

EXECUTIVE DECISION NOTICE

SERVICE AREA:	PLACE Public Protection and Regulatory Services
SUBJECT MATTER:	GREATER MANCHESTER'S CLEAN AIR PLAN – TACKLING NITROGEN DIOXIDE EXCEEDANCES AT THE ROADSIDE – CVRAS ACCREDITED RETROFIT SOLUTIONS
DECISION:	That it be DETERMINED that the Executive Member (Neighbourhoods, Community Safety and Environment) approve the award of CVRAS contracts
DECISION TAKER(S):	Councillor Allison Gwynne
DESIGNATION OF DECISION TAKER (S):	Executive Member (Neighbourhoods, Community Safety and Environment)
DATE OF DECISION:	17 November 2021
REASON FOR DECISION:	<p>The purpose of this report is to summarise the procurement that has been undertaken to provide Clean Vehicle Retrofit Accreditation Scheme (CVRAS) accredited Coach, Minibus, HGV, LGV and Taxi Retrofit Solutions and to seek approval for TfGM to award the contracts in accordance with TfGM's existing Constitutional arrangements.</p> <p>The Executive Member (Neighbourhoods, Community Safety and Environment) has the delegated authority to award the contracts that are required to implement a charging Clean Air Zone in Spring 2022 to ensure the achievement of Nitrogen Dioxide compliance in the shortest possible time and by 2024 at the latest as required by the Ministerial Direction</p>
ALTERNATIVE OPTIONS REJECTED (if any):	N/A
CONSULTEES:	Consultation on the GM CAP proposals took place in Autumn 2020.
FINANCIAL IMPLICATIONS: (Authorised by Section 151 Officer)	<p>Members should note that the related cost to implement Greater Manchester's Clean Air Plan (GM CAP) will be wholly funded by Central Government. The related funding will be allocated to the Greater Manchester Combined Authority (GMCA) and Transport for Greater Manchester (TfGM) to manage and monitor accordingly.</p> <p>The purpose of the GM CAP is to reduce nitrogen dioxide (NO₂) across the GM region to compliant levels in the shortest possible time and that related charges are set at such a level as to encourage operators to modify or replace their vehicles or change modes to achieve this purpose.</p> <p>The Greater Manchester Clean Action Zone (GM CAZ) is not designed to generate revenue and any revenues generated</p>

will in the first instance be used to cover the operational cost of the GM CAZ.

The collaboration agreement states that any net proceeds achieved over the lifetime of the GM CAZ will be applied for the purpose of directly or indirectly facilitating the achievement of local transport policies in the Greater Manchester Transport Strategy 2040.

However, it is important to recognise that the collaboration agreement also states that if there is a shortfall in funding to facilitate the operation of the GM CAP then the shortfall will be borne equally by the GM local authorities unless the shortfall was due to the act or omission of an individual GM local authority. In this instance the shortfall will be financed entirely by the related GM local authority.

Transport for Greater Manchester (TfGM) will produce an annual set of management accounts on behalf of all GM local authorities for the operation of the GM CAP.

It is essential that Members are continually updated on the budgetary implications of the GM CAP during the lifetime of the collaboration agreement as there is currently no provision within the Council's Medium Term Financial Plan to finance any potential future liabilities that may arise.



In addition, the Council will need to make an urgent assessment of its own vehicles to ensure they are compliant with the requirements of the GM CAP. Any costs to modify or replace existing vehicles to ensure compliance will need to be evaluated as again there is currently no budget provision allocated to finance the related investment should the need arise.

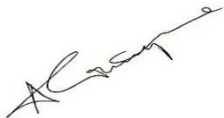
Any vehicle compliance investment will avoid the liability on the Council for daily Heavy Goods Vehicle (HGV) GM CAZ charges that will be levied on any vehicles (from 30 May 2022) that continue to omit nitrogen dioxide above compliant levels. The proposed daily charge is £60 per non-compliant vehicle.

