Transport for London

Central London Congestion Charging Scheme
Consultation with the public and stakeholders

TfL's Report to the Mayor on the Congestion Charging Scheme Variation Order Consultation

April 2013

MAYOR OF LONDON

Transport for London

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Executive Summary

i. The Mayor's Transport Strategy contains a proposal to keep the Congestion Charging scheme under review and make variations to the scheme to ensure it remains effective in reducing traffic and congestion in central London and reflects best practice and other developments in relation to its operation. Following a review of the scheme and the impacts of the Greener Vehicle Discount, the Mayor asked TfL to consult on the following proposed changes to the scheme:

- Introduce a new Ultra Low Emission Discount (ULED) to replace the Greener Vehicle Discount (GVD) and the Electric Vehicle Discount (EVD). The ULED is a 100% discount for electric vehicles and cars and vans with CO_2 emissions of 75g/km or less that meet the Euro 5 emission standard. Drivers registered for the EVD would automatically qualify for the ULED and a "sunset" clause is proposed for those currently eligible for the GVD who would not meet the CO_2 emissions criteria of the ULED;
- Remove the option to pay the Congestion Charge in retail outlets, thereby removing the option to pay by cash for the charge; and
- Increase the penalty charge from £120 to £130, to bring it in line with moving traffic, bus lane and parking penalty charges.

ii. *The Greater London (Central Zone) Congestion Charging (Variation and Transitional Provisions) Order 2012* (the Variation Order), made by TfL, makes the changes to the Congestion Charging scheme. TfL consulted with the public and stakeholders on the Variation Order. The consultation ran from 19 November 2012 until 8 February 2013 and was publicised via a Legal Notice, press releases, advertisements in pan-London newspapers, via the TfL website and via twitter. TfL also wrote to around 15,000 customers registered for the GVD and EVD and users of the retail payment channel for whom it had email addresses to advise them of the proposals, direct them to the online consultation portal (www.tfl.gov.uk/ccyourviews) and invite them to respond to the consultation.

iii. Members of the public and businesses were invited to respond to the consultation using the questionnaire on the consultation portal, which hosted all the relevant information related to the consultation. A telephone information service was also available during the consultation to answer consultation queries and disseminate the consultation information leaflet and questionnaire.

iv. TfL also invited a range of stakeholder organisations to respond to the consultation including the London boroughs, transport and environment representative groups, motoring organisations and organisations representing the voluntary and community sectors, among others. Stakeholders were provided with an information leaflet, the Scheme Description and Supplementary Information document and the Impact

Assessment (all of which were publicly available via the consultation portal). Stakeholders were invited to respond via the consultation portal.

v. This Report to the Mayor sets out TfL's analysis of the public, business and stakeholder views received to the consultation and includes TfL's comments and recommendations.

Consultation responses

vi. Consultation responses were received from 2,705 members of the public and businesses and from 36 stakeholder organisations. The bulk of responses (96%) were received via the questionnaire on the consultation portal. The majority of respondents (91%) were individuals, with 7% responding as a representative of a business.

vii. The majority of respondents (84%) drove within the Congestion Charging zone, with half driving infrequently between less than once a month and one to two times a month. The most common reasons for driving in the zone were for leisure purposes (36%), business reasons (28%) and for commuting (24%). Thirty-six per cent of respondents were registered for a Congestion Charging discount (including CC Auto Pay).

Response to proposal to replace the Greener Vehicle Discount and Electric Vehicle Discount with an Ultra Low Emission Discount

viii. Of public and business responses received to the proposal, 24% supported and 59% opposed. The most common issues raised by public and business respondents were: not fair to change discount criteria when people had invested in low emission vehicles (31% of responses); proposal only to generate revenue for TfL (9%); reducing the number of eligible vehicles would discourage people buying greener models (5%); proposed ULED criteria too strict given availability of ultra low emission vehicles (5%); and suggest alternative methods to reduce congestion, such as a higher charge for 4x4s (4%).

ix. Of the 35 stakeholders who commented on the proposal, 46% supported and 14% opposed. The most common issues raised by stakeholders were: suggest alternative criteria for ULED (29%); length of sunset period (17%); impact on businesses/ fleets (14%); need for long term planning (11%); air quality impacts (9%); including diesel cars in ULED (6%); including commercial vehicles over 3.5 tonnes in ULED (6%); availability of ultra low emission vehicles (6%); and discount for alternative fuels/ biofuels (6%).

