

# We'd like to hear your views on the proposed changes to the Congestion Charge



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## Purpose of this leaflet

The Mayor of London, Boris Johnson, recently published his new Transport Strategy. This states that, subject to consultation, he will remove the Western Extension of the central London Congestion Charging zone. It also explains that he will keep the scheme under review to ensure its continued effectiveness.

This leaflet is part of the formal consultation process required in order to remove the Western Extension, and to make changes to the remaining scheme.

These changes include:

- An increase in the level of the charge
- The introduction of a new automated payment method: Congestion Charging Auto Pay
- Removal of the Alternative Fuel Discount
- Introduction of a new Greener Vehicle Discount
- A change to vehicles eligible for the electric vehicle discount
- Alteration to the process of registering for the discount for vehicles with 9 or more seats
- A change to the exemption for Ministry of Defence vehicles.

If the Mayor decides to approve the proposals outlined in this leaflet, the first day they would come into effect would be 4 January 2011.

For technical reasons these proposed changes are contained in two separate legal documents. Any comments you choose to make will be considered in relation to the appropriate legal document. You can provide feedback online at [cclondon.com](http://cclondon.com)

The consultation ends on **Monday 2 August 2010**.



## Removal of the Western Extension

### Proposal

- The Western Extension of the central London Congestion Charging zone would be removed at the end of the charging day on 24 December 2010 so that the area no longer formed part of the Congestion Charging zone – after this date, there would be no charge to drive in the Western Extension area
- The central London Congestion Charging zone would return substantially to its pre-extension boundaries as shown on the map on page 8. The residents' discount zone would also return to its pre-extension boundaries, again marked on the map on page 8
- Residents who live in the Western Extension area (shaded in pink on the map) and other areas immediately adjacent to the boundary (shaded in purple) would cease to be eligible for the Residents' 90% discount and would need to pay the full charge after 24 December 2010 to drive within the remaining zone – the outstanding balance for any discounted charge payments after that date would be refunded automatically. It should be noted that there is no charge payable from Christmas Day to New Year's Day inclusive, so the first charging day after the proposed removal of the Western Extension area would be Tuesday 4 January 2011
- Anyone who no longer required a monthly or annual charge which they had purchased because they drive in the Western Extension area could apply to have the outstanding balance on these advance payments refunded. Anyone who had purchased a weekly charge in advance could apply to have this payment refunded provided no part of the week had already elapsed



- The remaining central London Congestion Charging zone, as highlighted in orange on the map, would continue to operate as it does at present, subject to the Mayor's decisions on the other proposed changes set out in this leaflet
- Those living in the original zone and the associated residents' discount zone areas would continue to be eligible for the Residents' 90% discount

### Background & impacts of the Western Extension

The central London Congestion Charging zone was introduced in February 2003. On 19 February 2007 it was extended westwards, creating a single enlarged zone in which the same charges, discounts and exemptions apply. There is no charge for driving on the boundary roads around the zone and there are also two routes that vehicles can use to cross the zone during charging hours without paying a charge. Please see the map on page 8.

As expected, the scheme reduced traffic in the Western Extension area by around 30,000 vehicles each day, and initially congestion in the area was reduced. But while traffic volumes remain well below those seen before the Western Extension was introduced, other changes, including significant development and road works, have meant that congestion has increased again (though it would have been worse in the absence of Congestion Charging).

The scheme has helped to reduce emissions of climate change gases and environmental pollutants from vehicles and encouraged people travelling in the area to use public transport, or to walk or cycle. It has also raised net revenues that have been used to support the Mayor's Transport Strategy.

However, concerns have been raised about the impacts of the Western Extension on the local economy and on people living in the zone.

## **Progressing the proposal to remove the Western Extension**

In September 2008 the Mayor invited stakeholders, businesses and the public to give their views on options for the future of the Western Extension. The majority of those responding to that informal consultation favoured its removal.

The Mayor included the proposal to remove the Western Extension in his draft Transport Strategy. Again the majority of those who responded were supportive of the proposal to remove the Western Extension, raising similar concerns to those mentioned above. In light of this, the Mayor adopted the proposal to remove the Western Extension in his published Transport Strategy.

