

BIRMINGHAM CITY COUNCIL

RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

MONDAY, 10 FEBRUARY 2020 AT 10:00 HOURS
IN COMMITTEE ROOMS 3 & 4, COUNCIL HOUSE, VICTORIA
SQUARE, BIRMINGHAM, B1 1BB

A G E N D A

1 NOTICE OF RECORDING/WEBCAST

The Chairman to advise/meeting to note that this meeting will be webcast for live or subsequent broadcast via the Council's Internet site (www.civico.net/birmingham) and that members of the press/public may record and take photographs except where there are confidential or exempt items.

2 APOLOGIES

To receive any apologies.

3 DECLARATIONS OF INTERESTS

Members are reminded that they must declare all relevant pecuniary and non pecuniary interests arising from any business to be discussed at this meeting. If a disclosable pecuniary interest is declared a Member must not speak or take part in that agenda item. Any declarations will be recorded in the minutes of the meeting.

3 - 28

4 REQUEST FOR CALL IN: SINGLE CONTRACT NEGOTIATIONS - CLEAN AIR ZONE MITIGATIONS APPLICATION AND CASE MANAGEMENT SYSTEM

To consider the "Request for Call In" (the portfolio holder and the lead officer identified in the report have been summoned to attend the meeting). The following documents are attached in respect of the public papers:-
(A) The public executive decision record.
(B) The relevant form for the "Request for Call In" lodged by Councillors Robert Alden and Ewan Mackey.
(C) The public report considered by the Cabinet Member in reaching the decision.

5 **OTHER URGENT BUSINESS**

To consider any items of business by reason of special circumstances (to be specified) that in the opinion of the Chairman are matters of urgency.

6 **DATE AND TIME OF NEXT MEETING**

The next meeting is scheduled to take place on Thursday, 13 February 2020 at 1400 hours in Committee Room 6.

7 **REQUEST(S) FOR CALL IN/COUNCILLOR CALL FOR ACTION/PETITIONS RECEIVED (IF ANY)**

To consider any request for call in/councillor call for action/petitions (if received).

8 **AUTHORITY TO CHAIRMAN AND OFFICERS**

Chairman to move:-

'In an urgent situation between meetings, the Chairman jointly with the relevant Chief Officer has authority to act on behalf of the Committee'.

Details

Status:	Decision Subject To Call In
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Title: SINGLE CONTRACTOR NEGOTIATIONS – CLEAN AIR ZONE MITIGATIONS APPLICATION AND CASE MANAGEMENT SYSTEM
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Reference:	007428/2020
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Urgent Decision - Not in Forward Plan	No
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Details for Agenda Sheet	Report of the Interim Director, Inclusive Growth.
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Implementation Date (not before meeting on)	Mon 27 Jan 2020
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Purpose

The Council requires a mitigations application and case management system to allow effective processing of applications for Clean Air Zone related grants to be functional by 1st April 2020. Whilst it was originally envisaged that the IT system developed to process CAZ exemptions would also support CAZ mitigations processing, it has since been identified that the current business solution does not have the technical capability to do so, nor will it be possible to adapt it in the future. Due to the limited time available to procure an effective business solution it is therefore proposed that the Council enters into single contractor negotiations with an organisation to deliver the solution by the required deadline.

Key Portfolio	Transport and Environment
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Include item on Forward Plan/ Key Decision	No
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Decision Maker	Cabinet Member and Chief Officer
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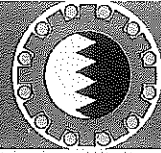
Reason For Key Decision**Relevant Documents****Decision Type:** Committee**Decision Maker:** Cabinet Member and Chief Officer**Directorate** Inclusive Growth**Other Information****Private Reason** Appendix 1 - Exempt Paragraph 3**Decision Outcome**

On 27 January 2020, the Cabinet Members for Transport and Environment and for Finance and Resources:-

1. Noted the content of Exempt Appendix 1 to the report;
2. Under Standing Order 2.5iv, approved the commencement of single contractor negotiations by the Assistant Director, Transport and Connectivity with the recommended supplier identified in Exempt Appendix 1 to the report for the provision of a mitigations application and case management system, and application support for up to 5 years commencing in January 2020;
3. Agreed to delegate authority to the Interim Director, Inclusive Growth in conjunction with the Assistant Director, Development and Commercial (or their delegate), the Interim Chief Finance Officer (or their delegate) and the Acting City Solicitor (or their delegate) to award a contract, subject to the satisfactory outcome of negotiations described in the 'purpose' of the report above.

THE DEADLINE FOR REQUESTS FOR CALL-IN IS 1600 HOURS ON THURSDAY, 30 JANUARY 2020.

On 30 January 2020 at 12:40 hours, a request for call-in was submitted by Councillors Robert Alden and Ewan Mackey. No action can be taken on this decision until the request for call-in has been considered by the Sustainability and Transport O&S Committee, which is required to meet by 17 February 2020.



Appendix 2: Request for Call In – Pro-forma

To:

Committee Services, Room 315, Council House.

E-Mail: LESCommitteeServicesAll@birmingham.gov.uk (marked "For the attention of Dave Smith")

Date: 28 January 2020

Please arrange for a meeting of the

Resources

O&S Committee

to be called to discuss the following executive decision:

Title: Single Contractor Negotiations – Clean Air Zone Mitigations Application and Case Management System

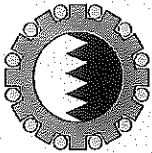
Taken By: Cabinet Member and Chief Officer

On: 27 January 2020

(*NB this call-in relates to procurement and legal implications rather than clean air mitigations and so should go to Resources rather than Transport)

Reason for request:

- | | | |
|---|--|-------------------------------------|
| (a) Is the Executive decision within existing policy? | 1. the decision appears to be contrary to the Budget or one of the 'policy framework' plans or strategies; | <input type="checkbox"/> |
| | 2. the decision appears to be inconsistent with any other form of policy approved by the full Council, the Executive or the Regulatory Committees; | <input type="checkbox"/> |
| | 3. the decision appears to be inconsistent with recommendations previously made by an Overview and Scrutiny body (and accepted by the full Council or the Executive); | <input type="checkbox"/> |
| (b) Is the Executive decision well-founded? | 4. the Executive appears to have failed to consult relevant stakeholders or other interested persons before arriving at its decision; | <input type="checkbox"/> |
| | 5. the Executive appears to have overlooked some relevant consideration in arriving at its decision; | <input checked="" type="checkbox"/> |
| | 6. the decision has already generated particular controversy amongst those likely to be affected by it or, in the opinion of the Overview and Scrutiny Committee, it is likely so to do; | <input checked="" type="checkbox"/> |
| | 7. the decision appears to be particularly "novel" and therefore likely to set an important precedent; | <input type="checkbox"/> |



(c) Has the Executive decision been properly taken?