TfL response to issues raised

x. The primary aim of the Congestion Charging scheme is to reduce traffic and congestion in central London, however, the scheme also provides an opportunity to incentivise those who continue to drive in the zone to switch to the cleanest vehicles. The GVD has been an important step on the way to focusing Congestion Charging incentives on the lowest emission vehicles, while recognising that the market for these vehicles, particularly electric vehicles, was less mature. In recognition that the market for GVD eligible vehicles would expand, at the time he decided to introduce the GVD, the Mayor announced that it would be subject to review by 2013 to ensure that it was not impacting on traffic and congestion.

xi. Electric commercial vehicles over 3.5 tonnes are eligible for the ULED, however it is not practical to include heavy goods vehicles of other fuel types in the discount because the CO_2 performance is not recorded by the DVLA and is difficult to determine as it can vary significantly depending on the load being carried by the vehicle. TfL acknowledges that alternative fuels and biofuels may have a role to play in reducing transport emissions and will consider the use of these fuels in its Low Emission Vehicle Strategy.

xii. TfL proposed the Euro 5 emission standard for the ULED because this is the tightest standard currently available and it is difficult to robustly identify Euro 6 vehicles before the Euro 6 standard becomes mandatory in September 2014 for cars and September 2015 for vans. TfL considers that it is unlikely that any diesel car or van could achieve CO_2 emissions of 75g/km before Euro 6 becomes mandatory and therefore a tighter Euro 6 standard is not required. TfL does not consider it is appropriate to include an additional discount band for cars with CO_2 emissions between 76-95g/km because to do so would discourage drivers and fleets from investing in ultra low emission vehicles, such as electric and plug-in hybrid electric vehicles. TfL does not propose to introduce a higher Congestion Charge level for high CO_2 emitting cars.

xiii. TfL acknowledges that manufacturers and customers would prefer policies to be set out in advance to allow for planning and purchasing decisions. However, the criteria for the ULED are relatively future-proofed and the technology neutral nature of the discount means that it would apply to vehicles of any fuel type that are developed that can meet the required air quality and CO_2 emissions criteria.

xiv. TfL is actively considering how best to reduce emissions from buses and taxis. TfL has introduced an age limit for taxis and minimum emissions requirements and the Mayor has announced his aspiration to develop a zero-emission taxi by 2020. TfL has implemented an extensive programme to reduce the emissions from buses, including a programme to retrofit 120 buses with diesel particulate filters, 900 buses with selective catalytic reduction systems by 2014, replace up to 900 Euro III buses with Euro VI buses by 2015 and introduce 1,600 hybrid buses by 2016 including 600 New Buses for London. In addition, TfL is trialling electric and alternative fuel technologies to understand the options for further reducing emissions from the bus fleet.

xv. In response to concerns raised by stakeholders and public and business respondents, TfL is recommending that the proposed two year sunset period, whereby GVD recipients would continue to benefit from a 100% discount after the GVD closed to new applicants, is extended by one year from 26 June 2015 to 24 June 2016. The longer sunset period would align better with fleet purchasing patterns, in recognition of the investment that fleets, businesses and individuals have made in low emission cars.

Response to proposal to remove the retail payment channel

xvi. Of the public and business responses on this proposal, 17% supported and 53% opposed. The most common issues raised in public and business respondents were: should be a variety of payment options (17% of responses); removing the retail payment channel would make it more difficult to pay the charge (15%); shouldn't have to be reliant on technology (14%); concerned about impact on socially excluded groups (7%); and concerned about impact on tourists/ visitors (7%).

xvii. Of the 35 stakeholders who commented on the proposal, 17% supported and 17% opposed. The most common issues raised by stakeholders were: social impacts (11%); and impact on businesses (6%).