The consultation that TfL is now undertaking on behalf of the Mayor represents the next stage in the legal process to remove the Western Extension. The Mayor is proposing to change the Congestion Charging Scheme Order (the legal document that defines the way that the Congestion Charging scheme operates) to remove the Western Extension at the end of the charging day on 24 December 2010. If, once he has considered the views raised in response to this consultation, he decides to confirm the changes, then the Congestion Charging zone would revert to the boundary shown on the map on page 8, and the Western Extension and associated Residents' 90% discount would cease to operate from that date.

## **Traffic and congestion impacts of removing the Western Extension**

TfL's analysis suggests that removing the Western Extension would lead to some increase in traffic and congestion in the area, when some drivers deterred by the charge return to the zone.

Measures that should help to mitigate these impacts of removing the Western Extension include a general review of signal timings as well as

bringing forward the further implementation of computer-optimised traffic signals, the introduction of the Mayor's Cycle Hire scheme, the new road works permit scheme and continued school and workplace travel planning.

Although TfL estimates some increase in congestion is still likely to arise, this should be set against the importance that businesses and individuals place on access to the area by private transport and the impact on the local economy.

Some small reductions in congestion are expected in the original central London Congestion Charging zone as a result of the removal of the Western Extension.

## **Financial impacts of removing the Western Extension**

The removal of the Western Extension would result in a reduction of £55m per year in net revenue for TfL. Whilst there would be a reduction in income for TfL, those who currently pay the charge to drive in the zone will no longer have to pay. There are also smaller one-off costs to TfL associated with removing the Western Extension such as removing signage and equipment.

## **Environmental impacts of removing the Western Extension**

The primary focus of the Congestion Charging scheme has always been to tackle congestion and reduce traffic. Related reductions in the emissions of air pollutants from vehicles in the zone have been welcomed, but have been comparatively small and have not resulted in direct measurable improvements in air quality because of the effect of other factors. Correspondingly although TfL estimates that emissions of PM<sub>10</sub> from traffic in the Western Extension might increase by some 3.5% and emissions of NO<sub>x</sub> by some 2%, the removal of the zone would not be expected to result in a measurable deterioration of air quality.










Meanwhile, there are several planned measures which will help reduce emissions in the Western Extension area and across London. For example, emissions standards for light goods vehicles and minibuses are proposed to be included in the Low Emission Zone scheme in 2012, and it is anticipated that owners and operators would seek to meet the required emissions standards in advance. The Low Emission Zone emissions standards for buses, coaches and heavy goods vehicles are also due to be tightened in 2012, further reducing emissions of air pollutants. Other measures in the Mayor's draft Air Quality Strategy,

