

Cabinet

10 August 2023

Wards: All

ULEZ Scrappage Scheme

Lead officer: Dan Jones, Executive Director for Environment, Civic Pride and Climate

Lead member: Cllr Stephen Alambritis, Cabinet Member for Transport

Contact officer: Paul McGarry, Head of Future Merton

Recommendations:

- A. That Cabinet support the introduction of a top-up scheme to the Mayor of London's ULEZ scrappage scheme to support Merton households most in need of assistance to move to cleaner vehicles.
- B. That Cabinet agree the budget provision for the scheme which will be presented in the budget outturn report to Full Council.

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. Members have expressed a desire to allocate a £1m fund to offer eligible residents of Merton additional support to the Mayor of London's ULEZ scrappage scheme to encourage a greater switch to ULEZ compliant vehicles; improving the boroughs air quality and helping residents who need assistance most, particularly during the cost-of-living crisis.
- 1.2. The cost-of-living crisis is one of the biggest challenges facing people in Merton at the moment. The Council is wholly committed to supporting our residents through these challenging times – as the Council has already through a range of practical cost-of-living support measures.
- 1.3. The Council understands that we must consider the cost-of-living crisis in all that we do as a council and that includes our work on improving air quality. This is why Merton Council wants to provide a localised support scheme so that people can make the transition to cleaner vehicles or more sustainable alternatives, whilst easing the financial impact on those in the poorest areas of the borough during the cost-of-living crisis.
- 1.4. The London-wide ULEZ is vital in tackling the triple challenges of air pollution, the climate emergency and congestion. The latest TfL data shows that 90 per cent of cars across outer London on an average day are already complying with the standards. This is expected to be even higher when the scheme goes live in August this year.
- 1.5. This report sets out details of the Mayor's ULEZ scrappage scheme and a suggested eligibility criteria and timeline for the Merton scrappage grant scheme.

2 DETAILS

- 2.1. Officers have been asked to advise on whether the Council might be able to offer Merton residents with financial support to scrap private vehicles that are non-compliant with the ULEZ, supplementary to that provided by TfL. The Mayor of London has set aside £110 million across the capital to assist qualifying motorists and businesses to scrap their non-compliant vehicles.
- 2.2. Details of the TfL scheme are set out online at <https://tfl.gov.uk/modes/driving/ultra-low-emission-zone/scrappage-schemes>
- 2.3. The TfL scheme for residents supports those receiving means-tested benefits or non-means-tested disability benefits. It has recently been expanded to include those receiving child benefits which will extend the reach of the scrappage scheme to more Merton residents. For non-disabled residents the maximum grant available is £2,000 for scrapping a car, or £1,000 for a motorcycle.
- 2.4. There is a similar scheme for sole traders, micro-businesses and charities operating light vans or minibuses, offering up to £9,500. A budget of £110 million has been set aside by the Mayor of London, most of which is expected to be used for business vehicles. TfL say that the scheme could remove nearly 5,000 higher polluting cars and motorcycles (around 150-200 per borough), and more than 9,500 non-ULEZ compliant business vehicles, from London's roads.
- 2.5. The proportion of motorists with diesel or higher polluting petrol vehicles is likely to be higher in an outer London borough like Merton than in central London, where the ULEZ is already in place. Car ownership may be higher in many Merton localities than in central London, given the lower level of public transport provision in parts of the borough.
- 2.6. Whilst the Council has sustainable travel policies, promotes active travel and car-free developments through planning; for some, a car remains a necessity especially in areas of low public transport accessibility.
- 2.7. Action by the Council leading to a reduction in the number of non-compliant vehicles owned by borough residents would be compatible with the Council's Air Quality policy.
- 2.8. A scrappage scheme in Merton could help the council with its Air Quality policies but only if the scheme contributes to additional vehicle owners scrapping their non-compliant vehicles, even if these are replaced with cleaner ULEZ compliant petrol vehicles.
- 2.9. Some residents will decide to scrap their vehicles without a subsidy, or if the TfL subsidy alone was sufficient to tip the balance. The impact of Merton's support, with a more localised eligibility criteria is intended to increase the number of vehicles that are switched to ULEZ compliant alternatives; contributing to our air quality objectives.
- 2.10. It is anticipated that most residents would replace scrapped vehicles with cleaner petrol alternatives. Although this would contribute to improving air quality, there would in these cases be no contribution to increasing modal shift and active travel.