TfL response to issues raised

xviii. The retail payment channel accounts for just 6% of all charge transactions and the proportion of charges made using this channel is expected to decline further as customers continue to move to automated payment accounts (CC Auto Pay). The declining number of retail transactions means the payment channel is no longer cost effective for TfL to operate. Furthermore, the Barclays Cycle Hire scheme has set a precedent for requiring a payment card to use their service.

xix. TfL acknowledges the concerns raised that the removal of the option to pay the charge using cash and in local retail outlets could disadvantage customers who do not have access to a debit or credit cards or to the internet. However, TfL considers that the number of people affected is very small. Households without access to debit/ credit cards or bank accounts are more likely to be low income households and less likely to own a car and drive in central London than households with higher incomes given the cost of the Congestion Charge and parking. The accessibility and quality of public transport offer excellent alternatives to car use in central London. Similarly, TfL considers that the impact on businesses is likely to be marginal given that Congestion Charge transactions make up only a small proportion of their business.

xx. Should the Mayor decide to confirm the proposal, with or without modifications, TfL would undertake a public information campaign to make drivers aware of the changes and of alternative payment methods, including paying the charge using a postal order/ bank draft or a pre-paid currency or payment card.

Response to proposal to increase the penalty charge

xxi. Of the public and business responses on this proposal, 23% supported and 50% opposed. The most common issues raised by public and business respondents were: penalty charge is already expensive (16% of responses); increase is an unjustifiable way of TfL raising revenue (13%); bringing in line with other penalty charges is not a justifiable reason for increase (4%); not fair to increase the penalty charge in an economic downturn (3%); and penalty charge should be reduced (3%).

xxii. Of the 12 stakeholders who commented on the proposal, 24% supported and 24% opposed. The most common issues raised by stakeholders were: impact on businesses (17%); level of increase (12%) and impact on car rental companies (6%).

TfL response to issues raised

xxiii. TfL considers that the evasion of the Congestion Charge in central London constitutes a serious contravention, and it is appropriate that the penalty charge should be brought into line with those for other serious contraventions such as moving traffic and parking violations which affect the free-flow of traffic and impact on congestion. TfL acknowledges that businesses and individuals are not always able to plan their journeys in advance and that there will be occasions where drivers forget to pay the charge. For this reason, TfL introduced Pay Next Day in 2006 and automated payment accounts (CC Auto Pay) in 2011. As a result, the volume of Penalty Charge Notices (PCNs) issued has fallen dramatically.

TfL's conclusions and recommendations

xxiv. Having considered the responses to the consultation from the public, businesses, community organisations and stakeholders and further operational considerations, TfL recommends that three minor amendments are made to the Variation Order. These are:

- Increasing the proposed two year sunset period for the GVD by one year, from 26 June 2016 to 24 June 2016, to better align with fleet purchasing patterns and in recognition of the investment that fleets, businesses and individuals have made in low emission cars;
- A change to the date of the increase of the penalty charge from 29 April 2013 to 20 May 2013, to allow sufficient time for the proposal to be implemented; and
- A change to the date for the removal of the retail payment channel from 28 June 2013 to 26 July 2013, to allow sufficient time for the proposal to be implemented.

xxv. Should the Mayor decide to confirm the Variation Order, with the modifications proposed by TfL, the proposals would be introduced as follows:

- 20 May 2013: increase in the penalty charge from £120 to £130
- 28 June 2013: closure of the GVD and EVD to new registrations
- 1 July 2013: introduction of the new ULED
- 26 July 2013: closure of the retail payment channel
- 24 June 2016: closure of the GVD (end of 'sunset' period).

1 Introduction

1.1. Overview and purpose of report

1.1.1. On behalf of the Mayor, Transport for London (TfL) made and consulted with the public and stakeholders on a Variation Order to modify the Congestion Charging Scheme to:

- Introduce the new Ultra Low Emission Discount (ULED) to replace the Greener Vehicle Discount (GVD) and Electric Vehicle Discount (EVD)
- Remove the option to pay the Congestion Charge in shops (the retail payment channel)
- Increase the penalty charge from £120 to £130.

