This paper will be considered in public

1 Summary

1.1 Following a public consultation in the summer of 2022, on 25 November 2022, the Mayor of London confirmed that the Ultra Low Emission Zone (ULEZ) will expand across all London boroughs on 29 August 2023, ensuring five million more Londoners can breathe clearer air. Existing grace periods will be extended, and new grace periods will be created, to help disabled people adapt to the changes. There is also a £110m scrappage scheme to help eligible Londoners scrap their highest polluting vehicles.

1.2 The monitoring report for one year following the inner London ULEZ expansion was published 10 February 2023. It shows this scheme has had a significant impact on the number of older, more polluting vehicles seen driving in London and in reducing the levels of harmful pollution Londoners are exposed to.

2 Recommendation

2.1 The Panel is asked to note the paper.

3 Background

3.1 Previous reports have shown that the ULEZ has already been hugely successful in central and inner London, helping to reduce roadside pollution levels by 44 per cent in central London and 20 per cent in inner London.¹ The expansion to outer London is forecast to reduce nitrogen oxides (NOₓ) emissions from cars and vans in outer London by a further 10 and seven per cent respectively, and reducing PM₂.₅ car exhaust emissions in outer London by nearly 16 per cent, and will benefit the five million outer London residents.

4 Overview of London wide ULEZ

4.1 The primary objective of the ULEZ is to reduce harmful emissions from road transport, particularly those with the greatest potentially adverse impacts on human health. The ULEZ acts as a disincentive to driving a non-compliant

vehicle in the zone, therefore encouraging modal switch or the use of a compliant vehicle, which in turn reduces harmful vehicle emissions.

4.2 The London-wide ULEZ will operate in the same way the existing ULEZ does, 24 hours a day, every day of the year except Christmas Day. The ULEZ requires that cars, motorcycles, vans and other specialist vehicles (up to and including 3.5 tonnes) and minibuses (up to and including five tonnes) meet minimum exhaust emissions standards or pay the £12.50 ULEZ charge. More than four out of five vehicles across London already meet the emission standards, and this is even higher within the existing zone. Largely it affects petrol vehicles over 16 years old, and diesel vehicles over six years old.

4.3 The £10 annual fee to register a vehicle for Auto Pay has been removed from 30 January 2023. Auto Pay lets drivers who register their vehicles avoid the risk of forgetting to pay the daily ULEZ charge and incurring a penalty charge. The value of ULEZ and Congestion Charge penalty charges incurred will increase from £160 to £180 (reduced by 50 per cent if paid within 14 days).

5 Grace period extensions

5.1 Existing ULEZ temporary exemptions (or “grace periods”) have been extended by two years, meaning that these groups will have longer to prepare for the new emissions standards. Grace periods apply to both London and non-London residents and businesses:

(a) ‘Disabled’ and ‘disabled passenger’ tax class vehicles grace period extended from 26 October 2025 to 24 October 2027;

(b) Wheelchair accessible private hire vehicles (PHVs) grace period, for TfL licenced PHVs, extended from 26 October 2025 to 24 October 2027; and

(c) Minibuses used for community transport grace period extended from 29 October 2023 to 26 October 2025.

6 New grace periods

6.1 Consultation feedback and further engagement with representatives of disabled Londoners has helped TfL to shape several policy modifications to specifically address areas of high concern. These modifications include new provisions for disabled Londoners who may not be covered by the criteria for the existing grace periods, improved arrangements to support those with nominated drivers, as well as measures to help those with more costly vehicles designed for wheelchair users and other expensive adaptations for disabled people. This will mean that over a quarter of a million disabled Londoners could be eligible for the new exemption periods. The new grace periods, which launched on 30 January 2023 (and also apply to the existing inner ULEZ) are:

(a) Disabled benefits grace period, which is aimed primarily at recipients of the “standard rate” mobility component of Personal Independence
Payment as they could not access the disabled tax class grace period. They can now register their own or their nominated driver’s vehicle to benefit from the grace period, and which will be in place until 25 October 2027; and

(b) Wheelchair Accessible Vehicles (WAV) grace period is open to wheelchair-accessible cars and vans that do not meet ULEZ emissions standards and that have been converted by mobility experts to allow a disabled person to access the vehicle as driver or passenger. To be eligible, the WAV needs to be fitted with one of a list of certain adaptations. Successful applicants will not need to pay the ULEZ charge for their vehicle until 25 October 2027.