- 2.11. However, if vehicles are replaced with electric cars, or if vehicles are not replaced and instead the resident moves to more sustainable transport options, then there would also be a contribution to our other Transport policy aims.
- 2.12. Consideration has not been given to the provision of additional support to businesses scrapping minibuses or light vans. It is considered that the TfL scheme provides sufficient targeted support.

Eligibility Criteria (background)

- 2.13. Council owned data only shows who the diesel car owners are in CPZs, and then only if they have bought a permit to park on-street. In 2022/23 the Council issued approximately 3,550 full-year equivalent diesel permits for CPZs. The number of diesel cars in the borough will be higher, but an estimate of at least 7,000 vehicles may be reasonable. We have no information on how many of these are owned by people on means-tested benefits or who are disabled. Whilst diesel vehicles will be the main group of vehicles, there are also older petrol vehicles that would also be non-ULEZ compliant. The Council does not hold this level of information, so with the data above its estimated that there could be 7,000-10,000 non-compliant vehicles registered in the borough.
- 2.14. Officers have considered a number of potential eligibility criteria including.
- Retaining the TfL eligibility criteria
 - Targeting areas of the borough known to suffer from high levels of air pollution
 - Targeting localities with high levels of deprivation
 - Targeting localities with low levels of public transport accessibility (PTAL levels)
- 2.15. On reflection, the TfL criteria alone would not maximise the benefits to Merton residents of a top up scheme in Merton for the reasons set out in 2.10 as it is intended to increase the rate of scrappage beyond the TfL criteria.
- 2.16. Areas of poor air quality tend to be main roads and town centres. These areas are not typically residential and are often in places with good public transport accessibility. It is also estimated that much of the poor air quality related to vehicles in these locations, are not attributed to Merton residents, but traffic passing through the borough. Therefore, targeting solely, areas of poor air quality would not achieve a greater level of compliance with ULEZ.

Proposed criteria:

- 2.17. Merton Council is proposing that a £1000 grant be applied, per vehicle scrapped for vehicle owners who;

1. Live in Merton and have done for at least 12 months prior to the grant scheme's launch
2. Whose vehicle must be registered to a Merton address for at least 12 months prior to the grant scheme's launch
3. Whose vehicle meets the TfL scrappage criteria
4. In addition to criteria 1-3 above, the grant will be targeted to addresses within mid-low PTAL areas (PTAL 1-4) and the top 90% of areas with highest index of multiple deprivation.
5. Are Carers who as defined by the criteria on Merton's Parking Services webpage or are already in receipt of a Carers Permit issued by Parking services, will also be eligible for the grant if they meet criteria 1-3 above.

In summary, applicants must satisfy criteria 1-4 to be eligible. Except Carers who only need to meet criteria 1-3 and 5.

- 2.18. Officers are currently developing a map and address data for the parts of the borough which are mid-low-PTAL (PTAL 1-4) and areas of Multiple Deprivation. PTAL 1-4 will cover most of the borough and the Index of Multiple Deprivation will focus on other mid-lower-income areas elsewhere in the borough to target support where its most needed. These areas will be lower-super-output areas as defined by the census.
- 2.19. GIS data will be able to extract addresses for the parts of the borough which are both in mid-low PTAL areas (PTAL 1-4) and IMD levels covering 90% most deprived areas of Merton. IMD levels are mapped / ranked from 1-10 (least to most deprived super-output areas) The criteria will apply to 9 out of 10 areas defined from least deprived to most deprived areas.
- 2.20. The address data will be built into the application process. Residents can enter their address and if it is within the mapping address-point data, they'd be eligible for the Merton grant.
- 2.21. The fund will be administered on a first-come, first-served basis with an application portal created on the Council's website.
- 2.22. The scheme will cease once the funding has run out and progress of take up will be monitored weekly for uptake.