1.1.2. The consultation ran from 19 November 2012 to 8 February 2013.

1.1.3. This report presents TfL's analysis of the issues raised in the consultation. The remainder of this chapter provides the background to the consultation, including the legislative process and a summary of the proposals. Chapter 2 describes the consultation process. Chapter 3 provides an analysis of consultation respondents and the channels used to respond to the consultation. Chapters 4 and 5 provide an analysis of the responses to the consultation from the public and stakeholders, respectively, including the number responding to the consultation, support and opposition to the proposals and the key issues raised in consultation responses. Chapter 6 provides TfL's response to the key issues raised by theme and recommendations for minor date changes to the Variation Order. Finally, Chapter 7 sets out TfL's conclusions and recommendations to the Mayor. The Mayor is advised, when considering TfL's summaries, responses and recommendations, to have regard to the consultation responses themselves, all of which have been copied to him.

1.1.4. If the Mayor confirms the Variation Order, with TfL's recommended modifications, the changes to the Scheme Order would commence on:

- 20 May 2013 for the penalty charge increase
- 28 June 2013 for the closure of registrations for the GVD and EVD
- 1 July 2013 for the introduction of the ULED, and
- 26 July 2013 for the closure of the retail payment channel
- 24 June 2016 for the closure of the GVD.

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

1.1.6. In the context of this consultation, and subject to the Mayor’s decision, TfL has been working to the operational timetable set out above and in the consultation materials. Should the Mayor decide to make modifications to the Variation Order, this could affect the date at which changes could be implemented. Under some circumstances, the Mayor’s decision may entail further public consultation on proposed modifications.

1.2. The legislative process

1.2.1. The general duties, policies and functions of the Greater London Authority, the Mayor and TfL are set out in the Greater London Authority Act 1999 (the GLA Act, as amended). Principal amongst these that are relevant to issues raised by the Variation Order are the requirements for the Mayor to:

- Develop and implement policies and proposals for the promotion and encouragement of safe, integrated, efficient and economic transport facilities and services to, from and within Greater London and to prepare and to publish a Strategy (the Mayor’s Transport Strategy (MTS)) containing them (sections 141 and 142 of the GLA Act);
- Develop proposals and policies for implementing in the ‘National Air Quality Strategy’ policies in Greater London and for the achievement of the national air quality objectives prescribed in regulations the Air Quality (England) regulations 2000 (made under the Environment Act 1995) in Greater London and to prepare and publish a Strategy (the Mayor’s Air Quality Strategy (MAQS)) setting them out (section 362 of the GLA Act); and
- Have regard to the need to ensure that each statutory strategy that he prepares under section 42 of the GLA Act (which includes the MTS and the MAQS) is consistent with each of his other statutory strategies.

1.2.2. The GLA Act gives TfL the power to create road user charging schemes in Greater London. The Act stipulates that this charging scheme must be contained in an order and the Greater London (Central Zone) Congestion Charging Order 2004 ("the Congestion Charging Scheme Order") effectively sets out the rules which apply to the central London Congestion Charging scheme. Details of the required contents of a scheme order are contained in Schedule 23 of the GLA Act which stipulates that a charging scheme must:

- Designate the area to which it applies;
- Specify the classes of motor vehicles in respect of which a charge is imposed;
- Designate those roads in the charging area in respect of which a charge is imposed; and
- Specify the charges imposed.

Conformity with MTS and other Mayoral strategies

1.2.3. A charging scheme (or a variation to a charging scheme) can only be made if it directly or indirectly facilitates policies or proposals in the MTS and is in conformity with the MTS (under paragraphs 3 and 5 of Schedule 23). The requirements of Schedule 23, paragraphs 3 and 5 do not apply to other Mayoral strategies such as the MAQS. Therefore a charging scheme order, or variation order altering it, is not required to be in conformity with the MAQS, albeit the MAQS would be a relevant consideration to the Mayor's confirmation of such an order.