8. there is a substantial lack of clarity, material inaccuracy or insufficient information provided in the report to allow the Overview and Scrutiny Committee to hold the Executive to account and/or add value to the work of the Council. ☒

9. the decision appears to give rise to significant legal, financial or propriety issues; ☒

10. the notification of the decision does not appear to have been in accordance with council procedures; ☒

(d) Does the Executive decision particularly affect a District?

11. the decision appears to give rise to significant issues in relation to a particular District.

Councillor

Robert Alden

(Signed)

Robert Alden

(Print Name)

Councillor

Ewan Mackey

(Signed)

Ewan Mackey

(Print Name)

Birmingham City Council

Report to Cabinet Members for Transport and Environment and Finance and Resources



21st January 2020

Subject: SINGLE CONTRACTOR NEGOTIATIONS – CLEAN AIR ZONE MITIGATIONS APPLICATION AND CASE MANAGEMENT SYSTEM

Report of: Interim Director, Inclusive Growth

Relevant Cabinet Members: Cllr Waseem Zaffar, Transport and Environment, Cllr Tristan Chatfield, Finance and Resources

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

Report author: Stephen Arnold, Head of Clean Air Zone,
Telephone No: 0121 303 2923
Email Address: stephen.arnold@birmingham.gov.uk

Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No - <i>all wards affected.</i>
If yes, name(s) of ward(s):		
Is this a key decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, add Forward Plan Reference:		
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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Please refer to Appendix 1 for exempt information.		
The accompanying exempt appendix contains confidential market and financial information which could impact on the tender process for reason stated below:		
Schedule 12A of the Local Government Act 1972 as amended- paragraph 3 – information relating to the financial or business affairs of any particular person (including the authority holding that information).		

1 Executive Summary

- 1.1 The Council has received £37.958m of capital and revenue grant funding to mitigate the impact of the introduction of a charging Clean Air Zone in July 2020.
- 1.2 The Council requires a mitigations application and case management system to allow effective processing of applications for Clean Air Zone related grants to be functional by 1st April 2020. Whilst it was originally envisaged that the IT system developed to process CAZ exemptions would also support CAZ mitigations processing, it has since been identified that the current business solution does not have the technical capability to do so, nor will it be possible to adapt it in the future. Due to the limited time available to procure an effective business solution it is therefore proposed that the Council enters into single contractor negotiations with an organisation to deliver the solution by the required deadline.

2 Recommendations

- 2.1 Notes the content of Exempt Appendix 1.
- 2.2 Under Standing Order 2.5iv, approves the commencement of single contractor negotiations by the Assistant Director, Transport and Connectivity with the recommended supplier identified in Exempt Appendix 1 for the provision of a mitigations application and case management system, and application support for up to 5 years commencing in January 2020.
- 2.3 Delegates authority to the Interim Director, Inclusive Growth in conjunction with the Assistant Director, Development and Commercial (or their delegate), the Interim Chief Finance Officer (or their delegate) and the Acting City Solicitor (or their delegate) to award a contract, subject to the satisfactory outcome of negotiations described in 1.2 above.

3 Background

- 3.1 On 11th December 2018, Cabinet approved a City Council Full Business Case (FBC) justifying a Clean Air Zone for onward submission to the Joint Air Quality Unit (JAQU). The FBC included a package of exemptions and mitigations aimed at encouraging behaviour change and assisting those who would be most negatively impacted by the implementation of the CAZ. In its approval of the FBC, JAQU awarded grant funding to implement the scheme (including a back-office management function), approved a number of the proposed exemptions and also awarded funding for a number of the proposed mitigations.
- 3.2 The Council has developed a business solution to manage the application and award of exemptions; a system which was expected to have the capacity to cope with the mitigations applications and case management also. However, it has recently been identified that the necessary functionality required to cope with the complexity and user interface requirements of a mitigations application system cannot be met by the exemptions solution that has been developed to date, nor will it be possible to adapt it in the future. As a result, there is now an urgent requirement for a suitable business solution to be developed to process the mitigation measures, including vehicle scrappage, retrofit of hackney carriages, private hire vehicle upgrades, and any others that arise during the implementation of the CAZ (the latter subject to identification of suitable funding).
- 3.3 The timeline for development and implementation of the solution is now challenging. The timeline is dictated firstly by the introduction of the CAZ on the 1st July 2020

(after this point, potential beneficiaries of the grant funding may incur daily charges if their vehicles are non-compliant). Secondly, the Council's licensing conditions changed in January 2020. This now means any taxi (both Private Hire and Hackney Carriage) over 15 years old can no longer have its license renewed. The CAZ mitigation grant will assist many taxi drivers in upgrading or retrofitting vehicles to maintain employment, avoiding charging and continuing their valuable service to the City.

