

Report of: Executive Member for Environment

Meeting of:	Date	Ward(s)
Executive	15.1.15	All

Non-exempt

SUBJECT: Diesel Surcharge on Permits**1. Synopsis**

- 1.1 The Council's Sustainable Transport Strategy aims to reduce traffic volumes, traffic congestion, and the negative environmental impacts of unnecessary car use within Islington.
- 1.2 This report considers the particular adverse health impacts of diesel vehicles and proposes a levy on resident permit holders with diesel/heavy oil vehicles in order to reduce the harmful emissions from these types of vehicles.

2. Recommendations

- 2.1 To agree to introduce a surcharge on diesel and heavy oil emission pricing for resident parking permits, as set out in paragraph 3.9 below and with effect from April 2015.
- 2.2 To agree to exemptions from the surcharge for carers, taxis (black cabs) and trades people, as set out in paragraph 3.13, 3.14 and 3.16 below, with effect from April 2015 and until the introduction of the Mayor's Ultra Emission Zone.

3. Background

- 3.1 Through its Sustainable Transport Strategy, the Council supports and encourages resident good

health and good air quality by reducing harmful vehicle emissions and reducing unnecessary vehicle trips.

3.2 Emission based resident parking policies were introduced in 2008 (revised in 2010), in order to reduce carbon dioxide emissions (CO₂). This initiative aimed at reducing greenhouse gas emissions by encouraging a move towards cleaner, lower emission vehicles. However, the initiative did not consider other vehicle emissions from diesel vehicles which are injurious to health.

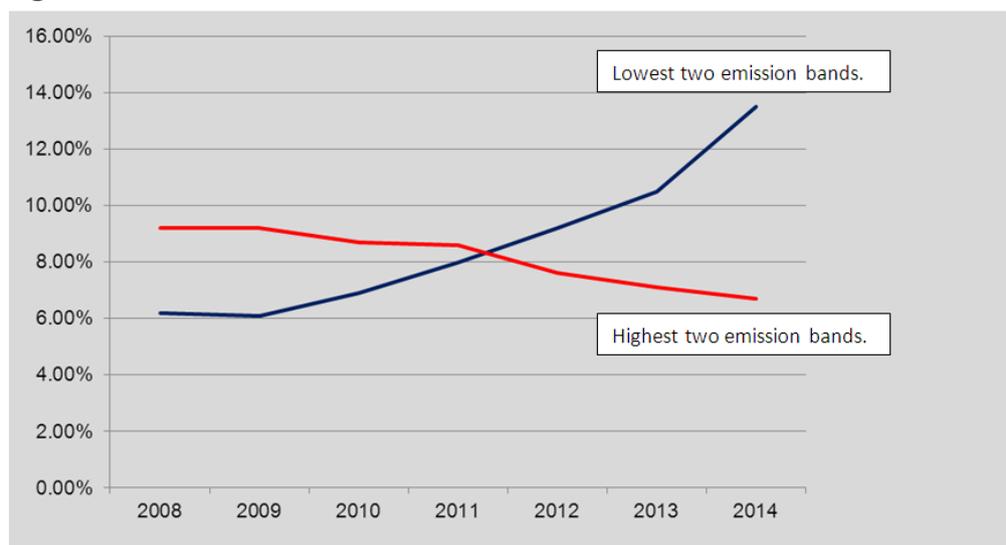
3.3 Emission Based Parking

Following a borough wide referendum in 2007, in 2008 Islington implemented seven price bandings for resident parking permits in support of the aims of Sustainable Transport Strategy. The purpose was to reduce CO₂ emissions across all modes of vehicles and incentivise car ownership reduction.

3.4 In 2010 Islington reviewed this price banding and brought them in line with the DVLA's thirteen CO₂ emissions bands. This was considered appropriate as the primary source of pollution/emissions data for vehicles was the DVLA website. It was accepted that the changes would require a number of years to take full effect. The current banding structure is at **Appendix A**.

3.5 Since 2008, there has been a progressive move from higher emission bands towards lower emission bands, as shown in **Figure 1**.

Figure 1.