1.2.4. Paragraph 38 of Schedule 23 of the Act gives TfL a power to revoke or vary a charging scheme. The power is exercisable in the same manner and subject to the same limitations and conditions as the making of a Scheme Order. Various amendments to the Congestion Charging Scheme Order have been made since it was first confirmed by the then Mayor in February 2002 and a formal consolidation of all such amendments to date was consulted upon and confirmed in October 2004, which has been subsequently amended. Such amendments are made by way of variation orders. Under Schedule 23, any variation order must be made by TfL and may be confirmed with or without modifications by the Mayor.

Climate change

1.2.5. The Mayor has a duty under section 361A of the GLA Act to address climate change, so far as relating to Greater London. In the case of the Mayor, this duty consists of each of the following:

- To take action with a view to the mitigation of, or adaptation to, climate change;
- In exercising any of his functions under this Act or any other Act (whenever passed), to take into account any policies announced by Her Majesty's government with respect to climate change or the consequences of climate change; and
- To have regard to any guidance, and comply with any directions, issued to the Authority by the Secretary of State with respect to the means by which, or manner in which, the Mayor is to perform the duties imposed on him as above.

1.3. The Variation Order

1.3.1. TfL made the Greater London (Central Zone) Congestion Charging (Variation and Transitional Provisions) Order 2012 on 15 November 2012. The Variation Order is attached to this report at Annex A. It is for the Mayor to decide whether or not to confirm the Variation Order, as made by TfL, with or without modifications.

1.3.2. The Variation Order proposed three amendments to the Congestion Charging Scheme Order, namely:

- The introduction of the proposed ULED to replace the GVD and EVD;
- The removal of the retail payment channel; and
- An increase in the penalty charge from £120 to £130.

1.3.3. The Variation Order did not propose any other changes to the operation of the Congestion Charging scheme, as specified in the Congestion Charging Scheme Order, other than minor consequential amendments required to bring the above amendments into force.

1.4. Summary of the proposed changes

1.4.1. This section provides a summary of the changes to the Congestion Charging scheme proposed by TfL in the Variation Order. It also includes the background to the change and a summary of the impacts of each proposal.

The introduction of the proposed Ultra Low Emission Discount to replace the Greener Vehicle Discount and Electric Vehicle Discount

1.4.2. TfL proposed to introduce the new ULED from 1 July 2013 to replace the existing GVD and EVD. The ULED is a 100% discount from the Congestion Charge, with a £10 annual registration payment. It would apply to electric vehicles and any other ultra low emission cars or vans[1] that emit 75g/km or less of CO_2 and meet the Euro 5 emission standard[2].

1.4.3. All the vehicles eligible for the EVD would qualify for the ULED and would be automatically transferred to the new discount. Drivers of these vehicles would then be required to pay the annual registration payment of £10 when their discount is due for renewal, which is in keeping with other types of Congestion Charging discounts.

1.4.4. None of the cars currently registered for the GVD would not meet the CO_2 emissions criteria for the new ULED. However, a sunset period would apply whereby cars registered for the GVD when it closes to new registrations on 28 June 2013 would continue to receive the discount for a further two years, until 26 June 2015 (TfL is recommending the sunset period be extended by one year to 24 June 2016). If the vehicle owner sells the vehicle during this period, the new owner would not be eligible for the GVD.

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[1] Light goods vehicles not exceeding 3.5 tonnes gross vehicle weight

[2] This is a European Union standard that limits the levels of air pollutant emissions for new vehicles sold in Europe, with which all vehicles manufacturers must comply. Euro 5 applies to cars registered as new with the Driver and Vehicle Licensing Agency (DVLA) on or after 1 January 2011 and vans registered as new on or after 1 January 2012.

1.4.5. When the GVD was introduced in 2010 it was recognised that, as the low emission vehicle market grew, increasing numbers of cars qualifying for the discount would enter the Congestion Charging zone and could start to erode the congestion and environmental benefits of the scheme. TfL's review of the GVD has shown that, while the discount successfully increased the proportion of lower emission cars using the zone by around 30%, thereby helping to reduce air pollution, increasing traffic resulting from the GVD was estimated to have caused additional congestion valued at around £1.5m net in 2011. The GVD has also capitalised on the trend in reducing CO_2 emissions in the new car market generally and has also led to a greater reduction in CO_2 emissions compared with the Alternative Fuel Discount, which it replaced.

