

# **SMMT RESPONSE TO TFL CONSULTATION ON CHANGES TO LOW EMISSION ZONE AND EXPANSION OF THE ULTRA LOW EMISSION ZONE**

**FEBRUARY 2018**

## **Introduction**

1. The Society of Motor Manufacturers and Traders (SMMT) is one of the largest and most influential trade associations in the UK. It supports the interests of the UK automotive industry at home and abroad, promoting a united position to Government, stakeholders and the media. The automotive industry is a vital part of the UK economy accounting for some £77.5 billion turnover and £22 billion value added. With some 169,000 people employed directly in manufacturing and 814,000 across the wider automotive industry, it accounts for 13% of total UK export of goods and invests £2.5 billion each year in automotive R&D. More than 30 manufacturers build in excess of 70 models of vehicle in the UK supported by more than 2,000 component providers and some of the world's most skilled engineers.
2. SMMT welcomes the opportunity to respond to Transport for London's (TfL) proposal for changes to the Low Emission Zone (LEZ) and expansion of the Ultra Low Emission Zone (ULEZ). This response outlines our position.
3. In summary, SMMT:
  - SMMT supports the requirement for heavy vehicles to meet the Euro VI standard in the Low Emission Zone.
  - Suggests a flexible approach to enforcement for fleet operators planning to upgrade their vehicles.
  - Before a final decision is made on the current proposals, SMMT believes the cost benefit analysis that is being undertaken should be published, ideally giving stakeholders sufficient time to consider and provide feedback.
  - Similarly, SMMT believe it would be useful to understand what assessment was made of the different boundary options before deciding on this proposal.
  - We would urge additional measures to support the use and uptake of ULEVs are implemented to support the aims of these proposals.

## **Background**

4. SMMT recognises the challenge faced by central, regional and local government to reduce air pollution in order to improve overall health and wellbeing. Although air quality has improved over time, it is clear more still needs to be done to reduce pollutant concentrations even further.
5. The automotive industry has invested significantly to develop a portfolio of technologies that will address the challenges of reducing carbon and pollutant emissions from vehicles. Average new car CO<sub>2</sub> emissions for 2016 were 120.1 g/km and have fallen 33% since 2000; this rose to 121g/km in 2017 due to the shift away from diesel vehicles towards petrol. Vehicles being produced today feature filters that capture over 99% of particulate emissions, making them the cleanest ever produced. Compared to 2000, nitrogen oxides (NO<sub>x</sub>) are down 64%, particulates (PM<sub>10</sub>) are down 90% and carbon monoxide (CO) levels are down 22%. The introduction of Euro 6 sees an 84% drop in NO<sub>x</sub> emissions in diesel cars since 2000.

6. Evidence from bus testing on the London-specific test cycle demonstrates that there has been up to a 95% reduction in NO<sub>x</sub> emissions from Euro V to Euro VI. The success of Euro VI technology introduced in 2013 for heavy commercial vehicles and investment in lower emission trucks and buses demonstrates the significant results in achieving emission reductions in this part of the industry. The UK bus sector in particular is leading the way in Europe with the introduction and use of hybrid and zero emissions technologies. Data from Putney High Street and Brixton Road automatic monitoring stations show the significant improvement in NO<sub>2</sub> concentrations achieved after the introduction of the clean bus corridors. We look forward to seeing further improvements in London's air quality once the entire bus fleet is ULEZ compliant. Given the commitment and significant investment in this area, SMMT believe this should be reflected in government and local authority plans by mandating the requirement for Euro VI fleet within procurement specifications.

## **Principles**

7. In November 2013, SMMT developed principles to help guide policy development related to ULEZ proposals. The summary of these principles can be found below:
  - Ensure ULEZ policy stems from a strategic approach to reducing emissions in London and is consistent with the wider regulatory direction of travel on air quality and CO<sub>2</sub>.
  - ULEZ should be part of a coordinated approach on air quality between local, national and European authorities.
  - The creation of an ULEZ should help promote London as a leading city in Europe for the uptake of ultra low emission vehicles, resulting in economic benefits for the rest of the UK.
  - Operational aspects and emissions criteria must take into account the impact on businesses and vehicle and road users.
  - The scheme should be clear, transparent, easy to understand and affordable.
  - Emissions criteria must reflect recognised regulated emission standards and be technology neutral.

