

Senedd Cymru | Welsh Parliament

[Pwyllgor Newid Hinsawdd, yr Amgylchedd a Seilwaith](#) | [Climate Change, Environment, and Infrastructure Committee](#)

[Bil yr Amgylchedd \(Ansawdd Aer a Seinweddau\) \(Cymru\)](#) | [The Environment \(Air Quality and Soundscapes\) \(Wales\) Bill](#)

Ymateb gan Y Gymdeithas Cludo ar y Ffyrdd | Evidence from Road Haulage Association (RHA)

General principles

What are your views on the general principles of the Bill, and is there a need for legislation to deliver the stated policy intention?

The RHA welcomes the opportunity to comment on the Environment (Air Quality and Soundscapes) (Wales) Bill. We are a trade body representing over 8,500 hauliers across the United Kingdom, with a growing coach membership of 89 members. 85% of our membership is made up of small businesses, whom we define as operating less than 20 vehicles. Our members operate around 250,000 HGVs (half of the UK fleet) out of 10,000 operating centres and range from a single-truck company to those with thousands of vehicles.

Our starting position is that we understand the harmful impacts caused by poor air quality and committed

to investing in technologies that improve air quality that are sustainable, proportionate and fair. We strongly support the aim to decarbonise commercial vehicles, and believe that the technological innovations implemented will substantially reduce harmful emissions from commercial transport which, in turn, will benefit air quality.

From this starting point and with one exception (use of Clean Air Zones), we give qualified support to the general principles underpinning the Bill. The issue is not the “what; it is “how” air quality targets set by Welsh authorities are achieved.

We are clear that “sustainability” encompasses economic well-being as well social and environmental well-being. We regret however that, based on our engagement with some English authorities, economic well-being is often overlooked when environmental targets are considered. It is vital therefore that economic well-being is given equal consideration, and Welsh authorities are uniquely positioned to apply good practice based on learnings elsewhere.

With this in mind, we have three further starting points:

- 89% of all goods in the United Kingdom are transported by road freight;
- the transportation of goods is a legitimate economic function that serves the social well-being of the public;

- the needs of small businesses, whom we predominantly represent and who can not easily afford expensive new technologies, must be recognised and supported throughout any initiative to improve environmental well-being.

Achieving improved air quality outcomes therefore requires strong collaborative working across many stakeholders with decisions based on evidence, with negative economic impacts to small businesses recognised and avoided.

This said, we have very significant concerns over the proposed use of Clean Air Zones by the Welsh Government. The CAZ experience in England has not been a happy one – over-zealous, ill-evidenced and poorly thought-through CAZ schemes have proved highly damaging to small businesses. Within Wales, we are particularly concerned over the scope of CAZ being applied to trunk roads. This brings two significant risks – that the vehicle market can not supply the required vehicles that businesses need to function; that “uncompliant vehicles” will be displaced on to local roads. We expand on these comments under question 17.

We offer no comment on the need for legislation to deliver the state policy intention. What we look for is that collaborative working which takes account of our points set out above.

What are your views on the Bill’s provisions (set out according to sections below), in particular are they workable and will they deliver the stated policy intention?

National air quality targets (sections 1 to 7)

We support the principle that the Welsh Ministers should have powers to set national air quality targets – however, such targets must be realistic, achievable and sustainable. As stated in question 10, the issue is not the “what”; it is “how” air quality targets are achieved.

We note that, in considering what targets to set, the Welsh Government is guided by the latest WHO air quality guidelines published in 2021. These are stringent targets – however, we are reassured that the WHO also qualifies its guidelines as follows:

“While achievement of the AQG levels should be the ultimate goal of actions to implement the guidelines, this might be a difficult task for many countries and regions struggling with high air pollution levels. Therefore, gradual progress in improving air quality, marked by the achievement of interim targets, should be considered a critical indicator of improving health conditions for populations.” (Source: WHO Air Quality Guidelines – Executive Summary, 2021, p8

We therefore support an approach where, within the spirit articulated by the WHO, an evidenced-based pathway with interim targets is developed to reduce air pollution over time. In this way, small businesses can be assured that their needs are supported.

Promoting awareness about air pollution (section 8)

We support the need to promote awareness about air pollution. Our experience is that, for the lay person, it is difficult to understand and verify independently the extent of air pollution.

To illustrate, we comment that the “Air UK” website must be made much more user-friendly. Frequently, it shows whole swathes of the UK in green which, at face value, would indicate that air pollution is not a problem.

Having clear and easy-to-understand air pollution data will help promote awareness about air pollution. It also informs a transparent evidence-base on which agreed actions to tackle air pollution can then be taken forward.

National air quality strategy (sections 9 to 11)

We give qualified support to the legislative changes proposed to allow Welsh Ministers greater flexibility to amend air quality policy. We understand the need for policy to be based on the latest available evidence and to reflect the evolving needs of Welsh businesses and consumers.

However, in circumstances where proposals are brought forward to amend existing air quality targets, businesses must be fully consulted and given sufficient time to adapt to any amended or new targets. Transport businesses invest in assets (ie. vehicles) that have long life-spans – typically, 12 years in haulage, 20 years for coaches and for specialist operations (e.g. mobile cranes) to 30+ years. To remain viable, these businesses must be able to realise their return on the investment made in these assets.

Air quality regulations (section 12)

We support any move to improve the consultation process with stakeholders affected by air quality legislation. We ask that the RHA is consulted by default.