This decision is to approve the contract award for Clean Vehicle Retrofit Accreditation Scheme (CVRAS) accredited Coach, Minibus, HGV, LGV and Taxi Retrofit Solutions to Eminox Limited, Emission Engineering Limited, Cybrand AEC Limited, Excalibre Technologies Limited, Vehicle Repowering Solutions Limited and Driveline Emissions Technologies Limited.

This contract will be financed entirely via funding awarded to Greater Manchester (GM) by the Government. GM has been awarded £119.08m via the Government's Clean Air Fund. Clean Action Zone (CAZ) revenues will be used to cover administration costs in the event of any funding shortfall. This is subject to any net CAZ shortfall being covered by the New Burdens Doctrine (section 2 of the report refers).

The report sets out the procurement exercise undertaken by TfGM and to provide assurance to the Executive Member that the award represents value for money for the Council as one

	of the constituent GM local authorities that will deliver the clean air plan.
LEGAL IMPLICATIONS: (Authorised by Borough Solicitor)	A compliant procurement process has been followed set out in section 4 of this report and has been supported by STaR. The financial implications confirm that there is no direct financial liability for the council in relation to this procurement exercise.
CONFLICT OF INTEREST:	NONE
DISPENSATION GRANTED BY STANDARDS COMMITTEE ATTACHED:	N/A
ACCESS TO INFORMATION:	<p>Appendices 1 and 2, contain commercial or industrial information in respect of which confidentiality is provided by law to protect a legitimate economic interest, and disclosure would adversely affect that confidentiality. As such, it is considered that these reports falls within the exception under regulation 12(5)(e) EIR and that, in all the circumstances of the case, the public interest in maintaining the exception outweighs the public interest in disclosing the information.</p> <p>The background papers relating to this report can be inspected by contacting Sharon Smith, Head of Public Protection:</p> <p> Telephone: 0161 342 2277</p> <p> E-mail: Sharon.Smith@tameside.gov.uk</p>



Signed

Dated: 17 November 2021

Councillor Allison Gwynne, Executive Member (Neighbourhoods, Community Safety and Environment)

EXECUTIVE DECISION REPORT

SERVICE AREA:	PLACE Public Protection and Regulatory Services
SUBJECT MATTER:	Greater Manchester's Clean Air Plan – Tackling Nitrogen Dioxide Exceedances at the Roadside – CVRAS accredited Retrofit Solutions
DATE OF DECISION:	17 November 2021
DECISION TAKER(S):	Councillor Allison Gwynne
DESIGNATION OF DECISION TAKER (S):	Executive Member for Neighbourhoods, Community Safety and Environment
REPORTING OFFICER:	Ian Saxon, Director of Place
REPORT SUMMARY:	This report considers a Supplier Recommendation Report to provide Clean Vehicle Retrofit Accreditation Scheme (CVRAS) accredited Coach, Minibus, HGV, LGV and Taxi Retrofit Solutions and seeks approval for TfGM to award the contracts in accordance with TfGM's existing Constitutional arrangements.
RECOMMENDATION:	The Executive Member (Neighbourhoods, Community Safety and Environment) is recommended to approve that GMCA (acting by its officer, TfGM) is authorised to award the contract for CVRAS accredited Coach, Minibus, HGV, LGV and Taxi Retrofit Solutions to EminoX Limited, Emission Engineering Limited, Cybrand AEC Limited, Excalibre Technologies Limited, Vehicle Repowering Solutions Limited and Driveline Emissions Technologies Limited.
JUSTIFICATION FOR THE DECISION:	The Executive Member (Neighbourhoods, Community Safety and Environment) has the delegated authority to award the contracts that are required to implement a charging Clean Air Zone in Spring 2022 to ensure the achievement of Nitrogen Dioxide compliance in the shortest possible time and by 2024 at the latest as required by the Ministerial Direction.
ALTERNATIVE OPTIONS REJECTED (if any):	N/A
CONSULTEES:	Consultation on the GM CAP proposals took place in Autumn 2020.
FINANCIAL IMPLICATIONS: (Authorised by Section 151 Officer)	Members should note that the related cost to implement Greater Manchester's Clean Air Plan (GM CAP) will be wholly funded by Central Government. The related funding will be allocated to the Greater Manchester Combined Authority (GMCA) and Transport for Greater Manchester (TfGM) to manage and monitor accordingly. The purpose of the GM CAP is to reduce nitrogen dioxide (NO ₂) across the GM region to compliant levels in the shortest possible time and that related charges are set at such a level