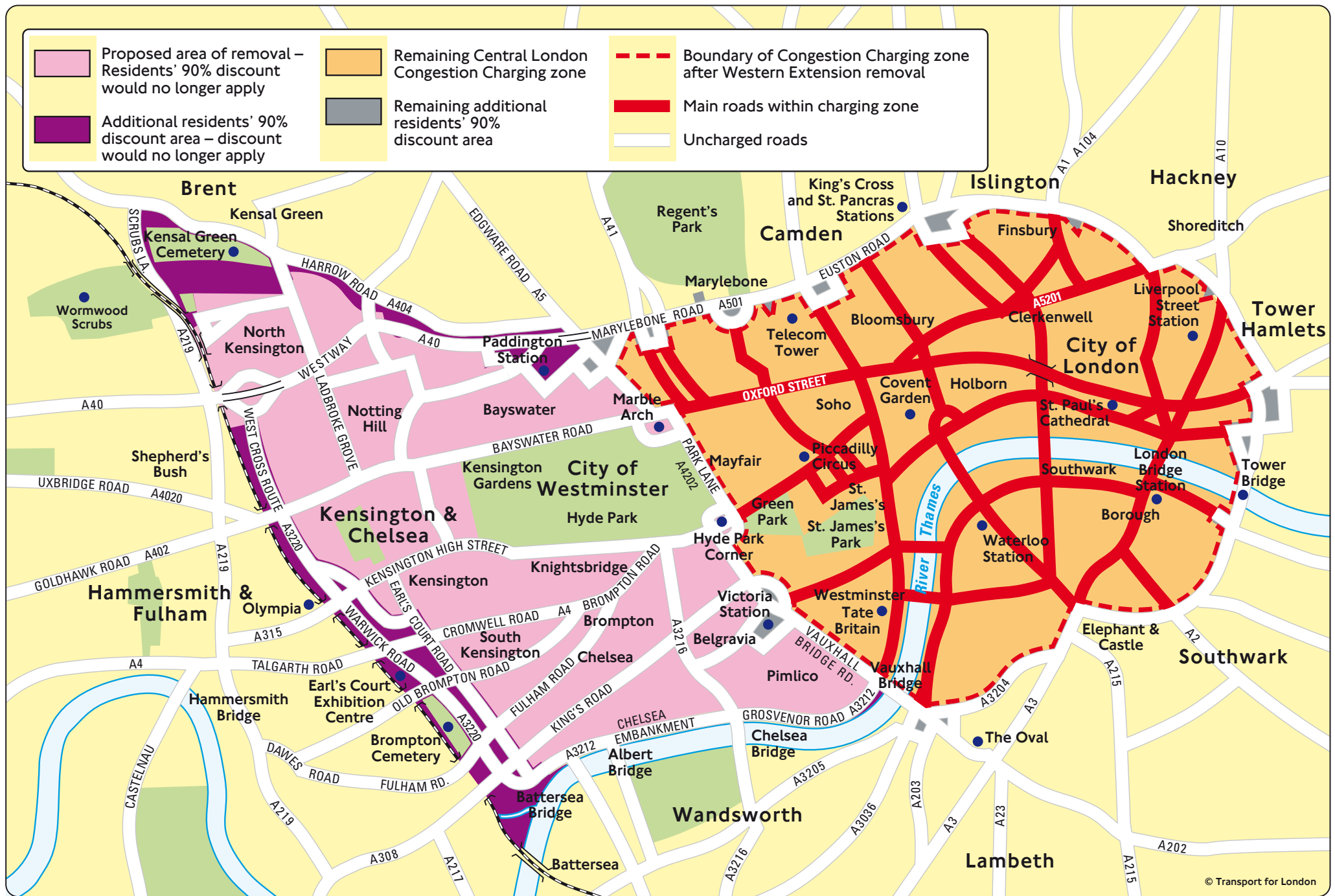
such as improvements to the environmental performance of the London bus fleet and taxis would also help to improve air quality.



Through its primary focus on reducing congestion by reducing traffic, the Congestion Charging scheme has brought reductions in CO<sub>2</sub> emissions from road transport in the zone. Accordingly, because removing the Western Extension would be expected to increase traffic and congestion in that area, an increase in CO<sub>2</sub> emissions from road transport in the zone of around 5% is likely. Action is being taken on a London-wide basis to tackle climate change through measures set out in the Mayor's draft Climate Change Mitigation and Energy Strategy and other measures in the Mayor's Transport Strategy. These include supporting a shift to more efficient modes of transport, improving operational efficiency, and stimulating the development and use of low carbon vehicles such as electric and plug-in hybrid electric vehicles. More information on the proposed removal of the Western Extension and its likely impacts, including those on the environment, can be found at [cclondon.com](http://cclondon.com)

# Congestion Charging zone map

	Proposed area of removal – Residents' 90% discount would no longer apply		Remaining Central London Congestion Charging zone		Boundary of Congestion Charging zone after Western Extension removal
	Additional residents' 90% discount area – discount would no longer apply		Remaining additional residents' 90% discount area		Main roads within charging zone
					Uncharged roads



## Daily Congestion Charge increase

### Proposal

For nearly five years the Congestion Charge has been £8 if paid in advance or on the day or £10 if paid the charging day after driving within the zone. TfL proposes that the charge is increased to £9 per day for drivers who register for a new automated payment channel called Congestion Charging Auto Pay. For those who wish to continue using current payment channels, TfL proposes that the charge is increased to £10 if paid in advance or on the day of travel and £12 if paid the charging day after driving within the zone. For further information on Congestion Charging Auto Pay, please see next section.

For fleet operators registered with Fleet Auto Pay the daily charge would increase from £7 to £9 per vehicle, and the minimum number of vehicles on the fleet account would decrease to six.

