

Greater Manchester Clean Air Plan update



Funding to support taxi upgrades

Updated: August 2025

In January 2025 government approved the investment-led Greater Manchester (GM) Clean Air Plan with **NO Clean Air Zone or charges to drive on local roads**.

The plan includes a package of measures to clean up the city region's air through investment in **cleaner buses, taxis and some local traffic measures in the regional centre** (Manchester and Salford).

£8 million government funding was allocated to support moving GM's black cab fleet to cleaner, compliant vehicles, linked to licensing emissions standards.

To help with the transition, the city region's ten local authority leaders have endorsed plans to give all hackney and private hire vehicle (PHV) drivers more time to upgrade their vehicles, by extending the emission compliance date from the end of 2025 to at least 31 December 2026. Local authorities are at different stages in implementing this.

Further engagement has now taken place with the trade on how best to allocate the £8 million vehicle upgrade funding. It has been agreed that **vehicle upgrade grants of up to £12,560** will be available to GM-licensed hackney carriage drivers. The fund is due to open to applications in November 2025.

GM is also exploring how private hire vehicles (PHV) can also be supported to make the switch to cleaner vehicles, potentially through grants, or subsidised, interest-free loans. A report on this will be made in autumn 2025.

Cleaning up the air

Like many other areas, GM has illegal levels of nitrogen dioxide air pollution on local roads across the city-region.

Poor air quality affects everyone's health, and is linked to chronic conditions like asthma, heart disease, stroke, some cancers and early deaths.¹ GM leaders are committed to making our city region a cleaner and healthier place to live in, work in and visit, for everyone.

The 10 GM local authorities are under legal direction from government to meet legal limits for nitrogen dioxide on local roads in the shortest possible time and by 2026 at the latest.



¹ Public Health England calculated that poor air quality contributed to the equivalent of 1,200 early deaths per year in GM in 2016 through its **Public Health Outcomes Framework**, which gave a spatial breakdown of deaths attributable to air pollution

£8 million Hackney Support Fund

GM leaders are committed to ensuring that GM-licensed vehicle owners have access to financial assistance to upgrade to compliant, cleaner vehicles.

This is to uphold the local minimum emissions standards being put in place by all GM local authorities – and ease the impact of competition from out-of-area licensees. The requirement will be for GM-licensed taxis to meet a minimum vehicle emission standard by at least 31 December 2026 (Euro 4 petrol / Euro 6 diesel / fully Zero Emissions Capable (ZEC) electric vehicle). Local authorities are at different stages in implementing this.



Following engagement with the trade, grants of up to £12,560 will be available to eligible hackney carriage drivers licensed with one of the ten GM local authorities.

The fund is expected to open in November 2025 and there will be two funding rounds, to aid a fairer distribution of funds across eligible vehicle owners who were licensed with a Greater Manchester authority before 1 October 2024. Applications will be taken on a first come, first served basis:

- **Funding round 1:** Open to all eligible non-compliant vehicle owners, with a limit of one vehicle grant per applicant.
- **Funding round 2:** Open to eligible owners/registered keepers of a non-compliant taxi, up to the vehicle cap (a total of 5 vehicles per applicant). Also open to owners of compliant vehicles that have been purchased on or after 23 January 2025.

Funding will be provided directly to applicants, rather than accredited dealerships.

Vehicle type (upgrade to)		Grant amount (per vehicle)
Purpose-built Wheelchair Accessible Vehicle (WAV)	New Zero Emission Capable (ZEC) vehicle	Up to £12,560 towards the running costs of the replacement vehicle (or vehicle finance).
	Second hand ZEC	Up to £12,560 towards the cost of the replacement vehicle.
	Compliant vehicle (Euro 4 petrol or Euro 6 diesel or better)	Up to £6,280 towards the cost of the replacement vehicle.
Non-Wheelchair Accessible Vehicle (WAV)	New ZEC	Up to £7,530 towards the running costs of the replacement vehicle (or vehicle finance).
	Second hand ZEC	Up to £7,530 towards the cost of the replacement vehicle (or vehicle finance).
	Compliant Vehicle 6+ seater (Euro 4 petrol or Euro 6 diesel or better)	Up to £6,280 towards the cost of the replacement vehicle (grant or vehicle finance).
	Compliant Vehicle (Euro 4 petrol or Euro 6 diesel or better)	Up to £3,770 towards the cost of the replacement vehicle (grant or vehicle finance).

Backing our taxis campaign

In the spring, GM announced its **'Backing our taxis: Local. Licensed. Trusted'** campaign, including a review of the current approach to licensing with the taxi trade in the city region.

The campaign is calling on government for new laws to tackle out-of-area licensing, and more local control over granting licenses and enforcing conditions. This would help drive higher taxi standards, increase public safety, confidence and trust, and safeguard the livelihoods of drivers.

As well as working to ensure that drivers are supported to move to cleaner vehicles, GM is carrying out an independent review to:

- Understand the issues shaping the industry, drivers' experiences and the challenges facing the trade.
- Engage with the taxi trade, local authorities and other stakeholders to find ways to incentivise more drivers to licence with GM local authorities.

A report on the review will be submitted to the Greater Manchester Combined Authority (GMCA) in the autumn, presenting trade perspectives and recommendations.

Find out more at **backingourtaxis.com**

Find out more and get in touch

We will keep the trade updated through the 10 Greater Manchester licensing authorities.

For more information on the Clean Air Plan please visit **cleanairgm.com/clean-air-plan**

Please sign up for updates on future funding at: **cleanairgm.com/#newsletter** or contact your local licensing authority for further information.