean Air Zone: Grant Acceptance – Report of the Cabinet Member for Transport and Environment jointly with the Chief Finance Officer and Director Inclusive Growth, March 2019.

PROTOCOL

PUBLIC SECTOR EQUALITY DUTY

- 1 The public sector equality duty drives the need for equality assessments (Initial and Full). An initial assessment should, be prepared from the outset based upon available knowledge and information.

If there is no adverse impact then that fact should be stated within the Report section 4.4 and the initial assessment document appended to the Report duly signed and dated. A summary of the statutory duty is annexed to this Protocol and should be referred to in section 4.4 of executive reports for decision and then attached in an appendix; the term 'adverse impact' refers to any decision-making by the Council which can be judged as likely to be contrary in whole or in part to the equality duty.
- 2
- 3 A full assessment should be prepared where necessary and consultation should then take place.
- 4 Consultation should address any possible adverse impact upon service users, providers and those within the scope of the report; questions need to assist to identify adverse impact which might be contrary to the equality duty and engage all such persons in a dialogue which might identify ways in which any adverse impact might be avoided or, if avoidance is not possible, reduced.
- 5 Responses to the consultation should be analysed in order to identify:
 - (a) whether there is adverse impact upon persons within the protected categories
 - (b) what is the nature of this adverse impact
 - (c) whether the adverse impact can be avoided and at what cost – and if not –
 - (d) what mitigating actions can be taken and at what cost
- 6 The impact assessment carried out at the outset will need to be amended to have due regard to the matters in (4) above.
- 7 Where there is adverse impact the final Report should contain:
 - a summary of the adverse impact and any possible mitigating actions
(in section 4.4 or an appendix if necessary)
 - the full equality impact assessment (as an appendix)
 - the equality duty (as an appendix).

EQUALITY ACT 2010

The Executive must have due regard to the public sector equality duty when considering Council reports for decision.

The public sector equality duty is as follows:

- 1 The Council must, in the exercise of its functions, have due regard to the need to:
 - (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by the Equality Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 2 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
 - (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
 - (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
 - (c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- 3 The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.
- 4 Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
 - (a) tackle prejudice, and
 - (b) promote understanding.
- 5 The relevant protected characteristics are:
 - (a) marriage & civil partnership
 - (b) age
 - (c) disability
 - (d) gender reassignment
 - (e) pregnancy and maternity
 - (f) race

- (g) religion or belief
- (h) sex
- (i) sexual orientation

Appendix C – Local Exemptions

Target Group	Local Exemption	Duration
Commercial Vehicles registered within the CAZ	LGV/HGV/Coaches registered within the CAZ (max 2 vehicles per company).	1 year from commencement
Commercial Vehicles with an existing finance agreement	LGV/HGV/Coaches registered in the Birmingham City area travelling to the CAZ with an existing finance agreement beyond 2020 since at least 10 th September 2018 (max 2 vehicles per company).	1 year from commencement
Residents of the CAZ (private vehicles registered within the CAZ).	Private non-compliant vehicles registered within the CAZ.	2 years from commencement
Individuals travelling into the CAZ for work.	Individuals with non-compliant vehicles registered outside of the CAZ who travel into the CAZ for work and who meet the income criteria.	1 year from commencement
Hospital visitors	Visitors to specified hospitals in the CAZ in accordance with the criteria.	1 year from commencement
Community and schools vehicles.	Vans and mini buses registered as providing essential community and school transport services classified as section 19 and section 22 operators, registered for operation in Birmingham.	All Years

Appendix D – Risk Register

Risk No	Risk description	Risk mitigation	Current Risk			Additional steps to be taken
			Likelihood	Impact	Prioritisation	
1.	Combined database of vehicle number plates and emission standards enabling users to check if their vehicle meets the required Euro Emission Standards delivery by JAQU is further delayed beyond December 19 which will impact CAZ Commencement	Alternative Vehicle Checkers can be used as a guide however the Council cannot confirm the accuracy of such checkers for the Birmingham CAZ, nor guarantee definitive emissions/compliance standards.	High	High	Red	Continued liaison with JAQU to understand the extent and impact of the delay through the SRO Group.
2.	Delay in achieving Clean Air Compliance by the agreed deadline of 2021 resulting in significant, as yet unspecified fines and potential legal action by third parties.	Working with JAQU to mitigate delays in implementation and ensure all other measures, mitigations and exemptions are put in place.	High	High	Red	Continued liaison with JAQU to mitigate delays in implementation Acknowledgement required from Government to protect the Council from any subsequent action by third parties. Request made in writing.
3.	Change in responsibility from Government delivering a Payment, Settlement and Reconciliation(PSR) system to the Council delivering a local system	Change Control Request submitted to JAQU to identify full details of potential changes. Review alternative options for a PSR system to be delivered locally and necessary	High	High	Red	Letter sent to JAQU requesting a formal Change Request document defining the parameters of the change Additional funding may be required from JAQU to cover any additional costs

		procurement routes.				Acknowledgement required from Government to protect the Council from any subsequent action by third parties. Review of procurement frameworks to source necessary technical expertise.
4.	Additional resources may be required to deal with payment queries regarding payments to Payment.gov site which is now not being delivered by JAQU	Reviewing available options to setup and manage a local Help Desk and seeking additional resources from JAQU	Medium	High	Red	Guidance from JAQU required and liaison at SRO group.
5.	CAZ infrastructure delivered by the Council may not be fully in place by January 2020.	Robust Project Management in place to ensure target dates are met, along with 2 tier project and executive boards. Business partnering panel established to expedite reporting processes.	Low	Low	Green	Project progress tracked against key milestones and reported to Council Management Team
6.	Potential risk that public transport services will have insufficient capacity upon commencement of the CAZ.	Work with Public Transport providers and TfWM to address potential capacity issues	Low	Medium	Green	Continue to work with Public Transport providers and TfWM during development of plans
7.	Potential scope changes may present budget challenges.	Detailed financial profiling on budget spend against planned. Securing additional resources from JAQU	Medium	High	Amber	Quarterly financial reports to JAQU and Brum Breathes Programme Board Additional funding may be required from JAQU to cover

						any additional costs Request for resources put in writing to Government.
8.	Negative publicity resulting from the implementation of a Clean Air Zone	Key Stakeholders mapped, Communications Plan in place. Business Breathes website operational and engagement events planned	<i>Medium</i>	<i>Low</i>	<i>Green</i>	Dedicated Brum Breathes web site being developed. On-going engagement with affected groups.