

## Request for decision

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**Date:** 31 May 2023

**Decision:** London-wide ULEZ Scrappage Scheme – consideration of additional mitigation options

**Decision-maker:** Andy Lord, TfL Commissioner

### **Decision required**

Approval of changes to the London-wide ULEZ Scrappage Scheme (the Scrappage Scheme), in accordance with the information set out in the enclosed paper and summarised below.

### **Background**

- In the lead up to the expansion of ULEZ London-wide on 29 August, the potential for further support for individuals, charities and businesses has been, and will continue to be, kept under review.
- Some businesses and charities have been calling for more support and time to prepare ahead of the expansion. Concerns have also been raised by individuals who are not currently eligible for the Scrappage Scheme or grace periods.
- Having reviewed uptake of the existing mitigations and options for additional mitigations that could be implemented before go-live on 29 August, proposed changes to the Scrappage Scheme have been identified, with the aim of providing further support to those affected.
- The options that have been considered are set out in further detail in the enclosed paper and were considered most recently at a meeting of the Road User Charging Executive Steering Group on 26 May 2023.
- You are now requested to take a decision pursuant to the general delegation set out in Standing Order 121 on whether to approve the proposed changes, having regard to the information summarised in the enclosed paper and to the impacts of the expanded ULEZ as set out in detail in the Integrated Impact Assessment (IIA) relating to the expanded scheme, which can be found at <https://haveyoursay.tfl.gov.uk/15619/widgets/44946/documents/27025>
- In taking this decision, regard must be had to the impacts identified in the IIA and the mitigation that the Scrappage Scheme will provide in respect of those impacts. This ensures that due regard will be had to the matters required by the Public Sector Equality Duty set out in section 149 Equality Act 2010.

### **The Proposed Changes**

- A grace period of up to three months for businesses and charities registered or operating in London, who have booked a retrofit appointment for a non-compliant light van or minibus
- A grace period of up to six months for businesses and charities registered or operating in London, who have before 29 August 2023 ordered a brand new ULEZ compliant light van or minibus (to replace a ULEZ non-compliant light van or minibus) and are waiting for it to be delivered
- Expansion of Scrappage Scheme to Londoners receiving Child Benefit
- Increase in the number of vehicles a charity operating in London can scrap in the Scrappage Scheme from one to three
- Expansion of eligibility for the Scrappage Scheme to all small businesses registered in London (10-49 employees)

### **Guiding Principles**

- The guiding principles behind the Scrappage Scheme are set out in the enclosed paper together with a summary analysis of options considered for changes to the Scrappage Scheme and the conclusions reached in respect of those options at this time.

### **Enclosure**

London-Wide ULEZ Additional Mitigation Options: 31 May 2023

31 May 2023

## Request for decision

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**Date:** 3 August 2023

**Decision:** London-wide ULEZ – consideration of additional mitigation options

**Decision-maker:** Patrick Doig, Acting TfL Commissioner

### **Decision required**

Approval of further changes to the London-wide ULEZ Scrappage Scheme (the Scrappage Scheme) and grace periods, in accordance with the information set out in the enclosed paper and summarised below.

### **Background**

- In the lead up to the expansion of ULEZ London-wide on 29 August 2023, support for individuals, charities and businesses has been, and will continue to be, kept under review.
- Recently (on 30 July 2023) the Scrappage Scheme was extended to individuals on child benefit, to small businesses and to charities who wished to scrap up to three vehicles. New short term grace periods were also introduced for London businesses and charities with a new vehicle on order which is yet to be delivered or a booking for the retrofit of an existing vehicle which cannot be completed by 29 August.
- Although Londoners have welcomed the Scrappage Scheme and new grace periods, there have been calls for further support by some groups.
- With less than a month to go until ULEZ expansion and around half of scrappage funds unallocated, we have looked at ways we could use grants, and other mitigations, to provide additional support to help Londoners and London businesses and charities.
- The options that have been considered are set out in further detail in the enclosed paper.
- You are now requested to take a decision pursuant to the general delegation set out in Standing Order 121 on whether to approve the proposed changes, having regard to the information in the enclosed paper and to the impacts of the expansion of the ULEZ London-wide as set out in detail in the Integrated Impact Assessment (IIA) relating to the expanded scheme, which can be found at

<https://haveyoursay.tfl.gov.uk/15619/widgets/44946/documents/27025>

- In taking this decision, regard must be had to the impacts identified in the IIA and the mitigation that the Scrappage Scheme will provide in respect of those impacts. This ensures that due regard will be had to the matters required by the Public Sector Equality Duty set out in section 149 of the Equality Act 2010.