3 ALTERNATIVE OPTIONS

- 3.1. The alternative option would be to rely solely on the Mayor of London Scrappage scheme.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. A communications plan is being developed for the launch of the grant, as is the website, address-point and mapping information that will define the areas of geographic eligibility.

5 TIMETABLE

- 5.1. The scheme is scheduled to launch in September 2023, dovetailing with the introduction of the ULEZ expansion at the end of August.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. An allocation of £1m for Merton's Scrappage grants will be made available from the Strategic Projects Fund.

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. Legal Services' initial advice is that provisions exist within the Localism Act 2011 for the Council to exercise a general power of competence to introduce a grant scheme for the benefit of the environment and air quality.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1. An Equalities Impact Assessment will be undertaken. Whilst the grant itself does not undermine or negatively impact protected characteristics, the scheme will be geographically targeted at mid-low PTAL areas and mid-lower income areas based on census data; for the fund to have greater benefit to those who need it most.

9 CRIME AND DISORDER IMPLICATIONS

- 9.1. None for the purpose of this report.

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 10.1. None for the purpose of this report.

11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

- Map of qualifying areas.

12 BACKGROUND PAPERS

- 12.1. <https://tfl.gov.uk/modes/driving/ultra-low-emission-zone/scrappage-schemes>

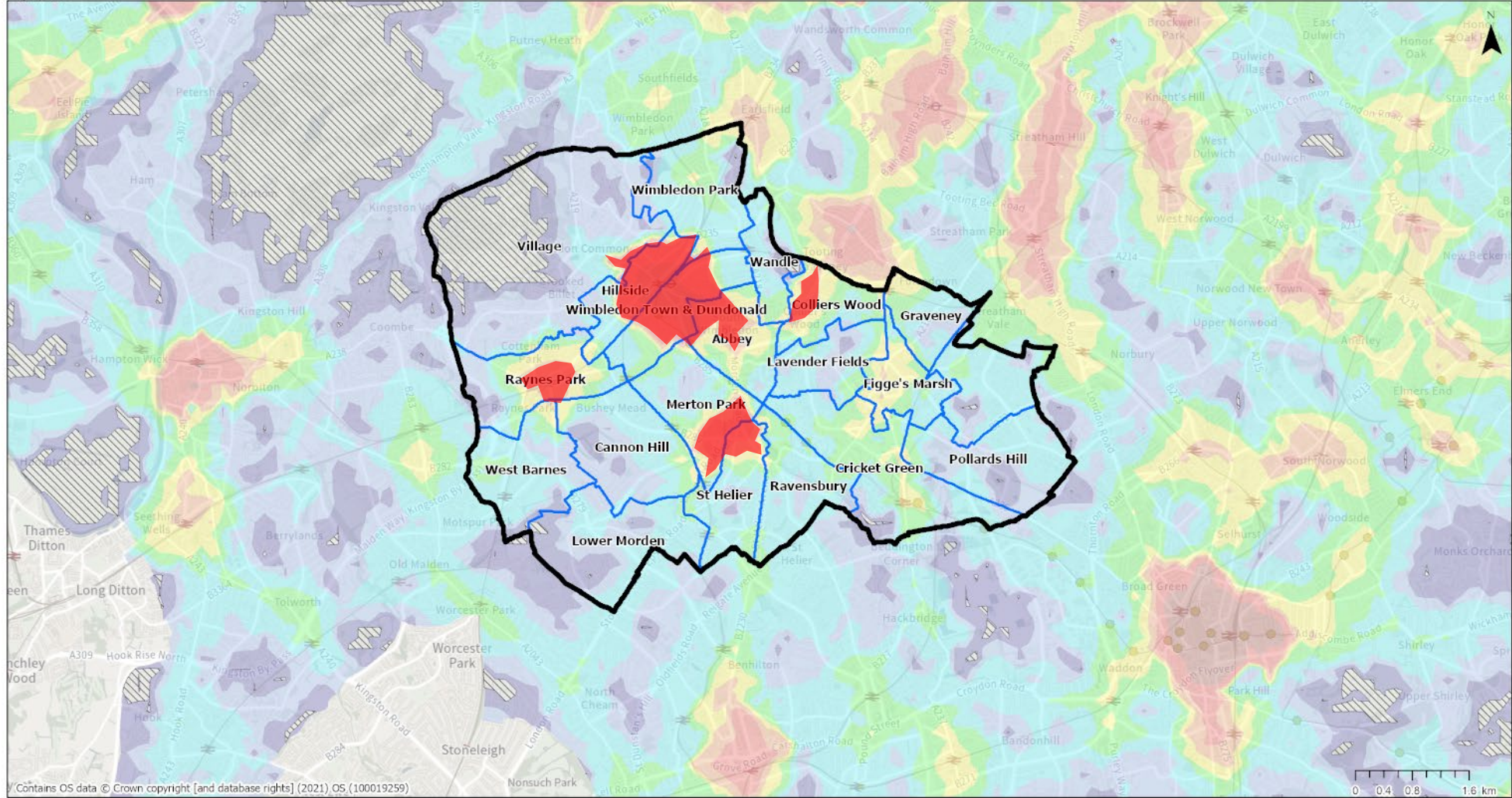
ULEZ Scrappage Scheme

Data Maps for Eligibility Criteria

Merton: Public Transport Accessibility Levels

Merton_PTAL_2021_IMD_2019

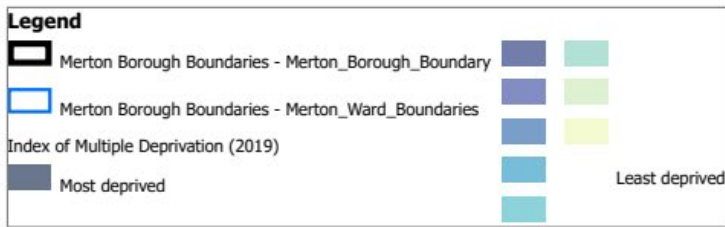
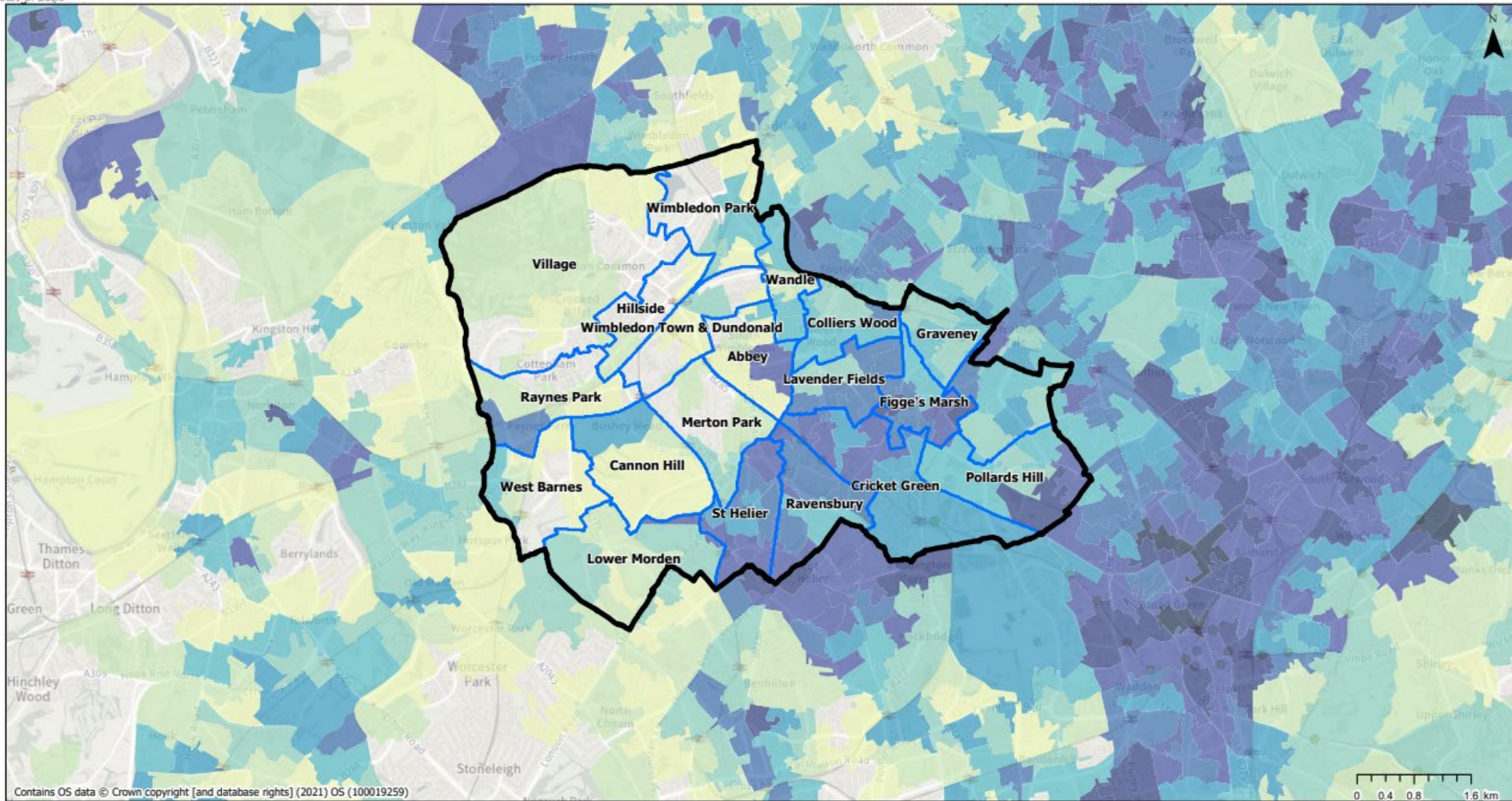
July 3, 2023