- 3.4 Similar systems, including for the Brum Account, have been developed for the Council and it is recommended that an organisation with current experience is best placed to develop the required solution within the challenging timeline.
- 3.5 IT contracts formerly managed by Capita on behalf of the Council were novated back to the Council in August 2019. Two suppliers who have existing commercial relationships with the Council for similar IT services, who were part of this novation exercise, were approached in a soft market testing exercise to assess suitability and availability of suppliers to provide the solution. One organisation expressed an interest in providing a proposal based on the draft service requirements for the system. Another organisation responded that they were currently unable to offer or develop the business solution within the required timescales.
- 3.6 Given that both suppliers have existing commercial relationships in place with the Council, it was concluded that a Contract Variation to the existing contract for IT services could be raised to allow the commission of the mitigation application and case management system by April 2020.
- 3.7 The recommended organisation is a global provider specialising in web content management systems, online forms and customer case management. Their existing systems and IT infrastructure platform provided to the Council through the Brum Account and other systems integration uniquely places them in a position to develop the mitigation application and case management system. An initial business proposal has been submitted to the Council and the indicative costs quoted are comparable to their existing contract with the Council for similar services.
- 3.8 The basis for the negotiations will be to agree the system capability requirements, including any integration with existing Council processes, to agree the pricing of the additional scope of services.
- 3.9 The contract will be managed by the Head of Clean Air Zone in conjunction with the Head of Online Service Delivery and the IT Commercial Director.

4 Options considered and Recommended Proposal

- 4.1 Option 1. To not procure a business solution – this is not an option. This would mean that support would not be provided to those most adversely impacted, including taxi drivers, those earning less than £0.030m, small and medium enterprises etc, delaying achievement of compliance. It would also significantly increase the administrative burden and cost to the Council due to the increased resources needed to manually process the many thousands of applications expected. The Council would suffer reputational damage from a poor customer experience, as well as taking longer to discharge the grant funding. This would have the practical implication of not allowing some access to the grant funding in time for the CAZ start date in July.
- 4.2 Option 2. To carry out a procurement process – there is insufficient time to run a full procurement exercise due to time restrictions for implementation and associated impacts detailed in 4.1; therefore, this option was discounted.

- 4.3 Option 3. To use a collaborative framework agreement – there is not a collaborative framework agreement in place for the bespoke solution required; therefore, this option was discounted.
- 4.4 Option 4. To enter into single contractor negotiations with an existing supplier to the Council. Due to the short timescales for implementation of 1st April 2020, the Council's only option is to begin negotiations with the existing commercial relationships with the recommended supplier to provide the business solution. This is the recommended option for the reasons stated in section 3 of this report.

5 Consultation

- 5.1 None.

6 Risk Management

- 6.1 There is a significant risk linked to the ineffective management of mitigation grant fund applications. In particular, those who may be adversely affected by the CAZ, including CAZ workers and taxi drivers, may not be able to take advantage of the grants which are designed to assist their adaptation to the Zone. This could lead to daily charges or fines for those groups.
- 6.2 The mitigations grants are designed to both assist those who may be negatively impacted by the CAZ, as well as increasing the number of compliant vehicles – there is therefore a risk to reaching compliance in the shortest possible timeframe if the grants are delayed in their defrayal.
- 6.3 There is a reputational risk to the Council if they are not seen to be properly administering the grant funding, as well as the other negative impacts identified in paragraph 4.1 above.

7 Compliance Issues:

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

7.1.1 The implementation of the CAZ mitigation measures will support the delivery of the wider CAZ objectives, contributing to improved air quality whilst also mitigating the impact of a charging CAZ on those who may be most negatively affected. An application and case management system is a core requirement to enable this to be effectively managed. This is consistent with the City Council's Plan 2018-2022 (2019 update) as set out below:

7.1.2 **Birmingham is an entrepreneurial city to learn, work and invest in** - We want a city that invests in its people, so that everyone can have opportunities to realise their potential through lifelong learning, skills and good jobs. We want to invest in the buildings and transport connections of our city to provide better places to live and work, and to enable businesses to prosper.

- The mitigation grant funds encourage investment in compliant methods of transportation. This includes state of the art ULEV taxis and use of the Swift card travel system which is on track for a substantial user functionality upgrade in early 2020 by TfWM.

7.1.3 Birmingham is a fulfilling city to age well in - We want citizens to live more active, longer, healthier and independent lives. We want to reduce social isolation so that people can make positive choices and take control of their wellbeing.

- Improving air quality will have a direct impact on the health and wellbeing of citizens and visitors to the city centre. People are encouraged and financially incentivised to use public transport rather than commuting in non-compliant vehicles.

7.1.4 Birmingham is a great, clean and green city to live in - We want Birmingham to be a sustainable city of vibrant culture and flourishing neighbourhoods, with good quality housing. A city with clean air, safe and clean streets, and green spaces. We want to be a city where our citizens have pride in where they live, have a strong sense of belonging, and a voice in how Birmingham is run.

- The CAZ will directly improve air quality in the city centre. Investing in the City's taxi community will mean the essential service they provide will have much less impact on the immediate environment. This is a further step on the way to a clean and sustainable city.

7.1.5 Birmingham is a city that takes a leading role in tackling climate change - Climate change is an urgent issue with a global reach that directly impacts upon Birmingham residents. We will work with our partners to tackle this issue to make Birmingham a city in which all of our residents, including those from our most deprived communities, can lead healthy, safe and fulfilling lives.

- Birmingham is one of the first cities to implement a CAZ, and the very first to operate a Charging CAZ type D. It is at the forefront of change in this area and will set the bar for future cities who wish to tackle air quality for their citizens.

7.1.6 Birmingham Business Charter for Social Responsibility (BBC4SR)

7.1.6.1 The recommended supplier will be required to be a certified signatory to the BBC4SR and produce an action plan proportionate to the value of the proposed contract.

7.2 Legal Implications

7.2.1 Under Section 1 of the Localism Act 2011, the Council has the power to enter into the arrangements set out in this report, which are within the remit and limits of the general power of competence Section 2 and 4 of the Localism Act 2011.

7.3 Financial Implications

7.3.1 The system will be classed as an intangible asset with a useful economic life of greater than one year and as such the cost will be deemed capital in nature. The Council received £14.215m in Implementation Funding capital grant from JAQU which was awarded on the 19th March 2019, including a risk allocation of £2.086m. It is proposed that these capital costs will be funded from within the available risk allocation.