as to encourage operators to modify or replace their vehicles or change modes to achieve this purpose.

The Greater Manchester Clean Action Zone (GM CAZ) is not designed to generate revenue and any revenues generated will in the first instance be used to cover the operational cost of the GM CAZ.

The collaboration agreement states that any net proceeds achieved over the lifetime of the GM CAZ will be applied for the purpose of directly or indirectly facilitating the achievement of local transport policies in the Greater Manchester Transport Strategy 2040.

However, it is important to recognise that the collaboration agreement also states that if there is a shortfall in funding to facilitate the operation of the GM CAP then the shortfall will be borne equally by the GM local authorities unless the shortfall was due to the act or omission of an individual GM local authority. In this instance the shortfall will be financed entirely by the related GM local authority.

Transport for Greater Manchester (TfGM) will produce an annual set of management accounts on behalf of all GM local authorities for the operation of the GM CAP.



It is essential that Members are continually updated on the budgetary implications of the GM CAP during the lifetime of the collaboration agreement as there is currently no provision within the Council's Medium Term Financial Plan to finance any potential future liabilities that may arise.

In addition, the Council will need to make an urgent assessment of its own vehicles to ensure they are compliant with the requirements of the GM CAP. Any costs to modify or replace existing vehicles to ensure compliance will need to be evaluated as again there is currently no budget provision allocated to finance the related investment should the need arise.

Any vehicle compliance investment will avoid the liability on the Council for daily Heavy Goods Vehicle (HGV) GM CAZ charges that will be levied on any vehicles (from 30 May 2022) that continue to omit nitrogen dioxide above compliant levels. The proposed daily charge is £60 per non-compliant vehicle.

This decision is to approve the contract award for Clean Vehicle Retrofit Accreditation Scheme (CVRAS) accredited Coach, Minibus, HGV, LGV and Taxi Retrofit Solutions to Emino Limited, Emission Engineering Limited, Cybrand AEC Limited, Excalibre Technologies Limited, Vehicle Repowering Solutions Limited and Driveline Emissions Technologies Limited.

This contract will be financed entirely via funding awarded to Greater Manchester (GM) by the Government. GM has been awarded £119.08m via the Government's Clean Air Fund. Clean Action Zone (CAZ) revenues will be used to cover administration costs in the event of any funding shortfall. This is subject to any net CAZ shortfall being covered by the New Burdens Doctrine (section 2 of the report refers).

	<p>The report sets out the procurement exercise undertaken by TfGM and to provide assurance to the Executive Member that the award represents value for money for the Council as one of the constituent GM local authorities that will deliver the clean air plan.</p>
<p>LEGAL IMPLICATIONS: (Authorised by Borough Solicitor)</p>	<p>A compliant procurement process has been followed set out in section 4 of this report and has been supported by STaR.</p> <p>The financial implications confirm that there is no direct financial liability for the council in relation to this procurement exercise.</p>
<p>CONFLICT OF INTEREST:</p>	<p>None</p>
<p>DISPENSATION GRANTED BY STANDARDS COMMITTEE ATTACHED:</p>	<p>N/A</p>
<p>ACCESS TO INFORMATION:</p>	<p>Appendices 1 and 2, contain commercial or industrial information in respect of which confidentiality is provided by law to protect a legitimate economic interest, and disclosure would adversely affect that confidentiality. As such, it is considered that these reports falls within the exception under regulation 12(5)(e) EIR and that, in all the circumstances of the case, the public interest in maintaining the exception outweighs the public</p> <p>The background papers relating to this report can be inspected by contacting Sharon Smith, Head of Public Protection:</p> <p> Telephone: 0161 342 2277</p> <p> E-mail: Sharon.Smith@tameside.gov.uk</p>