### Why a charge increase is being proposed

Congestion Charging has helped to reduce traffic and congestion in central London and raise revenues to invest in transport improvements across Greater London.

The proposed increase in the daily charge will ensure that it remains effective in controlling traffic levels in central London, and the additional revenue will be used, as required by law, to support the Mayor's Transport Strategy.

If the level of the charge were not from time to time adjusted, the deterrent effect of Congestion Charging would tend to be eroded over time. In real-terms, the value of the charge has fallen in the five years since it was increased to £8.

The proposed increase also ensures that the Congestion Charge maintains its relative deterrent effect with respect to public transport fares which have increased since 2005.

It is proposed that the charge increase is introduced alongside an easier way of paying the Congestion Charge, called Auto Pay. This is described in further detail in the next section.

## Making payment easier with Congestion Charging Auto Pay

### Background and history

There have been many requests from drivers to make paying the Congestion Charge easier and more convenient. At present, drivers have to ensure that they have paid the charge either before or on the day they drive within the zone or on the next charging day. If the driver fails to do so, a Penalty Charge Notice (PCN) is issued. Many drivers report that they have been issued PCNs because they have forgotten to pay the charge.

In addition, residents within the zone have requested that they should be able to pay the charge daily instead of only weekly, monthly or annually.

### Proposal

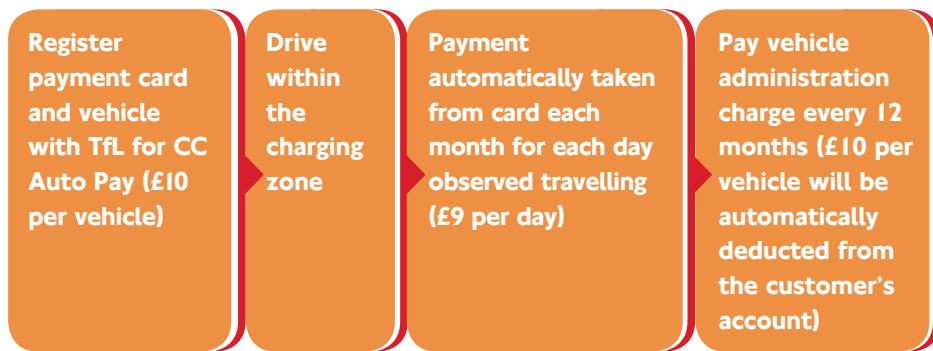
Under the new system, drivers would be able to register for an automated payment account, called Congestion Charging Auto Pay, using either a credit or debit card (excluding Maestro and Solo). The new system would record the number of days a vehicle travels within the zone each month, and bill the account holder accordingly. Drivers registered for this system would pay a £9 daily charge.

It is proposed that customers would also have to make an annual £10 payment to register a vehicle to their Auto Pay account. Customers would be able to register up to five vehicles.

TfL proposes that the current discount for purchasing the charge monthly or annually in advance be removed as this new payment option would mean that people are charged only for the days that they drive in the zone. Those still wishing to purchase a monthly or annual charge would be charged £200 and £2,520 respectively.

Currently, operators of fleets with ten or more vehicles registered for Fleet Auto Pay receive a £1 discount on the current daily charge. It is proposed that, alongside the introduction of CC Auto Pay for all Congestion Charge users, this discount is removed so that fleet operators would pay the same per vehicle (£9) as all other customers using the new CC Auto Pay (£9). In addition, the minimum number of vehicles a fleet operator could register would be reduced to six.

### How CC Auto Pay will work



### Benefits

CC Auto Pay represents a simpler alternative to the current payment channel options and drivers with vehicles registered for this payment method would not be issued with Penalty Charge Notices for forgetting to pay. This facility would enable an account holder to register up to 5 vehicles on one account, benefitting small businesses.

Customers using CC Auto Pay would pay a daily charge of £9. If paid via other methods the daily charge would be £10.

### Impact on residents within the zone

TfL proposes that those eligible for the Residents' 90% discount (those living in the areas highlighted in orange and grey on the map on page 8) will now have the option to register for CC Auto Pay, enabling them to pay the charge daily rather than only weekly, monthly or annually in advance.