7.3.2 On 18th December 2019 the Brum Breathes Executive Board approved in principle the decision to utilise funds from the risk allocation for the purposes of the capital expenditure required for the proposed solution.

7.3.3 The revenue costs will be included as part of the annual CAZ expenditure and

be charged against CAZ charging income prior to arriving at the CAZ net proceeds.

7.3.4 Further information regarding the estimated capital and revenue costs is provided in Exempt Appendix 1.

7.4 Procurement Implications

7.4.1 This report concerns the requirement to enter into single contractor negotiations to award a contract as set out in paragraph 4.2. As there is not sufficient time for this requirement to be entered into the monthly Procurement Planning Activities report to Cabinet, in accordance with the Procurement Governance Arrangements, this executive approval is requested to approve the decision.

7.5 Human Resources Implications

7.5.1 None.

7.6 Public Sector Equality Duty

7.6.1 An Equality Impact Assessment (EQUA210) was undertaken which also formed the basis for the CAF report and proposed mitigations. As it underpins the development of the grant funding detailed in this report it is therefore directly relevant. The EIA was reviewed and updated in December 2019 to ensure it remains current and aligned to the CAZ initiatives.

8 List of Appendices accompanying this Report.

8.1 Exempt Appendix 1.

8.2 Equality Impact Assessment – Appendix 2.

9 Background Documents

9.1 None.

Title of proposed EIA	Birmingham Clean Air Zone submission of FBC and request to proceed with implementation
Reference No	EQUA210
EA is in support of	New Function
Review Frequency	Annually
Date of first review	01/12/2020
Directorate	Inclusive Growth
Division	Transport and Connectivity
Service Area	Clean Air Zone Team
Responsible Officer(s)	 Naomi R Coleman
Quality Control Officer(s)	 Janet L Hinks
Accountable Officer(s)	 Philip Edwards
Purpose of proposal	To proceed with implementation of Birmingham Clean Air Zone, aligned to the Full Business Case
Data sources	Survey(s); Consultation Results; Interviews; relevant reports/strategies; Statistical Database (please specify); relevant research; Other (please specify)
Please include any other sources of data	Distributional Impact Appraisal (DIA), Health Impact Assessment (HIA)
ASSESS THE POTENTIAL IMPACT AGAINST THE PROTECTED CHARACTERISTICS	
Protected characteristic: Age	Service Users / Stakeholders; Employees; Wider Community
Age details:	<p>Children, young people and the elderly can be more vulnerable to air pollution and would be more likely to adversely affected by any reduction in the availability of community transport servicing schools and community centres within the CAZ. Self evidently such groups are far more reliant on public transport than the general population. They could also be adversely affected by the increased cost of community transport particularly if this prevented them accessing schools and community centres within the CAZ, or if it prevented families of patients at Birmingham Children's Hospital from visiting them during their stay.</p> <p>A high proportion of elderly people have limited mobility and therefore could be adversely affected by implementation of the CAZ if it were to result in the reduction in availability of community transport and taxis, and also the potential increase in cost of community transport and private vehicle travel.</p> <p>A Defra commissioned study in 2006 showed that there is a tendency for higher relative mean annual concentrations of NO₂ and PM10 in the most deprived areas of the country. In areas which exceed emissions standards, the correlation is stronger. The most vulnerable human receptors include young people and the elderly. A report published by the Royal College of Physicians finds that children living in high pollution areas are four times more likely to have reduced lung function when they become adults (Royal College of Physicians, 2016.).</p> <p>The entire CAZ has a very low proportion of people over the age of 65 by LSOA relative to distribution across England and Wales and there is no variation in the proportion of people</p>

over the age of 65 within the CAZ. The areas with greater proportions of elderly people are in the Sutton Coldfield area in the northern part of Birmingham and the Northfield/Selly Oak areas to the south. This suggests that the elderly population is unlikely to be disproportionately affected by changes incurred within the CAZ.

Where transport is not provided by the school or local authority, then there could be a differential adverse impact on children attending special educational needs schools if the introduction of the CAZ discourages or prevents families from accessing these schools. However, based on School Travel Plan monitoring within the CAZ area the level of trips to school by non-car modes is generally quite high.

There are also several community centres within the CAZ that have been identified as providing services used principally by children and which may require transport to and from the premises. These include St Martin's Youth Centre and community centres associated with schools in the CAZ area such as Al-Rasool School and St George's Academy

Community transport vehicles are typically older and liable to incur the CAZ charge. As community centres are typically funded either partially or fully by charitable donations, they are unlikely to have sufficient cash reserves to upgrade to a compliant vehicle. Therefore, they may have to either increase the cost or reduce the availability of their travel services as a result of the CAZ charge. This would have a differential adverse impact on children using these services.

BCC Procurement contracts for SEN and Community transport specify the requirement for CAZ compliant vehicles no sooner than July 2020.

However, where Community and School transport is registered as section 19 or section 22 for operation in Birmingham and not registered as a Hackney Carriage or Private Hire Vehicle they will be exempt from the CAZ charges for 1 year.

Birmingham Licenced taxis that undertake BCC SEN and Community transport services or any other BCC transport contracts are excluded from exemption, as they are already required to be CAZ compliant from January 2020 in order to meet the Birmingham Licensing Authority policy criteria. Likewise, any other external Local Authority licensed taxi vehicle used to service a contract procured by BCC to deliver SEN and Community Transport (whether section 19 or other) would need to meet CAZ compliance standards of Euro 6 diesel or Euro 4 petrol as a minimum.

All facilities of importance within the air quality modelling area for the preferred CAZ option would experience a decrease in NO₂ concentrations to some degree. The degree of increase or decrease in NO₂ concentrations has been modelled to show impacts following implementation of the preferred CAZ option relative to locations of facilities of importance to children as described above. The greatest decreases in average NO₂ concentrations are generally seen within the CAZ areas itself and surrounding major arterial roads as they extend out of the CAZ, which is also where average NO₂ concentrations are highest under the Do Minimum scenario.