### **The Proposed Changes**

From 4 August 2023:

- Grants for scrapping a non-compliant van would increase from £5,000 to £7,000
- Grants for wheelchair accessible vehicles would increase from £5,000 to £10,000
- Grants for scrapping minibuses would increase from £7,000 to £9,000
- Grants to replace a non-compliant van with electric van would increase from £7,500 to £9,500
- Grants to replace a non-compliant minibus with an electric minibus would increase from £9,500 to £11,500
- Retrofit grants would increase from £5k to £6k, typically enough to cover the whole cost of retrofitting

From 21 August 2023:

- Every Londoner with a non ULEZ-compliant car or motorcycle (which meets the other existing vehicle criteria, for example, has been owned for 12 months) would be eligible for a £2,000 grant (or £1,000 for a motorcycle), or a higher value package of up to two bus and tram passes plus a lower grant (no change to the payment level)
- Small businesses and sole traders would be able to apply to scrap up to three vehicles (instead of one vehicle)
- A three month extension (to 29 November 2023) to the application window for the new vehicle purchase/retrofit grace periods which are available to London businesses and charities. In addition, the retrofit grace period would be extended to six months in line with the grace period for the delivery of new vehicles

### **Guiding Principles**

- The guiding principles behind the Scrappage Scheme are set out in the enclosed paper together with a summary analysis of options considered for changes to the Scrappage Scheme and the conclusions reached in respect of those options at this time.

### **Public Sector Equality Duty**

- When making the decision requested, TfL must comply with the Public Sector Equality Duty by having due regard to the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by or under the Equality Act 2010; advance equality of opportunity between persons who

share a relevant protected characteristic (age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation) and persons who do not share it; and foster good relations between persons who share a relevant protected characteristic and persons who do not share it (section 149 of the Equality Act 2010).

- The proposed changes are expected to have a positive impact on people who share a protected characteristic, in particular, if they are not currently eligible for scrappage payments under the current scheme and, more generally, because of the benefits to air quality that will result from an increased number of non-compliant vehicles being scrapped or retrofitted.
- It is, however, recognised that the proposed changes may mean that the available funds for scrappage will reduce more quickly because a greater number of eligible applicants will be competing for the available funds and that this could potentially have a negative impact on people with protected characteristics who are currently eligible on the basis of the more restrictive benefits criteria and who may not yet have submitted an application. It is estimated that the proposed changes will result in approximately 31,000 newly eligible people applying. Uncommitted funds at the end of July total £60m. The actual impact on available funds depends on the number of applications and the number of grants issued but it is estimated that if the proposed changes are implemented, the funds could be exhausted by November 2023 (as opposed to March 2024 if the proposed changes were not introduced (based on current estimates)).
- However, it is anticipated that the Mayor will make an additional grant to TfL of £50 million increasing the total size of the scrappage fund to £160 million, of which £110 million remains available. Given the proposed changes are expected to result in scrappage grants of around £50 million being paid out to newly eligible applicants, the increased funding is likely to mitigate any negative impact on people with protected characteristics that may result from the proposed changes being introduced, with funds likely to be available for a similar period i.e. until March 2024 based on current assumptions (which are regularly reviewed).
- Should funds end up depleting more rapidly than expected, an assessment could be made as to the continuing efficacy of the Scrappage Scheme for people with relevant protected characteristics and measures could be put in place to ensure that sufficient funding is available to them, for example, by freezing certain categories of applications and giving preference to applications which benefit people who share protected characteristics.
- Disabled people who are reliant on wheelchair accessible vehicles (WAVs) and who have already received a grant of £5,000 in respect of a WAV may consider that they are negatively impacted by the proposed change which would increase the level of grant to £10,000. While the differential grant level could be perceived as inconsistent or unfair, personal circumstances were likely to have been taken into account when a person decided whether to apply for a grant to scrap a WAV promptly or to rely on the available grace period instead, and if the grant option was preferred, it is likely that £5,000

was considered to be sufficient. It is open to TfL to decide to increase the grant level to encourage non-compliant WAVs to be scrapped notwithstanding that other WAV owners may only have benefited from a lesser amount. The Scrappage Scheme in its proposed new enhanced form will continue to mitigate the impacts of ULEZ expansion on people with protected characteristics who are reliant on a WAV as it did in its original form when the level of grant was £5,000.

- The scheme, and available scrappage funds, will continue to be kept under review to seek to mitigate any potential negative impacts.

### **Enclosure**

London-wide ULEZ further mitigation options – August 2023

3 August 2023