7 Scrappage scheme

7.1 On 25 November 2022, when the Mayor confirmed his decision to proceed with the ULEZ expansion London-wide, he also announced this would be accompanied by a brand new £110m scrappage scheme. This launched on 30 January 2023, and is supporting Londoners on lower incomes, disabled Londoners, charities, and businesses with under 10 employees, and sole traders. Successful scrappage applicants will receive a grant to scrap their cars, motorcycles, vans or minibuses which do not meet the emissions standards. For the first time they can also retrofit certain vans and minibuses that do not meet the emissions standards.

7.2 Eligible applicants can get up to £2,000 for scrapping a car or up to £1,000 for scrapping a motorcycle. For WAVs there is a payment of £5,000 to scrap or retrofit to the ULEZ standard. Eligible car owners can opt to receive a smaller grant accompanied by up to two free annual bus and tram passes, which would give them a higher financial package.

7.3 Micro businesses (with up to 10 employees), sole traders and registered charities can get between £5,000 and £7,000 to scrap or retrofit their van or minibus, £7,500 to scrap a van and replace with an electric van, or £9,500 to scrap and a minibus and replace with an electric minibus.

7.4 Several organisations are providing offers and promotions to support the scrappage scheme. There are exclusive promotions for successful scrappage scheme applicants as well as offers for all Londoners to take advantage of, whether they are eligible for a grant or not. Offers include things like money off hire and/or subscription services for bikes, cargo bikes, e-bikes and e-scooters. There are also discounts on car clubs with fleets which meet the ULEZ emissions standard.

8 One Year Report

8.1 One year following the ULEZ expansion across inner London, and over a year and a half on from the enforcement of tighter Low Emission Zone standards, the data indicates that these schemes are having a significant impact on the number of older, more polluting vehicles seen driving in London and in reducing
the levels of harmful pollution Londoners are exposed to. A report is being drafted to report on the key findings of these schemes (Inner London Expanded Ultra Low Emission Zone – One Year Report) which was published on 10 February 2023. In summary:

(a) the vehicles traveling in London are increasingly cleaner. The ULEZ compliance rates have continued to increase with 94.4 per cent of vehicles driving through the existing zone on an average day meeting the ULEZ standards a year following the expansion. This is an increase from just 39 per cent when the expansion was announced in 2017;

(b) the number of older, more polluting vehicles in the zone has continued to reduce significantly. There was an almost 60 per cent reduction in non-compliant vehicles detected in the zone since the expansion came into operation, an average reduction of 74,000 polluting vehicles per day; and

(c) the air in the zone is substantially cleaner. Cumulatively since 2019 NOx emissions from road traffic reduced by 13,500 tonnes across London compared to what they would have been without the ULEZ, a reduction of 23 per cent, and 26 per cent lower (equivalent to 5,000 tonnes) than they would have been in the zone. PM2.5 emissions have reduced by 160 tonnes across London since 2019, compared to without the ULEZ, a reduction of seven per cent.

9 Next steps

9.1 Cameras are currently being installed across outer London boroughs, with signage due to be installed soon.

9.2 Alongside the new grace periods, the scrappage scheme went live on 30 January 2023. Uptake of scrappage will be monitored closely to ensure it is reaching its target audience. Widespread communications and marketing is ongoing to ensure all outer London residents are aware of the scheme expansion, and know how to check whether their vehicle complies with the scheme emissions standards.

List of appendices to this report:
Appendix 1: London Wide ULEZ Map

List of Background Papers:
MD3060 London-wide Ultra Low Emission Zone (ULEZ) Scheme: Link to MD3060
ULEZ One Year On report: Link to report

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