Protected characteristic: Disability

Disability details:

By introducing exemptions, the residual effect is anticipated to be neutral as affected vehicles would be exempted.

Service Users / Stakeholders; Employees; Wider Community

The presence of a higher disability ratio may indicate a higher proportion of people sensitive to air quality due to some long term illnesses (especially respiratory). The disabled are also more likely to have concerns over personal security, i.e. more reluctant to travel via taxi or public transport and will therefore be more heavily reliant on private transport.

The CAZ includes areas where there are a high proportion of disabled residents based on the comparative illness and disability ratio component of the Index of Multiple Deprivation. The central north section as well as the southern west part of the CAZ includes the highest proportion of disabled residents in the CAZ. There is only a small section within the centre with a low proportion of disabled residents.

The 2011 Census reported that 9% of the population of Birmingham (98,181 people) reported a long term health problem or disability that was significantly limiting their day-to-day activities. A similar percentage of the population reported their day-to-day activities were slightly limited by a health problem or disability. The official labour market statistics state that the total number of people claiming disability living allowance in Birmingham is 43,920 (approximately 4% of the population).

The population of the young, the old and disabled exhibit a higher proportion of persons who are more sensitive to poor AQ are known to be more sensitive to poor air quality and the implementation of the Clean Air Zone will have positive impacts for those in the CAZ area and the wider city.

There are a number of exemptions and mitigations which will be available to support disabled people who live or need to travel into the Clean Air Zone and who would be adversely affected by the charges. These will be specifically targeted towards CAZ residents, low income groups and those visiting specified medical facilities.

Vans and mini buses registered as providing essential community and school transport services and those classified as section 19 or section 22 operators in Birmingham will also be exempt for 1 year from the date of CAZ implementation.

The reliance on Wheelchair Accessible Hackney Carriages is also noted and proposals to support the uptake of compliant models of these vehicles is also proposed to ensure the continued availability of this service..

Vehicles within the disabled passenger vehicle tax class will be exempt from paying a charge in a Clean Air Zone. As noted vehicles registered as providing essential community and school transport classified as section 19/22 operators in Birmingham will also be exempt for 1 year from the date of CAZ implementation.

Protected characteristic: Gender

Gender details:

Service Users / Stakeholders; Employees; Wider Community

There is a very low proportion of female residents throughout the majority of the CAZ. There is a higher proportion of

female residents in a small section in the southern part of the CAZ (Digbeth area) and one area, north east of the centre which includes a high proportion of female residents. This is in the vicinity of the Birmingham Children's Hospital and the high proportion of female residents is assumed to be due to the presence of key worker accommodation on the hospital site. Much of the remaining CAZ area has a low proportion of female residents by LSOA relative to distribution across England and Wales.

Notwithstanding the above, the DIA has identified that there could be a disproportionate and differential impact on women, who as a group are more frequent users of taxis and have a more negative perception or experience of alternative modes of public transport and active travel modes (walking and cycling).

Specific mitigation measures are not being proposed on the basis of gender. However a number of the mitigation measures being proposed will serve an indirect benefit to women; the mitigation for taxis, PHV etc would help mitigate potential impacts on women by maintaining availability of taxis and PHV. Also, exemptions for CAZ workers likely to benefit women, who are disproportionately represented in these roles (nursing, care workers etc).

Protected characteristics: Gender Reassignment

Gender reassignment details:

Service Users / Stakeholders; Employees; Wider Community

The DIA notes that "There are potential differential impacts on security [in relation to people with gender reassignment] as a consequence of some public attitudes which may affect transport preferences. However, the scale of this issue is not known and based on anecdotal evidence."

It was difficult to find sufficient evidence or studies to provide robust research on this. However it is considered that people with this protected characteristic are more likely to experience, or be concerned about, antisocial behaviour or hostility towards them which may influence whether they are comfortable using public transport or would be more likely to use taxis or own vehicles.

By assumption, therefore, any reduction in PHV and taxis may adversely affect people with this protected characteristic, so the mitigation measures to support the PHV and taxis are beneficial to gender reassignment by helping to ensure that people do not leave the taxi and PHV businesses, therefore ensuring the continued availability of this form of transport for people who do not feel safe using public transport.

Protected characteristics: Marriage and Civil Partnership

Marriage and civil partnership details:

Not Applicable

It is not considered that the introduction of a CAZ will negatively impact individuals who are married or in a civil partnership.

Protected characteristics: Pregnancy and Maternity

Pregnancy and maternity details:

Service Users / Stakeholders; Employees; Wider Community

There are health inequalities associated with pregnancy and air quality. The DIA notes that there is emerging evidence on the links between high levels of emissions and effects on the unborn child. Evidence shows that air pollution can affect the growth of the unborn baby and may be linked to premature

birth or even still birth. It is estimated that traffic-related air pollution exposure (particularly exposure to PM) of pregnant women accounts for more than one-fifth of all cases of low birth weight at term. Low birth weight is associated with low lung function, COPD, cardiovascular disease and early death in adulthood. Air pollution can also harm placental development, which affects the development of the unborn child and has been associated with several chronic diseases, including heart disease, obesity and type 2 diabetes. Poor foetal growth is linked to abnormal development of the kidneys, and to hypertension and kidney disease in later life.

It is thought that the introduction of a Clean Air Zone will have a positive impact to pregnant women and those on maternity leave with small children.

A specific mitigation measure is not proposed for this group, however, it is noted that there are potential impacts related to accessibility to key facilities e.g. the Children's Hospital and specific mitigation measures to support visitors and patients are proposed.

Protected characteristics: Race

Race details:

Service Users / Stakeholders; Employees; Wider Community

Compared to England and Wales, much of Birmingham has a high proportion of its population that identifies as Black, Asian and Minority Ethnic (BAME). There is a generally high concentration of Birmingham's BAME population to be within the central part of Birmingham, with the highest concentrations to the east (Hockley, Winson Green and Handsworth areas) and west of the CAZ (Sparkbrook, Small Heath and Bordesley Green areas). The areas with the lowest proportion of BAME population are the Sutton Coldfield area in the northern part of Birmingham and the Northfield/Selly Oak areas to the south, but these still comprise populations in the top 40% proportion of BAME population compared to England and Wales as a whole.