3.6 Over the last seven years, the two lowest polluting bands have increased from 6.2% to 13.5% of all permits issued. The two highest polluting bands have reduced from 9.2% to 6.7% of all permits issued. However the present policy has not directly discouraged the use of diesel/heavy oil vehicles, the emissions of which (including particulates), are harmful to health.

3.7 Diesel and Heavy Oil Emissions Pricing

Diesel engine exhaust includes soot, aerosols such as ash particulates, metallic abrasion particles, sulphates, silicates and nitrogen oxides. The black carbon element of diesel emissions has a particularly adverse effect on human health. Diesel exhaust also contains nanoparticles, which have additional health impacts, though not fully understood. The adverse health effects of diesel particulates are linked to cancer, heart and lung damage, and mental functioning. Exposure has also been linked

with acute short-term symptoms such as headache, nausea, coughing, difficult or laboured breathing, irritation of the eyes, nose and throat and the onset of asthma in vulnerable individuals.

Diesel fuelled vehicles can emit up to four times more nitrogen oxides and up to more than twenty times more particulate matter than petrol fuelled vehicles. This has significant adverse health impacts and including for drivers who are particularly exposed to air pollution whilst in their vehicles. The most heavily polluted areas in Islington are also the most deprived wards, making reducing the health inequalities gap even more difficult. Whilst we can support residents to change lifestyle factors such as smoking and obesity, further interventions are still required to address environmental factors.

The sixth Environmental Audit Select Committee report on Air quality published in December 2014 identified that diesel vehicles are the most significant driver of air pollution in our cities. The growth in the number of such vehicles has in the past mainly been due to the financial incentives provided by the EU in order to reduce CO₂ emissions but newer petrol vehicles are now equal to diesel in terms of CO₂ emissions. Therefore a move away from diesel towards low emission petrol vehicles will now give greater benefits to both public health and the environment.

In 2012 the International Agency for Research on Cancer (IARC) (part of the World Health Organisation (WHO)) classified diesel engine emissions as “carcinogenic to humans”. This decision was made after a review of scientific evidence gathered from international experts. Their research showed that exposure to diesel engine exhaust causes lung cancer. Many studies have also found a firm link between traffic related air pollution and the risk of cardiovascular disease.

The biggest health inequalities issue in Islington is the large numbers of deaths from long-term conditions at relatively young ages. This accounts for the bulk of the gap in life expectancy between Islington and England. The main causes of death across all ages in Islington are cardiovascular disease, cancer and respiratory diseases (accounting for 33%, 28% and 13% of deaths in Islington respectively). Exposure to high levels of air pollution, particularly diesel emissions, is known to exacerbate these existing health conditions.

- 3.8 Other ill health effects of diesel originate with the high Nitrogen Oxides (NO_x) emissions, though there is no available data that would allow a diesel banding structure. The Mayor’s Ultra Low Emission Zones (ULEZ) proposals focus on the need to reduce Nitrogen Oxide emissions from 2020, based on the notion that all cars registered after 2014/15 will produce low levels of NO_x and CO₂. However, there are no more imminent plans to address either Nitrogen Oxide or particulates emitted from diesel vehicles.
- 3.9 It is estimated that there are over 9,000 diesel/heavy oil vehicles currently with resident permits in Islington. In light of the above evidence, the Council strongly believes that action should be taken to reduce the harmful emissions of diesel vehicles sooner than 2020. It is therefore proposed to levy on top of the current pricing structure, a yearly surcharge of £96 each time a resident parking permit for a diesel or heavy oil vehicle is renewed or a new permit purchased unless the applicant is within one of the proposed exempted categories in paragraphs 3.13 to 3.15 below. This is equivalent to £8 per month or around £1.85 per week. The proposed charge is set at a level significant enough to encourage a move away from diesel/heavy oil vehicles, in a similar manner to the policy adopted for CO₂ reduction. This proposal will also apply to all Estate Housing resident permit charges for diesel/heavy oil vehicles.

3.10 Other permit types may in future be subjected to the diesel surcharge including Business Permits, Universal Permits, Teachers Permits, Hire Car Permits, and Car Club Permits. It is proposed that these may be considered as part of an overall diesel surcharge policy.

