

MAYOR OF LONDON

Andrew Boff AM

Chair of the London Assembly
AssemblyChair@london.gov.uk

Our ref: MGLA120723-1771

Date: 19 December 2023

Dear Andrew,

London Assembly (Plenary) Meeting 6 July 2023 – Motions

Thank you for your letter of 6 July about the motions agreed at the London Assembly (Plenary) meeting on 6 July. Further to my response to motions 2, 6, and 1, please see my reply to motion 7 below.

Motion 7 – Mayor urged to double pot for ULEZ scrappage scheme

The Assembly calls on the Mayor to:

Double the pot of money available for the ULEZ scrappage scheme if there is a justified, evidence-based, non-arbitrary case for doing so.

As you will have seen, on 4 August I announced a major expansion to the scrappage scheme meaning all Londoners with a non-compliant car will be eligible to apply for a scrappage grant, and sole traders, small businesses and charities will receive more money to scrap or retrofit their vehicles.

As part of this, I announced that I would use £50m of City Hall's reserves to fund these changes, taking the total put into the fund to £160m – the largest scrappage scheme ever seen in the UK.

Given the expected uplift in the number of applicants to the scrappage scheme following the changes announced on 4 August, this additional funding will ensure that we can support many more Londoners to switch to cleaner, compliant vehicles. This will play a significant role in catalysing the switch to cleaner vehicles, and as a result, accelerate the air quality benefits that are expected to be seen in London due to the Ultra Low Emission Zone (ULEZ) expansion.

Review the impact of increasing inflation on the cost of ULEZ compliant cars and increase the maximum payments available under the scrappage scheme if evidence shows it is necessary.

I have listened to small businesses and charities in London who have said the prices of compliant vans and minibuses have increased, meaning they need more money to cover more of the cost. To address this, Transport for London (TfL) has increased the grant amounts for scrapping or retrofitting a van, minibus or wheelchair accessible vehicle. This new increased payment will cover a

MAYOR OF LONDON

higher proportion of the average cost of a ULEZ-compliant vehicle. The increased retrofit payment level is now enough to cover the typical cost of a retrofit.

Regarding payments for cars, TfL regularly monitors the vehicle market, including the second-hand market, to ensure the scrappage grant is sufficient for those who receive it, whilst ensuring the grant supports as many people as possible. Most petrol cars up to 18 years old are compliant with the ULEZ standards and research indicates that there is an increasing supply of compliant cars that can be purchased within the scrappage grant level.

Most scrappage facilities also provide additional payments on top of the TfL grant.

Widen access to the scrappage scheme, while ensuring any new criteria mean that the scheme continues to be targeted to those that need it most.

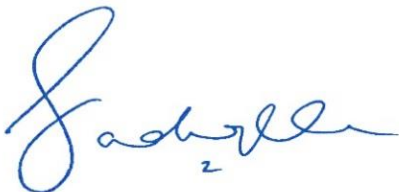
On 1 June, I announced a major expansion to the scrappage scheme meaning thousands more Londoners would benefit from the money available. On top of low income and disabled Londoners, sole traders, micro-businesses and charities who have been eligible from the beginning, since 30 July, the scheme has been open to Londoners in receipt of Child Benefit and small businesses with fewer than 50 employees. The number of vehicles charities could scrap or retrofit was also increased from one to three on that date.

Having initially prioritised those groups, I have continued to listen to Londoners and am pleased to have extended eligibility to every Londoner with a non-compliant car or motorcycle. This will include families who were not previously eligible as they did not receive Universal Credit or other benefits, but who would benefit from support to change to a greener, less polluting car or more sustainable mode of transport. TfL will continue to monitor the scrappage scheme.

Continue to lobby the Government to provide financial support towards the scrappage scheme.

The Government has provided scrappage funding in other cities, including Birmingham, Bristol and Portsmouth, but has not extended the same support for London. I will continue to call on the Government to further support the switch to cleaner vehicles through funding a targeted national scrappage scheme or providing additional funding to London and the Home Counties as it has done for other cities implementing Clean Air Zones.

Yours sincerely,



Sadiq Khan
Mayor of London