There are however high proportions of LSOAs within the CAZ with high levels of income deprivation and BAME communities. Key issues are therefore likely to relate to travel within the CAZ and the proportion of residents within the CAZ that have non-compliant vehicles who would not be able to avoid the zone.

The DIA notes that the impact on the taxi trade could have consequential impacts for BAME and low income communities, since a very high proportion of taxi drivers are from communities with high proportion of non-white residents and income deprived residents. Since taxis in Birmingham are all wheelchair accessible, whereas currently none of the private hire taxis are, a reduction in this type of vehicle will have an adverse impact on disabled people who may depend on them for access.

As such, a number of mitigation measures being proposed are targeted at providing support for drivers of both Hackney Carriages and Private Hire Vehicles as detailed in the initial Equality Impact Assessment below.

There would be an overall beneficial health impact within the study area under the preferred CAZ option and all other options, however, the magnitude of benefit would be greatest under the preferred CAZ option. When income

Protected characteristics: Religion or Beliefs

Religion or beliefs details:

distribution is considered relative to England and Wales, residents of those LSOAs which fall within quintile one for income deprivation would experience a disproportionately greater amount of the benefits associated with reductions in atmospheric concentrations of all three pollutant types (NO₂, PM10 and PM2.5) than those within less deprived quintiles.

Service Users / Stakeholders; Employees; Wider Community

According to the 2011 census, Christianity was the highest represented religion in Birmingham with 46% of residents saying they were Christian. Whilst 22% of the population was Muslim and 19% had no religious beliefs.

The majority of people classifying themselves in one of the White or Black ethnic groups said that they were Christian, whereas the Muslim community was predominantly made up from the Asian population. In general, the Muslim population are concentrated closer to the city centre area with the Christian group generally further out towards the council boundary.

Within the proposed CAZ area there are 30 registered places of worship, including Roman Catholic, Presbyterian, Church of England, Greek Orthodox Churches, Synagogues, Mosques and Sikh Temples. Most are of a size that suggests their catchment is highly localised. However, Birmingham Central Mosque is an exception with a capacity of 20,000 and regularly attracts more than 4,000 worshippers for Friday services, suggesting that it attracts a significant number of visits from outside the CAZ area on a regular basis. Other places of worship with a significantly larger than average capacity (greater than 500 spaces) within the CAZ area include the Anglican, Greek Orthodox and Catholic Cathedrals, Camp Hill Seventh Day Church, Ladywood Seventh Day Adventist Church and Birmingham City Church.

The DIA includes an analysis of the distribution of different faith populations across Birmingham. This did not indicate any pronounced issues regarding the distribution of populations and the CAZ. Therefore the analysis looked more closely at the location of large places of worship that would require people to travel across the CAZ boundary.

Mitigation measures are not being proposed specifically for faith groups as there is no direct correlation between religion and ability to comply with the requirements of the Clean Air Zone.

Further measures to work with faith and community groups on travel planning is also included within the proposed mitigations.

Protected characteristics: Sexual Orientation

Sexual orientation details:

Not Applicable

It is not considered that the CAZ scheme is likely to disadvantage individuals based on their sexual orientation.

However, similar to gender reassignment, any reduction in PHV and taxis may adversely affect people with this protected characteristic, so the mitigation measures to support the PHV and taxis are beneficial by helping to ensure that people do not leave the taxi and PHV businesses, therefore ensuring the continued availability of this form of transport for people who do not feel safe using public transport.

Please indicate any actions arising from completing this screening exercise.

The mitigations and exemption packages are detailed in the Initial Equality Impact assessment below.

Please indicate whether a full impact assessment is recommended

YES

What data has been collected to facilitate the assessment of this policy/proposal?

A Distributional Impact Appraisal and a Health Impact Assessment were completed as detailed in the Initial Equality Impact Assessment below. The attached document should be read together with this EIA.

Consultation analysis

A public consultation on the Clean Air Zone proposals was launched on Wednesday 4th July 2018 and ran for 6 weeks until Friday 17th August 2018.

The consultation questionnaire asked for details about the respondents so we would be able to know how well people with each protected characteristic were represented among the respondents. The consultation report (published as part of the report to Cabinet on September 10th 2018) provided an overview of the overall demographics of those who responded compared to the general population. This suggested favourable levels of engagement from different communities across the city.

The aim of the consultation process was to seek feedback from individuals and organisations on the proposals for a Class D Clean Air Zone (CAZ) for Birmingham. Specifically identifying:

- Feedback and thoughts on all aspects of the CAZ proposals (including the principle of the proposals);
- Develop a better understanding of the impact that the proposals would have on individuals and organisations;
- What support/mitigation is needed for particular groups of people/organisations; and
- Suggestions for any further measures which were not included.

A programme of engagement which has taken place during 2019 is shown below.

Date	Event	Background	Event type
20/6/2019	Clean Air Day event at Birmingham Cathedral	Market-place event in St. Philip's Cathedral grounds, Colmore Row. BCC stall to present communities with Clean Air Zone Information.	Community fair
Sunday 19 August 2018	Lord Mayor's Show	Information stand at Cannon Hill Park with 2 volunteers. spoke to 95 individuals, main interest checking vehicle registrations.	Community Engagement

Saturday 25th, Sunday 26th May 2019	Birmingham Pride	Stand held at Birmingham Pride to give people information and guidance on the Clean Air Zone and how to prepare	Community Engagement
Sunday 28th July 2019	Big John's Mela	Stand held at Big John's community mela event to give people information and guidance on the Clean Air Zone	Community Engagement
02/05/2019	CAZ Business Event	Series of events for businesses and organisation to find out latest information about the CAZ and additional support available to them to prepare.	Business Engagement
04/06/2019	CAZ Business Event	-	Business Engagement
18/06/2019	CAZ Business Event	-	Business Engagement
02/07/2019	CAZ Business Event	-	Business Engagement
21/06/2019	Shabana Mahmood MP visit	Nelson Primary School	Community Engagement
05/07/2019	Shabana Mahmood MP visit	Chandos Primary School	Community Engagement
12/07/2019	Shabana Mahmood MP visit	Drop-in St Matthew's CE Primary School	Community Engagement
19/07/2019	Shabana Mahmood MP visit	St Luke's Church	Community Engagement