3.11 **Exemptions**

The Council has implemented various existing concessions for different types of users of parking permits, as shown in **Appendix B**.

3.12 It is acknowledged that the proposed changes may cause some concern for those who depend on the use of their vehicle for mobility or employment purposes. It is proposed that exemptions be in place, for certain resident permit holders of diesel/heavy oil vehicles, until the introduction of the Mayors Ultra Low Emission Zone (which if approved is expected to commence in 2020, with resident exemptions living within the zone coming into force in 2023). In addition, the Council will work with TfL to seek a 'Euro VI heavy duty vehicle regulation' exemption.

3.13 **Carers**

This would be achieved on the basis that a carer would already have a carers permit or that a new carer could apply for one. As there is an existing process and eligibility criteria, it is recommended that this exemption be taken forward.

3.14 **Taxis (black cabs)**

This is considered straight forward, as these vehicles are readily identifiable and it is recommended that this exemption also be taken forward.

3.15 **Trades People**

There are three DVLA categories for vehicles, M (for carriage of passengers), N (for carriage of goods) and O (for trailers). Categories M and N are broken down further into three sub-groups, depending on size and mass (weight) of the vehicle. Vehicles such as typical cars are generally categorised as M, whilst vehicles used for trade, such as transit vans, are generally categorised as N.

3.16 It is proposed that the categorisation in paragraph 3.15 above be utilised through the use of the DVLA database to provide an exemption to all vehicles categorised specifically as N1 (vehicles designed and constructed for the carriage of goods and having a maximum mass not exceeding 3.5 tonnes), which are considered most likely to be used by local trades people. In addition, it is recognised that a portion of trades people may use category M vehicles. It is therefore further proposed that those who through the permit/renewal process self-declare as a trades person will be considered for an exemption on a case by case basis.

4. **Implications**

4.1 **Financial implications:**

4.1.1 The parking account is a ring-fenced account with any surplus generated from its activities invested in highways and transport related activities. Additional income received from the diesel surcharge will be allocated to the ring-fenced parking account, with the level of income dependent upon the extent of exemptions and the success of the surcharge in encouraging a move away from diesel/heavy oil vehicles. The impact of this will be modelled as part of the medium term financial planning process.

4.2 Legal Implications:

4.2.1. Sections 45 and 46 of the Road Traffic Regulation Act 1984 (the Act) enables the Council to designate parking places on the highway, to charge for parking in these places and to make a charge for parking permits for their use. The Council may differentiate in its permit charges between vehicles of different classes, including by reference to their level and type of emissions. An exemption may be granted to diesel taxis and vehicles used by carers and tradespeople for the purpose of their business from the proposed higher charge for diesel vehicles.

The function of setting charges for permits and vouchers must, like the other functions in the 1984 Act, be exercised to "secure the expeditious, convenient and safe movement of vehicular and other traffic (including pedestrians) and the provision of suitable and adequate parking on and off the highway..." so far as practicable having regard to:

- (a) the desirability of securing and maintaining reasonable access to premises;
 - (b) the effect on the amenities of any locality affected and
 - (bb) the strategy prepared under section 80 of the Environment Act 1995 (national air quality strategy);
 - (c) the importance of facilitating the passage of public service vehicles and of securing the safety and convenience of persons using or desiring to use such vehicles; and
 - (d) any other matters appearing to the local authority to be relevant [to the over-arching purpose].
- (section 122 of the 1984 Act)

Further, in setting charges the Council must have regard to the Mayor of London's Transport Strategy (sections 142 and 144(1)(a) Greater London Authority Act 1999). That strategy emphasises the importance of reducing emissions and improving air quality.

The Secretary of State's non statutory Operational Guidance on Parking recommends that authorities set charges which are consistent with the aims of their transport strategy including road safety and traffic management strategies.

The Executive is reminded that it is unlawful for the Council to set or increases charges for parking permits for the purpose of generating additional income to fund its traffic management functions.

In the event that the impact of the proposed new charges generates a surplus over and above the cost of the on street parking scheme and its administration and enforcement, the Act requires that surplus to be paid at the end of the year into the Special Parking Account and spent on the wider transport purposes listed in section 55(4). Any shortfall is required to be made good from the general fund.