If a resident chooses to register for CC Auto Pay they would be charged £0.90 for each day that they are observed travelling within the charging zone and will be billed each month for these days.

Residents would pay an annual £10 CC Auto Pay vehicle administration charge and would continue to pay the annual £10 Residents' discount registration charge.

Residents who do not wish to register for CC Auto Pay would still be able to make 'manual payments' as they do now, paying weekly, monthly or annually in advance, based on a 90% discount to the proposed £10 daily charge.

The table below shows the difference between what residents would pay with and without registering for CC Auto Pay for driving within the charging zone, assuming the charge increase is confirmed.

Cost for residents based on different payment channels		
	Existing payment channels: phone, online, text, in shops	New payment channel: CC Auto Pay
<b>Daily</b>	Not available	£0.90 per day plus annual charges <ul style="list-style-type: none"> <li>• £10 to register for the Residents' 90% discount</li> <li>• £10 per vehicle to register for CC Auto Pay</li> </ul>
<b>Weekly</b>	£5 per week (min. 5 consecutive charging days) plus an annual charge of £10 to register for the Residents' 90% discount	n/a
<b>Monthly</b>	£20 per month (20 consecutive charging days) plus an annual charge of £10 to register for the Residents' 90% discount	n/a
<b>Annually</b>	£252 per year (252 consecutive charging days) plus an annual charge of £10 to register for the Residents' 90% discount	n/a

## Removal of the Alternative Fuel Discount

### Background & History

The current Alternative Fuel Discount (AFD) is a 100% discount on the Congestion Charge for certain vehicles powered by an alternative fuel. It was introduced to encourage the uptake of such vehicles. The benefits of alternative fuels have in some cases been outpaced by technological development in conventional vehicles. This has meant that some vehicles that are eligible for the AFD perform less well environmentally than newer vehicles that don't qualify for the discount. A more technology-neutral approach is therefore proposed to achieve improved environmental benefits.

TfL proposes that the AFD scheme is closed to new registrations on 24 December 2010. Owners of vehicles already registered for the AFD would continue to receive the 100% discount for their vehicle for 2 years until 24 December 2012 and would not need to take any action to ensure this. However, if a vehicle owner sells the vehicle during this period, the new owner would not be eligible for the AFD. Owners of vehicles currently registered for the AFD would have to pay the full daily charge when the notice period described above expires unless the vehicle registered for the AFD meets the new discount criteria.

## A new Greener Vehicle Discount

### Proposal

TfL proposes to introduce a Greener Vehicle Discount (GVD) to encourage the uptake of cleaner and more CO<sub>2</sub> efficient vehicles. The GVD would provide a 100% discount on the Congestion Charge for cars that emit 100g/km of CO<sub>2</sub> or less **and** that meet the Euro 5 standard for air quality.

Any car registered as new with the Driver and Vehicle Licensing Agency (DVLA) on or after 1 January 2011 would be deemed to meet the Euro 5 standard (however there are some cars registered before this date that meet the Euro 5 standard). This is a European standard that sets levels of air quality emissions for new vehicles sold in Europe, with which all vehicles must comply when manufactured.

As is the case with the current AFD, an annual £10 registration charge would be required for the new GVD.

### Benefits

The GVD will contribute to reducing the emissions from road transport in London. The benefits of this new discount classification are:

- It will help encourage a switch to some of the cleanest vehicles currently available
- It is standards based and therefore technology neutral
- It focuses on both CO<sub>2</sub> and air quality

### Example of eligible vehicles

Examples of cars that would be eligible for the proposed GVD should it be introduced include the new 2009 model Prius, the new Citroen C3 1.6 Airdream+ and the Volkswagen Polo 1.2 TDI 80PS BlueMotion. Those driving or considering purchasing a new or current model of car, can check the vehicle's CO<sub>2</sub> emissions (g/km) and Euro standard on the Vehicle Certification Agency's website: [vcacarfueldata.org.uk](http://vcacarfueldata.org.uk)

### Review of the changes

Should the Greener Vehicle Discount be implemented, TfL proposes to monitor the impacts of the changes on the Congestion Charging scheme. The discount would be reviewed in 2013, potentially considering the qualifying criteria or level of discount, to ensure that the congestion and environmental benefits of the scheme were being maintained.