**Criteria: Includes PTAL 1-4
Excludes High PTAL areas (5-6 – red areas)**



Merton: Index of Multiple Deprivation – top 9 (out of 10) Most Deprived Areas

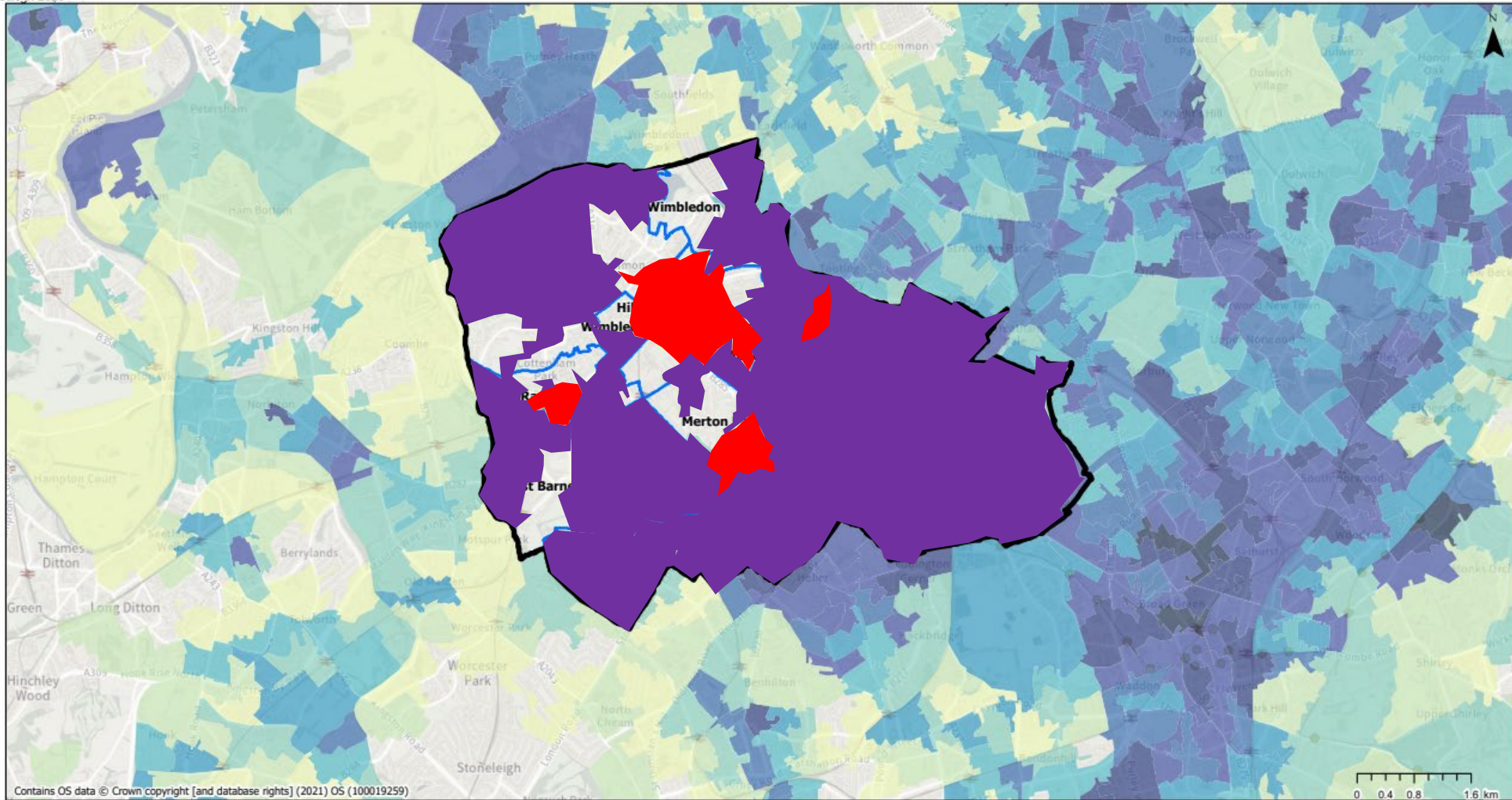


Scale: 1:52,913



Merton: High PTAL and Index of Multiple Deprivation – top 9 (out of 10) Most Deprived Areas