4.3 Environmental Implications:

The proposals will reduce harmful emissions from vehicle traffic within the Borough, particularly Nitrogen Oxide, particulates and Carbon Dioxide.

4.4 Residents Impact Assessment:

These proposals will mainly impact on those with resident permits who own diesel and heavy oil vehicles. All residents will benefit from better air quality and better health outcomes, especially older and young people. However a surcharge may affect some of these residents on low incomes.

The Council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good

relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The Council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The Council must have due regard to the need to tackle prejudice and promote understanding.

5. Conclusion and reason for recommendations

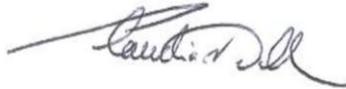
5.1 The proposals in this report will reduce harmful emissions within the borough and thereby mitigate their adverse impact on the health of residents.

**Appendices – Appendix A – Current Resident Permit Pricing Structure
Appendix B - Existing Permit Concessions**

Background papers - none

Final report clearance:

Signed by:



23.12.14

Executive Member for Environment

Date

Received by:

Head of Democratic Services

Date

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Appendix A – Current Resident Permit Pricing Structure

Currently, there are 13 bandings for resident permits, and the prices are as below:

Band	Pre-2001 (cc)	Post-2001 (CO2g/km)	12 months	6 months	3 months	1 month
A	Electric	0-100	Free	Free	Free	Free
B	1-900	101-110	£15.50	£7.75	£5.75	£5.75
C	901-1100	111-120	£28	£14	£7	£5.75
D	1101-1200	121-130	£74	£37	£18.50	£6.25
E	1201-1300	131-140	£90	£45	£22.50	£7.50
F	1301-1399	141-150	£97	£48.50	£24.25	£8.25
G	1400-1500	151-165	£121	£60.50	£30.25	£10
H	1501-1650	166-175	£139	£69.50	£34.75	£11.50
I	1651-1850	176-185	£163	£81.50	£40.75	£14
J	1851-2100	186-200	£206	£103	£51.50	£17.50
K	2101-2500	201-225	£240	£120	£60	£20
L	2501-2750	226-255	£336	£168	£84	£28
M	2751 and above	256 and above	£434	£217	£108.50	£36.50

For **black taxi drivers**, there is an added price discount of one band, dependent on the given emissions data.

Appendix B – Existing Permit Concessions

Carers Permits,

These allow those carers who meet the eligibility criteria to purchase permits despite not being resident in the CPZ of the cared-for person.

Visitor Vouchers,

All purchases of these permits are unlimited, but for those over 60, and those on Disability Living Allowance, we offer vouchers at a 50% price discount.

Blue Badges,

Islington was one of the first councils to use an independent mobility assessment service (which is now recommended nationally), to ensure that only those who are entitled to the Badge get one.

The Council also allow those residents with Blue Badges to apply for a free residents permit, which then allows them to park outside their home without having to display the Blue Badge, deterring (and distressing) casual car crime.

New Parents,

Islington provide 40 hours of free vouchers when they register the birth of their child, to cover the burst of parking activity that comes from having a new baby.

Suspensions,

Islington offer residents a discount to the standard suspension admin charge (£88 as opposed to £180), when suspensions are chargeable.

Funerals,

Islington offer a free waiver service for funerals, to assist in the bereavement process.

Vouchers for faith organisations,

Faith organisations in Islington are entitled to apply for 200 hours of free visitor vouchers per year to facilitate parking for visitors to places of worship.

A place of worship will be defined as a building that has a long established use as a place of worship, or have planning consent for use as a place of worship.

These vouchers can be used to park vehicles in resident, or resident/shared use bays in the controlled parking zone in which the place of worship is located.

Universal permit,

This is an annual permit aimed businesses that have a requirement to park across the borough on a regular basis. There is a 33% discount available for any registered charity who may require such permits.

Debt consideration,

Islington has established a corporate team that will consider debts of the less well-off, which may be due to more than one Department. This includes residents who incur large Penalty Charge Notices (PCN) debts and face enforcement agent action, where we try and manage their debt according to their means.