1 BACKGROUND

- 1.1 In July 2017 the Secretary of State issued a Direction under the Environment Act 1995 requiring seven Greater Manchester local authorities, including Tameside Council, to produce a feasibility study to identify the option which will deliver compliance with the requirement to meet legal limits for nitrogen dioxide in the shortest possible time.
- 1.2 In accordance with this Direction Tameside Council has been developing the study collectively with the other 9 Greater Manchester local authorities and the GMCA, coordinated by TfGM in line with Government direction and guidance and an Outline Business Case (OBC) was duly submitted in March 2019.
- 1.3 Ministerial feedback was received in July 2019 along with a further direction under the Environment Act 1995 which requires all ten of the Greater Manchester local authorities to take steps to implement a plan to deliver compliance with the requirement to meet legal limits for nitrogen dioxide in the shortest possible time.
- 1.4 The ministerial letter that accompanied the July 2019 direction requested from GM further options appraisal information (including transport and air quality modelling as well as due regard to economic, financial and deliverability considerations) to be submitted prior to statutory consultation.
- 1.5 Tameside Council along with the other 9 Greater Manchester local authorities is now subject to a Ministerial direction dated 16 March 2020. Under this direction Tameside Council along with the other 9 Greater Manchester local authorities is under a legal duty to ensure that the GM CAP (Charging Clean Air Zone Class C with additional measures) is implemented so that NO₂ compliance is achieved in the shortest possible time and by 2024 at the latest and that human exposure is reduced as quickly as possible.
- 1.6 An eight-week statutory consultation on the GM CAP proposals took place in Autumn 2020. Following analysis of the consultation feedback and finalisation of the proposals, the plan has now been agreed by the ten GM local authorities.
- 1.7 A report that set out the progress that has been made following the Government's response to Greater Manchester's Outline Business Case to tackle Nitrogen Dioxide Exceedances at the Roadside (OBC), and the implications for the 10 Greater Manchester (GM) local authorities in relation to the schedule of work and statutory consultation on the Clean Air Plan was considered on 16 October 2020 at the Council's Executive Cabinet meeting.
- 1.8 The report set out that, given the scale and challenging timeline to deliver a charging Clean Air Zone as required by the March 2020 Ministerial Direction, there is preparatory work that needs to be undertaken, ahead of the report that will determine progressing the statutory consultation. This is in order to maintain delivery momentum in line with the funding arrangements agreed with JAQU, for example in relation to automatic number plate recognition (ANPR) cameras, back office systems and service providers.
- 1.9 At this time a delegation was given to Executive Member (Neighbourhoods, Community Safety and Environment) to determine the preparatory implementation and contract arrangements that need to be undertaken utilising the initial tranche of £36m of funding from Government to deliver the CAZ and other GM CAP measures.
- 1.10 Although TfGM has been leading on the development of the Full Business Case (FBC) on behalf of the ten GM local authorities, the formal legal powers and duties relating to the GM CAP, including the duty to secure compliance with the March 2020 ministerial direction fall on the GM authorities themselves.