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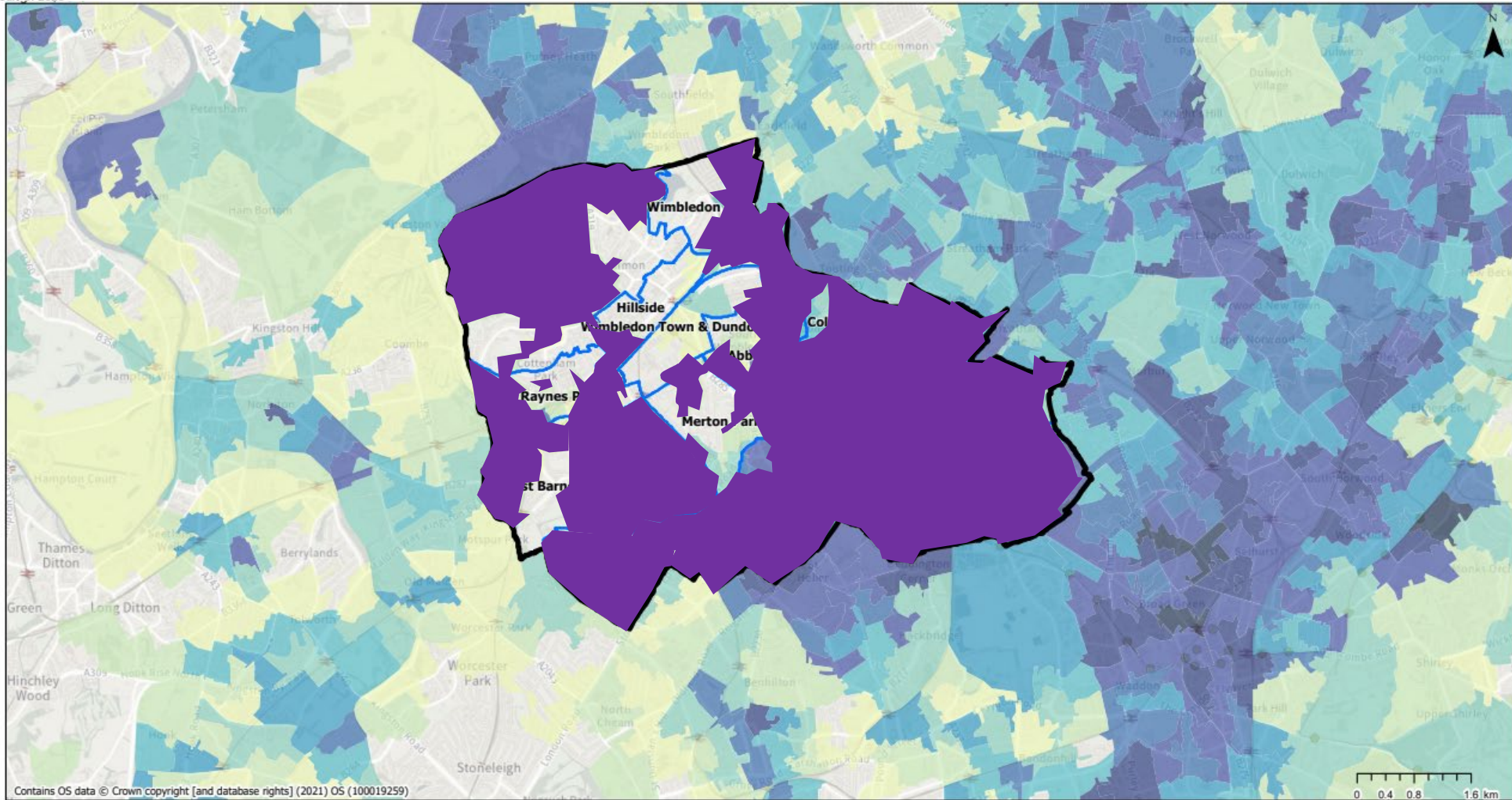
Legend



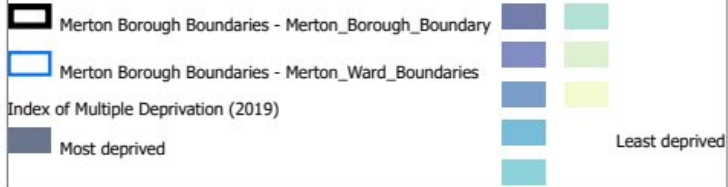
**Criteria: All purple areas included (9/10 deprived areas)
Red areas PTAL 5-6 – exclude.**



Merton: High PTAL and Index of Multiple Deprivation – top 9 (out of 10) Most Deprived Areas



Legend



Final Criteria: All purple areas included (9/10 deprived areas) & High PTAL areas removed