Local air quality management (sections 13 to 15)

We give qualified support to the proposed measures to the LAQM framework. We understand the need to improve its effectiveness; however, any “projected compliance date” must be realistic, achievable and sustainable and based on firm evidence.

Please see our answer to questions 10 and 11 for our reasoning.

Smoke control (sections 16 to 18)

We have no comment to make on this section.

Vehicle emissions (sections 19 to 21)

We have very significant concerns over the proposal to extend the scope of Clean Air Zones to cover trunk roads within Wales. It overlooks the national nature of haulage and coach operations, and how these operators replace their vehicles with negative economic impacts for small businesses. It will also cause “uncompliant” vehicles to be displaced onto local roads – this causes longer journeys with more emissions and consequences for the rigorously enforced drivers hours. A re-think is needed.

As set out in question 1, we observe that the CAZ experience in England and, within London, the expansion of the Ultra Low Emission Zone (ULEZ) has been controversial. We are calling for English policy makers to learn lessons and urge Welsh Ministers to avoid making the same mistakes.

In simple terms, CAZ policies in England, designed to reduce NOx pollution quickly, detrimentally squeezed small businesses. This was due to the vehicle market not being able to supply sufficient vehicles to meet the required compliance regulation (in this instance, Euro VI). The consequences has caused price inflation, asset devaluation and market distortions – this is anti-small business due to their lack of buying power and negative impact to asset values (ie. vehicles) on their balance sheet.

For reference, we estimate that hauliers invested an additional £2.2bn to acquire the required “Euro VI” vehicles, yet saw £1.2bn wiped prematurely from non-compliant Euro V vehicles. This hurt those least able to adapt – particularly small businesses. This translated into a reality where there was not enough Euro VI trucks in the second-hand market that smaller firms on low profit margins rely on to replenish their fleets.

Compounded by the collapse in the market value of their older, ‘non-compliant’ Euro V trucks and supply-chain delays in receiving new trucks, many operators struggled to keep up. This became a vicious circle for many small businesses when faced with up to £100 daily charges to enter CAZs – few can withstand that kind of hit for too long. Understanding the impact to asset values is therefore vital as lifespan residual values underpin a transport operator’s ability to invest in the environment.

We further comment that a Clean Air Zone depends on three criteria to operate – geographic size, required “compliance” standard, level of financial penalty. We observe that both the Manchester Clean Air Zone and the London ULEZ expansion are controversial because the geographic areas of both are too big for the compliance regulation set; consequently, the vehicle market can not supply the required number of compliant vehicles.

We are pleased that the Mayor of Greater Manchester has listened to this feedback, and is now taking corrective action to put in place a CAZ that supports small businesses – we understand a significantly-smaller CAZ area is now being considered. Our concern over applying the CAZ concept to trunk roads within Wales is two-fold:

- similar to Manchester’s original CAZ plans and London, the geographic area will be too big for the compliance standard set;
- “uncompliant” vehicles will be displaced on to local roads.

Instead, we advocate greater investment in vehicle and fuel standards to drive down pollution plus a clear understanding of how industry phases-in new and cleaner vehicles via natural vehicle replacement cycles. This brings three benefits - the continuous reduction in harmful emissions, zero cost to the taxpayer with the need for expensive scrappage schemes removed, and a framework that allows our vital SME businesses to participate. This approach has enabled hauliers to substantially reduce NOx pollution from their fleet by 75% since 2013.

National soundscapes strategy (sections 22 and 23)

We give qualified support for the need for a national soundscapes strategy. We understand the need to reduce noise pollution; however, any such strategy must take account of the ability of technology to reduce noise from commercial vehicles and how such noise is phased-out.

Strategic noise map and noise action plans (sections 24)

Please see our answer to question 18.

General provisions (sections 25 to 28);

We offer no comments on this section.

What are the potential barriers to the implementation of the Bill’s provisions and how does the Bill take account of them?

We reiterate our concern about the proposed use of Clean Air Zones within Wales – the potential barrier being the vehicle market’s ability to supply the required compliant vehicles.

We urge all policymakers to learn lessons from the English Clean Air Zone experience to understand why the vehicle market could not supply the required compliant vehicles and the damaging commercial consequences this caused for small businesses.

How appropriate are the powers in the Bill for Welsh Ministers to make subordinate legislation (as set out in Chapter 5 of Part 1 of the Explanatory Memorandum)?

We expect normal scrutiny processes to apply whenever subordinate legislation is proposed, and we ask that the RHA is fully consulted on such occasions.

Are any unintended consequences likely to arise from the Bill?

In addition to our concerns on the proposed use of CAZ within Wales., we comment that any initiative that lengthens the time taken to complete journeys impacts on the rigorously-enforced drivers hours. Whilst operators can take account of these increased journey times when scheduling their fleets, the impact is that an additional driver per vehicle may be needed. This has two further consequences:

- 1) there is currently an HGV and coach driver shortage. The unnecessary double-crewing of vehicles means that drivers are not available to service other customers, which in turn has knock on impact on overall economic productivity;
- 2) adding drivers to a vehicle increases costs which, in low-margin sectors such as haulage and coach, get passed on to the consumer.

In addition, where it is not possible to have an additional driver, the existing driver will legally need to stop when his permitted driving time expires for a mandatory rest break. This means parking facilities for HGVs and coaches are needed. However, there is an estimated shortage of 11,000 HGV parking spaces across the UK – this must be addressed

What are your views on the Welsh Government's assessment of the financial implications of the Bill as set out in Part 2 of the Explanatory Memorandum?

Are there any other issues that you would like to raise about the Bill and the accompanying Explanatory Memorandum or any related matters?
