



Experts in Business

Transport (Scotland) Bill

FSB response to the Rural Economy and Connectivity Committee

Federation of Small Businesses Scotland
September 2018

Overview

The Federation of Small Businesses (FSB) welcomes the opportunity to contribute views on the Transport (Scotland) Bill, specifically the provisions on Low Emission Zones (LEZs). FSB is Scotland's leading business organisation and aims to help smaller businesses achieve their ambitions. These micro and small businesses comprise the majority of all enterprises in Scotland (98%), employ around one million people and contribute £68bn to the economy.

Given the scope of the Bill and the nature of the consultation, we have shared our response to the online survey and supplemented it with additional comments. This submission follows on from our response to Transport Scotland's consultation on LEZs¹ and our ongoing work on the implementation of LEZs in Aberdeen, Dundee, Edinburgh and Glasgow.²

FSB welcomes the Scottish Government's commitment to improve air quality. Small businesses are ready and willing to play their part in tackling air pollution but homes, businesses and workplaces in our city centres rely upon the goods and services provided by smaller firms. To meet this demand, we need to ensure smaller businesses can continue to access city centres while transitioning to low emission vehicles.

To achieve this, smaller businesses will require support from the Scottish Government to adapt to new standards. As such, it is critical that the Transport Bill enables Scottish Ministers to adopt a national approach to LEZs. Small businesses do not want to see the four proposed LEZs for Scottish cities operating in four different ways – or indeed the forthcoming LEZs in other Air Quality Management Areas.

Questions

1. The Bill would grant Scottish Ministers the power to approve all LEZs and to set national rules for their operation. Do you support or oppose these proposals?

Granting Scottish Ministers the powers in this area is an important step forward in adopting a common-sense approach to the implementation of LEZs. Specifically, FSB strongly supports that the Scottish Government must approve all LEZ proposals and be able to instruct a Council to review a LEZ and direct required changes. Further, we believe that they should have the power to specify exemptions at a national level.

¹ See: https://www.fsb.org.uk/docs/default-source/fsb-org-uk/cr_lowemissionzones_fsbresponse_nov17.pdf?sfvrsn=0

² See: <https://www.fsb.org.uk/docs/default-source/fsb-org-uk/letter-to-glasgow-council---march-2018---final.pdf?sfvrsn=0>

2. The Bill would grant Councils the power to set the rules governing the operation of individual LEZs. Do you support or oppose these proposals?

There is a fine balance to be struck between a nationally robust LEZ framework and discretion for local design. It is our belief that a nationally consistent approach is required to minimise the disruption that will be caused by LEZs. This is especially important given the short timescales to adapt to change – for example, Glasgow’s LEZ will be operational by the end of this year – and would be in line with best practice from Northern and Central Europe.³

Indeed, it should be noted that the introduction of LEZs will significantly impact small businesses dependent on cars, LGVs and HGVs. It will have a direct impact on at least 81,700 businesses based in Scotland’s four cities⁴ and many more which deliver goods to homes and businesses.

As a result, FSB strongly supports enabling Scottish Ministers to specify the grace period for all LEZs given the size of the country and the integrated nature of the economy. Avoiding a situation where, for example, a non-resident business has a three year period to comply in Glasgow, but a one year period in Edinburgh, should be avoided given the confusion it would cause for small businesses and other motorists. It is our view that a longer grace period of four years is required – as was the case in LEZs implemented in Europe – to give businesses time to prepare for stricter emission standards and a penalty regime for non-compliant vehicles.

Naturally, local design and implementation will be important to the successful rollout of LEZs, and as a result, FSB supports Councils having the power to suspend a LEZ for an event that is considered nationally or regionally important. Further, it is our view that Councils should also be able to grant exemptions for certain types of vehicles as they see fit (e.g. classic cars, hybrid vehicles).

3. How might the LEZ proposals in the Bill be improved?

It is challenging to provide greater detail on the LEZ proposals since the regulations have yet to be published on key aspects such as the emission standards, vehicle exemptions and the penalty charge regime. Nevertheless, FSB would like to emphasise that local authorities in Aberdeen, Dundee, Edinburgh and Glasgow have just under a year and a half to design, develop and deliver their LEZs. Indeed, Scotland will soon find itself in a situation where a LEZ is operational in Glasgow but the legislation underpinning its implementation will not be on the statute book.

Further, it should be noted that local authorities have yet to discuss their LEZ proposals with the small business community, albeit some discussions have taken place with FSB, which is a curious oversight since these businesses are central to the success of local economies.

³ See: http://airuse.eu/wp-content/uploads/2013/11/R16_AIRUSE-Low-Emission-Zones-CNE.pdf

⁴ See: <http://www.gov.scot/Publications/2016/05/8208>

Further Information

For further information please contact Barry McCulloch, senior policy advisor
barry.mcculloch@fsb.org.uk



Experts in Business

The FSB is Scotland's largest direct-membership organisation. It campaigns for a better social, political and economic environment in which to work and do business. With a strong grassroots structure and dedicated Scottish staff to deal with Scottish institutions, media and politicians, the FSB makes its members' voices heard at the heart of the decision-making process. It is therefore recognised as one of Scotland's most influential business organisations. The FSB also provides a suite of services to help our members reduce the cost and risk of doing good business – from legal and tax protection to business banking.

74 Berkeley St, Glasgow, G3 7DS

t: 0141 221 0775

e: Scotland.policy@fsb.org.uk

w: www.fsb.org.uk/scotland

Twitter: @FSB_Scotland