- 1.11 On 3 June 2020 Executive Member (Neighbourhoods, Community Safety and Environment) approved that the GMCA (acting by its officer, TfGM) is authorised to undertake the preparatory procurement arrangements that need to be undertaken to deliver the CAZ and other GM CAP measures on behalf of Tameside Council in accordance with TfGM's existing Constitutional arrangements.
- 1.12 A report on the progress that has been made on the development of Greater Manchester's Clean Air Plan following a public consultation was considered on 28 July 2021 at the Council's Executive Cabinet meeting. At this time a delegation was given to Executive Member (Neighbourhoods, Community Safety and Environment) to award the contracts that are required to implement a charging Clean Air Zone in Spring 2022 to ensure the achievement of Nitrogen Dioxide compliance in the shortest possible time and by 2024 at the latest as required by the Ministerial Direction.
- 1.13 This report considers a Supplier Recommendation Report to provide Clean Vehicle Retrofit Accreditation Scheme (CVRAS) accredited Coach, Minibus, HGV, LGV and Taxi Retrofit Solutions and seeks approval for TfGM to award the contracts in accordance with TfGM's existing Constitutional arrangements.

2 PURPOSE OF REPORT

- 2.1 The purpose of this report is to summarise the procurement that has been undertaken to provide CVRAS accredited Coach, Minibus, HGV, LGV and Taxi Retrofit Solutions and to seek approval for TfGM to award the contracts in accordance with TfGM's existing Constitutional arrangements.
- 2.2 This contract will be funded by monies awarded to Greater Manchester by the Government. GM has been awarded £119.08m from the Government's Clean Air Fund, this figure includes JAQU estimated delivery costs at 5%, i.e. £5.98m which is sufficient to sign this contract.
- 2.3 In the event of a shortfall CAZ Revenues will be used to cover administration costs subject to any net CAZ shortfall being covered by the New Burdens Doctrine. The Government's Joint Air Quality Unit (JAQU) have been kept up to date with procurement activity and they are aware of GM's intention to enter into contract with Eminox Limited, Emission Engineering Limited, Cybrand AEC Limited, Excalibre Technologies Limited, Vehicle Repowering Solutions Limited and Driveline Emissions Technologies Limited.

Definition and some examples

- 2.4 Clean Vehicle Retrofit Accreditation Scheme (CVRAS) certified system is an essential element of the Greater Manchester Clean Air Plan (GM CAP) Programme, providing options to support the upgrade of non-compliant vehicles. The Clean Vehicle Retrofit Accreditation Scheme (CVRAS) supports the operation of Clean Air Zones (CAZ) and addresses the air pollution emissions from buses, coaches, heavy goods vehicles, mini-buses, taxis and vans. Some CVRAS suppliers provide retrofit solutions by the installation of Selective Catalytic Reduction Systems (SCRs) whereas others provide a re-power option when the engine is replaced or converted. In the case of Hackney Carriages there is also a solution to convert the vehicle to use LPG which entails the replacement of the engine and the installation of a tank in the boot of the vehicle.
- 2.5 Solutions are dependent upon the vehicle and engine type and therefore different suppliers provide different options.

3 INTRODUCTION

- 3.1 The GM local authorities have been directed by Government to introduce a category C Clean Air Zone across the region, therefore the key elements of the Clean Air Zone including the intended boundary and times of operation, proposed discounts/exemptions, vehicles affected and daily charges, have been subject to a statutory consultation.
- 3.2 The supporting measures, the detail of proposals of the funds and vehicle finance were also set out to enable consultees to respond fully to the GM CAP proposals. Given that the 10 Local Authorities are subject to the direction to implement the CAZ, the preparatory procurement arrangements were able to commence without a risk of the consultation outcome being pre-judged. The GM CAP final plan was approved by the 10 GM local authorities in summer 2021.