## A change to the electric vehicle discount

### Proposal

Currently there is a 100% discount for fully electrically propelled vehicles. TfL proposes that the eligibility criteria for this discount be widened to include plug-in hybrid electric vehicles (PHEVs). It is anticipated that they will play a key role in the Mayor's Electric Vehicle Delivery Plan and many of the major manufacturers are planning to launch PHEVs from 2011 onwards.

PHEVs run on electric power and another fuel which is usually petrol. They are different from a standard hybrid vehicle that does not need to be plugged in to recharge its battery.



## How changes to the AFD, electric vehicles discount and introduction of the GVD would affect you

The table below shows which vehicles would be eligible for discounts and when, providing they have been registered with TfL:

Vehicle type	Current charge	4 Jan 2011 - 24 Dec 2012	From 2 Jan 2013 onwards – although elements may be subject to review
Vehicles registered for current AFD but not eligible for new GVD	100% discount	100% discount for owner's vehicles registered for AFD before 24 Dec 2010	Full daily charge
Euro 5 vehicles with 100g/km CO <sub>2</sub> or less	£8 daily charge	100% discount	100% discount
Plug-in electric hybrid vehicle	no models currently available	100% discount	100% discount
Electric Vehicle	100% discount	100% discount	100% discount

## Alterations to the registration process for 9+ seat vehicles

### Proposal

Almost all vehicles that are eligible for a discount from the Congestion Charge must pay an initial £10 annual registration charge to activate the discount and then an annual £10 charge. However, vehicles with 9 or more seats do not have to pay these charges - although they must still register with TfL annually to receive the discount.

To ensure a consistent approach for all vehicles eligible for a discount, TfL proposes that owners of vehicles with 9 or more seats pay the £10 registration and annual charge.

## Ministry of Defence Vehicles

### Proposal

Vehicles which are being used for naval, military or air force purposes are currently exempt from the Congestion Charge. New legislation has recently been passed which requires us to extend the exemption to any vehicles belonging to the Ministry of Defence. TfL is therefore proposing to reflect this change in the exemption.

## Next steps

This statutory consultation ends on **Monday 2 August 2010**. TfL will then prepare a report to the Mayor of London reflecting comments received during the consultation.

The Mayor will then make a decision as to whether or not to go ahead with the proposals and confirm the Variation Orders, with or without modifications. Once a decision has been made, TfL will publicise this decision, along with the reasons for the decision.

Should the Mayor decide to proceed with the scheme changes, the first day they would come into effect would be 4 January 2011 (no charge is payable from Christmas Day to New Year's Day inclusive).

An information campaign would take place to help ensure that drivers are aware of the changes to the way that the Congestion Charging scheme would operate.

### Your views

To provide your views on the proposed changes to the Congestion Charging scheme explained in this leaflet, you can either call **0844 811 9785\*** for a printed leaflet containing a questionnaire (postage paid for the leaflet and return of questionnaire) or send your views direct to 'Congestion Charging Consultation, Chiswick Gate, 598-608 Chiswick High Road, London W4 5RT' (you will need to pay for postage). Alternatively complete the questionnaire online at **[cclondon.com](http://cclondon.com)**

All responses need to be received by **Monday 2 August 2010**.



## Further information

Further information on the proposed changes to the Congestion Charge, including documents that provide additional detail on the operation and expected impacts of the proposals, and an online form, are available at **cclondon.com**

Other language versions are available on request as well as large print, audio CD and additional copies of the leaflet by calling us on **0844 811 9785\***.

### Privacy notice

Transport for London (TfL), its subsidiaries and service providers, and the Greater London Authority will use your personal information for the purpose of administering this consultation and assessing opinions on the proposed changes to Congestion Charging. Your personal information will be properly safeguarded and processed in accordance with the requirements of the Data Protection Act 1998.

Responses to the consultation may be made publicly available, but any personal information will be kept confidential. You do not have to provide any personal information, but this information may help TfL to understand the range of responses. For example, responses may be analysed by postcode to help identify local issues.

\*Calls from BT landlines cost up to 5p per minute. Cost of calls from other lines may vary.