02/10/2019	Chamber of commerce breakfast briefing	Chamber of Commerce breakfast briefing to member about developments within Brum Breathes. Specifically, the CAZ. Presentations by Cllr Zaffar and Steve Arnold.	Business Engagement
10/10/2019	Fleet operators and HGV's Clean Air Roadshow	Motor Transport is hosting a second Birmingham Clean Air Roadshow on 10 October to provide vital information and support to HGV and van operators ahead of the city's Clean Air Zone rollout by July 2020.	Business Engagement
21/11/2019	Sandwell workshop	Working together with Sandwell to address air quality and understand the impact of the work we are delivering and the changes we are making, with particular reference to air quality hotspots. Agenda includes a presentation on the Sandwell Change and Air Quality Action Plan and also an update from Birmingham on Air Quality Monitoring and Evaluation.	Business Engagement
22/10/2019	West Midlands		Business Engagement

	Transport Conference		
23/10/2019	World Air Quality Conference 2019	World Air Quality conference at London City Hall	Business Engagement
24/10/2019	TOA taxis chairman meeting	Meeting with chairman of TOA taxis to discuss concerns and forward planning of support packages for the taxi community	Business Engagement
24/10/2019	City centre strategy board	Presentation of CAZ plans at the next City Centre strategy board	Business Engagement
26/10/2019	Birmingham Hebrew Congregation presentation	Presentation and briefing at Birmingham Hebrew Congregation to the community about Brum Breathes and the Clean Air Zone plans	Community Engagement
05/11/2019	Members marketplace	An opportunity to share information about the CAZ - next steps etc.	Community Engagement
06/11/2019	Economy and Skills committee	Steve to present support for businesses package at committee	Briefing event
11/11/2019	Birmingham Advanced Motorists	CAZ presentation	Community Engagement
20/11/2019	Birchfield Ward meeting		Community Engagement
02/12/2019	Budget consultation - business rate payers		Community Engagement
18/12/2019	Public Budget consultation		Community Engagement

Adverse impact on any people with protected characteristics.

As detailed within each characteristic analysis.

Could the policy/proposal be modified to reduce or eliminate any adverse impact? The mitigations and exemption packages are detailed in the Initial Equality Impact assessment below.

How will the effect(s) of this policy/proposal on equality be monitored?

The City Council propose to undertake some qualitative monitoring and evaluation of travel behaviours to understand the impacts of the mitigation measures and exemptions and help to interpret and explain the findings from the traffic monitoring and air quality. The proposed method for doing so is by commissioning a consultant, research group or university team via a competitive tendering process to undertake a Cohort Study. The Cohort Study would be recruited through targeted sampling of people eligible for the mitigation measures and exemptions as well as some general population sampling to assess the impact of the CAZ on different groups, and provide a comparison to understand the additional impact that the mitigation and exemption measures have on travel behaviour.

What data is required in the future?

To be determined by the Cohort Study as detailed above.

Are there any adverse impacts on any particular group(s)

Yes

If yes, please explain your reasons for going ahead.

As detailed in the Initial Equality Impact Assessment below.

Initial equality impact assessment of your proposal

Birmingham City Council has a duty under S149 of the Equalities Act to pay due regard to the need to eliminate discrimination, harassment and victimisation and to ensure an equality of opportunity to those who share a protected characteristic and those who don't. Additionally the City Council has a duty to foster good relations between persons who share relevant protected characteristics and those who don't. The authority must give proper regard to all the goals in Section 149 of the Equalities Act in the context of the function that it is exercising, and at the same time, pay regard to any countervailing factors which, in the context of the function being exercised, it is proper and reasonable for the authority to consider.

As such, Birmingham City Council has commissioned a distributional impact appraisal, together with a health impact assessment, to identify how the impacts of a proposed Clean Air Zone (CAZ) would be distributed across Birmingham's diverse population and business communities. These impacts include positive health benefits as well as financial impacts. The outputs of this work together with responses received as part of the consultation have been used to develop a package of measures to reduce the impact on individuals and businesses most likely to be adversely impacted by the Clean Air Zone proposals.

Social and Equality Impacts

Income deprivation has been considered at lower super output level (LSOA)¹ relative to England and Wales, and relative to Birmingham. Compared to England and Wales as a whole, there are high levels of income deprivation within the CAZ and Birmingham in general. Owners of non-compliant vehicles resident within the CAZ and in close proximity to the CAZ (such as Nechells, Aston, Perry Barr, Tyburn, Soho and Sparkbrook) are potentially the worst affected financially by the proposed scheme, as due to their geographical location

they would be least able to avoid entering and exiting the CAZ for everyday car journeys. There is a higher rate of non-compliant cars associated with areas of income deprivation. It should also be noted that there is a relatively high proportion of households within the CAZ that have no access to a car. The adverse impacts therefore would be distributed among those households that are dependent on car use and which have non-compliant vehicles. It is notable that low income households across Birmingham are also among those who would benefit most from the effects of the CAZ in terms of reduced journey times and reduced petrol consumption due to reduced congestion around the city centre as well as from the health benefits of the proposed scheme.

Other social groups potentially adversely affected by the CAZ proposals would be those dependent on community transport and taxis, as without mitigation these forms of transport could be adversely affected to the extent that their availability decreases (see below). People vulnerable to these impacts would include the disabled, the elderly, women and children. There are some key community facilities within the CAZ whose users could be adversely affected by the combination of CAZ charges and parking charges. Examples include staff and families of children who are patients of the Birmingham Children's Hospital, and congregants of those larger or more unique places of worship within the CAZ. Exemption will be offered to visitors of select medical facilities within the CAZ however it is not possible to provide mitigation to cover all key community facilities without adversely affecting the rate of achieving compliance. Visitors to community facilities are not provided for under the package of mitigation measures and exemptions therefore individuals will be required to plan their travel appropriately.