4 TfGM's PROCUREMENT PROCESS

- 4.1 TfGM's Constitutional arrangements ensure that there is appropriate governance in place, to ensure that procurement activity across the business:
- achieves value for money;
 - complies with legislation;
 - is open and transparent and provides safeguards against fraud and corruption;
 - is properly documented and provides a clear audit trail;
 - ensures active and widespread involvement with TfGM making it as easy as possible to engage; and
 - ensures TfGM procurement supports the organisation to achieve its Sustainability, Environmental and Diversity Policies.
- 4.2 As procurement sourcing options for the GM CAP will be above OJEU threshold activities and would be managed through TfGM's Strategic Procurement Group which reports into TfGM's Executive Board and meets as part of the monthly Finance & Corporate Services Functional Board.
- 4.3 The Strategic Procurement Group is the body within TfGM that is responsible for approving to proceed (or rejecting) through the various stages of relevant procurements, from initiation stage through to award of contract and will work within the rules laid down in the TfGM Constitution and Scheme of Delegation.
- 4.4 The purpose of the Strategic Procurement Group is to:
- Review and approve the Sourcing and Contract Pipeline (SCP) activities in line with Strategic Sourcing Document stages.
 - Review, coordinate and approve Strategic Sourcing actions for activities identified on the SCP.
 - Ensure that TfGM complies with Procurement Regulations.
 - Ensure that TfGM delivers best value for money from its supplier expenditure.
 - Provide initial approval of procurement strategies prior to submission to the Executive Board, as required.
 - Ensure that sourcing activity achieves TfGM objectives.
 - Ensure that sourcing activity can be completed to meet programme or service requirements.
- 4.5 Strategic Procurement Group Members:
- TfGM's Director of Finance and Corporate Services;
 - TfGM's Head of Procurement;
 - TfGM's Head of Finance;
 - TfGM's Head of Legal; and
 - Other TfGM Functional Leads, as required to support / review a sourcing proposal or activity.

- 4.6 TfGM processes are designed to identify the future sourcing and contractual activities to ensure the Senior Management Team has visibility of TfGM future exposure for activities above OJEU threshold by the use of Strategic Sourcing Documents (SSD). This process ensures that appropriate procurement and legal requirements are agreed and signed off at each stage of the sourcing process, and will help TfGM in planning resource requirements.
- 4.7 The Strategic Sourcing Document (SSD) confirms the sourcing strategy to be adopted for the particular requirement / initiative and is drafted by the business and procurement representative collaboratively. The SSD includes the following details:
- Confirmation of business requirements;
 - Options and recommendation of sourcing option;
 - Confirmation of business case;
 - Whether OJEU/RFQ/ITT as appropriate, should be followed;
 - The evaluation criteria to be adopted;
 - Confirmation of form of contract to be used; and
 - Details of any pre-tender estimates.
- 4.8 For the GM CAP the SSDs are reviewed and approved by:
- GM CAP Programme Board, chaired by the GM CAP Senior Responsible Officer,
 - the Strategic Procurement Group during the monthly Functional Board, chaired by the Director of Finance and Corporate Services,
 - TfGM Executive Board, chaired by TfGM's Chief Executive for activities over £2m.
- 4.9 The sequence of the approval stages will remain and each stage approvals are a prerequisite for submission to the next. The proposed governance is fully auditable and transparent in accordance with the TfGM Constitution.
- 4.10 Once the SSD is approved, the TfGM procurement team oversee the initiation of the external facing procurement exercise with potential suppliers and complete a Supplier Recommendation Report (SRR) after final evaluation. The SRR forms the basis of this report to allow the GM Authorities make a decision to award to the successful supplier(s).

5 SERVICES TENDERED TO DELIVER THE GM CAP CLEAN VEHICLE FUNDS SERVICE

- 5.1 This information is contained in Appendices 1 and 2, which contains commercial or industrial information in respect of which confidentiality is provided by law to protect a legitimate economic interest, and disclosure would adversely affect that confidentiality. As such, it is considered that these reports falls within the exception under regulation 12(5)(e) EIR and that, in all the circumstances of the case, the public interest in maintaining the exception outweighs the public interest in disclosing the information.

6 RECOMMENDATION

- 6.1 As laid out on the front cover of this report