## **Changes to the LEZ**

8. Euro VI heavy goods vehicles and buses have been available for a number of years and we support the requirement for heavy vehicles entering the LEZ to be Euro VI compliant. SMMT supported the original implementation date of 2020 when the proposals were originally consulted on back in 2014, this gave operators sufficient time to renew their fleet to ensure compliance with the emissions standards and allowed them to continue operating within the zone without severe financial penalty. The proposed changes may lead to some operators in outer London unable to upgrade their fleet in time and incur additional charges as a consequence. We ask that TfL take a flexible approach to enforcement by considering a sunset period for those operators that are committed to upgrading their fleet

### **Increasing the geographical area of the ULEZ**

9. In our previous consultation responses, SMMT outlined the need to see further analysis of the cost effectiveness of a change in policy alongside the impact on reducing pollution in air quality hotspots and areas where air quality levels are exceeded. We again re-iterate the need for a full cost benefit analysis to demonstrate that this option will be the most cost effective for reducing pollutant concentrations.
10. We understand from consultation events held by TfL that a cost benefit analysis is currently underway, however, it is disappointing to not be able to review this alongside the proposal and would seek clarification as to whether a decision on the intended policy will be held off until stakeholders have had ample time to review this.

11. It is also unclear as to why a north/south circular boundary was chosen over a London wide ULEZ. SMMT would welcome details of the assessment process undertaken detailing the various options appraised before deciding on the current proposal.
12. With the cost of the western extension reported to be £100m, it is credible to assume the cost of installing the required infrastructure and carrying out the works associated with creating and monitoring a new enforcement cordon will be significant. The cost and anticipated air quality benefit from enforcement should be assessed against funding incentives that support individuals and businesses to upgrade their vehicles to meet the ULEZ emissions criteria.
13. SMMT considers a phased approach to improved emissions standards across Greater London would achieve a greater reduction in pollutant concentrations and make it simpler for drivers to understand. The creation of an additional zone will lead to confusion for drivers particularly those that travel infrequently and from outside of London. SMMT had previously supported the proposal to have the ULEZ match the existing congestion charge zone (CCZ) area. We understand that NO<sub>2</sub> concentrations continue to exceed the objective limits even outside of this area however it is essential that clear and consistent emissions criteria is in place so that drivers can upgrade their vehicles with enough lead time.
14. The breakdown of concentrations by borough shows a 2020 baseline in all boroughs to be below the annual mean objective limit. It is not clear what assumptions have been made in reaching this baseline figure; this is significantly different from the data provided by Defra in the UK plan for tackling roadside nitrogen dioxide concentrations which states that by 2020 Greater London will still have NO<sub>2</sub> levels of 66µg/m<sup>3</sup>. SMMT would welcome further information to explain the differences between these figures.

#### **Additional measures to improve air quality**

15. Fleet renewal plays a key role in improving air quality across the UK however the current monitored concentrations in London suggest this may not be enough to reach compliance with the air quality objective limit for NO<sub>2</sub>. Further measures to improve air quality will still be required alongside changes to the ULEZ. Whilst the ULEV market is growing, these vehicles still only represent 1% of the overall vehicle parc. Support for the uptake of ULEVs is still therefore required through both recharging solutions and consumer education as well as battery development and more affordable vehicles.
16. We note the Mayor and many local authorities are encouraging the use of car clubs as part of the overall desire to move towards sustainable urban mobility. However, the current administration of parking across London by boroughs does not lend itself to the promotion of London wide car club networks. SMMT urges the Mayor to use his convening powers to implement a system that allows car clubs to be deployed in all boroughs with access to recharging infrastructure.
17. SMMT reiterates the importance of creating an environment that provides additional incentives for ULEVs such as reduced or free parking and use of bus lanes.

#### **Contact**

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