Business Impacts

The analysis has shown that some transport dependent businesses are more likely to have compliant fleets than others and so the impact of the CAZ would be distributed unequally across businesses. Taxi businesses would be faced with high upfront costs and few choices of response to the CAZ. Other types of business less able to afford the impacts of the CAZ appear to be private hire taxi companies, van companies with fleets that are owned by individuals rather than registered to the company, and SME HGV operators. A very high proportion of businesses within the CAZ are SMEs. Since all would be dependent on transport to some extent, any increase in costs from their suppliers as a result of entering the CAZ are likely to be passed on to these businesses, who in general would have less capacity to cope with increased costs than larger businesses. A number of the mitigation measures and exemptions are targeted at SMEs, Commercial Vehicle Fleets, taxis and private hire taxi companies to ensure that they are catered for and the impact is minimised.

Health Impacts

Health impacts would result from the reduction in air pollutants (particularly NO₂ and fine particles (PM₁₀ and

PM2.5) as well as behavioural changes from switching to active modes of transport (walking and cycling) and improved environmental conditions. Analysis has shown that income deprived communities would proportionately receive higher health benefits than the population as a whole, meaning that the CAZ would help address a health inequality associated with the more deprived communities typically being exposed to more air pollution. Spatial analysis of where the main air quality changes would occur have shown that there would be a 26% improvement in NO₂ pollution concentrations around schools and nurseries which are currently within the areas at greater risk of illegal levels of air pollution.

One of the aims of the CAZ is to nudge behavioural change, so that people use more active modes of travel where they can. Although it is not possible to quantify the likely level of change of the CAZ, across a population the increase in physical activity could contribute to significant improvements in overall public health.

Mitigation

The City Council has paid due regard to the need to achieve the goals set out in the Equalities Act (see above), and where there is risk of an adverse impact to a protective group, this has been identified and considered in the development of the mitigation measures and exemptions. A targeted package of mitigation measures and exemptions has been developed to ensure that those impacted are catered for where possible and that the City Council's duties under the Equality Act are fulfilled. The mitigation measures and exemptions are set out below.

Mitigation Measures:

- M1a - CAZ workers earning less than 30k pa. Scrappage scheme and/or mobility credit.
- M2a - Hackney carriage support package;
- M2b - Council Hackney Carriage rental scheme;
- M2c - Private hire vehicle upgrade support;
- M4 - HGV & Coach compliance fund;
- M5 - Marketing and engagement campaign.

Exemptions:

- Commercial vehicles registered within the CAZ will receive a 1 year exemption from date of CAZ commencement (max 2 vehicles per company);
- Commercial vehicles with a pre-existing finance agreement beyond 2020 registered within the CAZ will receive 1 year exemption from date of CAZ commencement (max 2 vehicles per company);
- Residents of the CAZ - Individuals with non-compliant vehicles registered in the CAZ will be exempted for 2 years from date of CAZ commencement;
- Individuals with a non-complicant vehicle travelling into the CAZ regularly for work and earning less than £30k pa will be exempt upon successful application for 1 year from date of CAZ commencement;
- Visitors to select medical facilities within the CAZ will be exempt for the duration of their stay within 1 year from date of CAZ commencement; and
- Vans and mini buses registered as providing essential community and school transport services and those classified as section 19/22 operators in Birmingham

will be exempt for 1 year from date of CAZ commencement.

- Vehicles with disabled passenger tax class.
- Specialist Vehicles (Emergency Service Vehicles, Historic Vehicles, Military Vehicles, Agricultural or Similar Vehicles, Recovery Vehicles, Showman's Vehicles, Special Vehicles

Temporary Non-Chargeables:

- Taxis awaiting retrofit.
- Commercial Vehicles awaiting retrofit.

Consulted People or Groups

As detailed under Consultation Analysis

Informed People or Groups

As detailed under Consultation Analysis

Summary and evidence of findings from your EIA

The impacts of introducing a Clean Air Zone include positive health benefits as well as financial impacts. Financial impacts are two-fold; positive impacts include generation of a revenue stream for the city council which will be used to fund future transport initiatives that will result in further improvements to air quality. However, financial burden will be placed on those who are eligible to pay the CAZ charge. The impacts of this will be mitigated as much as reasonably possible via the implementation of a set of mitigation measures and exemptions.

It has been identified that the most significantly impacted protected characteristics are Age, Disability, Pregnancy and Maternity and Race. Some impacts are positive rather than adverse, particularly for Pregnancy and Maternity. The mitigation measures and exemptions help to address any adverse impacts. It has also been noted that there could be possible impacts for Gender and Religion or Belief particularly linked to those on lower incomes. It is anticipated that individuals with these characteristics, will benefit from the various exemptions and mitigations.

It is important to stress that the implementation of a Clean Air Zone will have positive health impacts on a number of characteristics, particularly Age and Pregnancy and Maternity. It will also help address health inequality associated with more deprived communities typically being exposed to more air pollution.

Evidence for these impacts has been drawn from extensive consultation, a distributional impact appraisal and a health impact assessment, as detailed above. A distributional impact appraisal and a health impact assessment in a combined document as per attachment.

QUALITY CONTROL SECTION

Submit to the Quality Control Officer for reviewing?

No

Quality Control Officer comments

Agreed to proceed to Accountable Officer 03 12 19

Decision by Quality Control Officer

Proceed for final approval

Submit draft to Accountable Officer?

Yes

Decision by Accountable Officer

Approve

Date approved / rejected by the Accountable Officer

04/12/2019

Reasons for approval or rejection

Assessment meets requirements and necessary areas of impact.

Please print and save a PDF copy for your records

Yes

Attachments

BCAZ_DIARepor_Rev2.pdf

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Close