1.4.6. If no changes were made to the GVD, it is expected that the number of cars registering for the discount and using the zone would continue to increase. When the GVD was introduced in January 2011, around 18 models of car met the eligibility criteria and this now increased to 59 models. As of January 2013, 21,400 cars were registered for the GVD and, at the present rate of uptake, the GVD would exceed 26,000 registrations by the end of 2013.

1.4.7. In January 2013, around 2,700 cars registered for the GVD were observed in the Congestion Charging zone on a typical weekday during charging hours, representing around 1.5% of all vehicles. It is forecast that up to 6,000 GVD eligible cars could be seen in the zone daily in charging hours by the end of 2013 if the GVD was retained. The closure of the GVD would result in a small reduction in traffic in the Congestion Charging zone during charging hours as some of the previously induced traffic (around 2,000 cars per day by end of 2013) is deterred again.

1.4.8. The removal of the GVD would be expected to generate additional Congestion Charging income of between £2m and £3m per year. This estimate of additional income is higher than that provided in the consultation documents and has been revised following further analysis.

1.4.9. The number of electric vehicles using the Congestion Charging zone has remained relatively stable for the past two years, although is expected to increase as the electric vehicle market expands. In January 2013 there were around 2,200 vehicles registered for the EVD and almost 400 of these vehicles used the zone daily.

1.4.10. It is anticipated that the number of ultra low emission vehicles registered for the ULED would increase to around 3,800 vehicles by the end of 2015 (this figure is a lower revision of the figure provided in the consultation documents). Around 2,000 of those vehicles would be expected to use the zone on a daily basis.

1.4.11. The 2,000 vehicles expected to claim the ULED on a daily basis by the end of 2015 could potentially save 15 tonnes of NO_x and 740kg of PM_{10} per year, based on an annual distance of 10,000km per vehicle, compared with the current air pollutant emissions for new cars in the UK. In the longer term, the increase in the proportion of vehicles emitting no or fewer emissions using the Congestion Charging zone would be expected to lead to reductions in air pollutant emissions.

1.4.12. The ULED would incentivise the uptake of the cleanest vehicles available, currently electric cars and vans, by reducing incentives for the purchase of other less clean (albeit still low emission) cars, thereby contributing to reductions in CO_2 emissions. However, given the relatively small number of electric vehicles being driven on London's roads, the reductions in CO_2 emissions would be very small. If the number of vehicles claiming the ULED on a daily basis reaches 2,000 by the end of 2015 and these vehicles cover 10,000km per annum, this would lead to a reduction in CO_2 emissions of 1,000 tonnes per annum, compared with the current average CO_2 emissions for new cars in the UK.

Removal of the retail payment channel

1.4.13. TfL proposed to close the retail payment channel on 28 June 2013 (TfL is recommending the slight delay of this proposal until 26 July 2013 to allow for the changes to be fully implemented). The retail payment channel allows drivers to pay the Congestion Charge in selected shops and petrol stations in advance or until midnight on the day of travel by cash and by credit, debit or other payment cards or cheque, at the discretion of the retailer.

1.4.14. Over time, the volume of retail sales has declined and charges purchased in shops now make up only 6% of all charge transactions, compared with 37% of charge transactions when the scheme was introduced in 2003. The decline in retail sales has been attributed to the promotion of other payment channels, such as through the website, by mobile phone text message and, most recently, through automatic payment accounts. CC Auto Pay was introduced in January 2011 and around half of customers now use it. As CC Auto Pay grows in popularity it is anticipated there would continue to be a decline in retail users.

1.4.15. The closure of the retail payment channel would disadvantage customers who do not have access to a debit, credit card or prepaid payment card. TfL considers that the number of people potentially disadvantaged would be small. Socially excluded people, including those on low incomes and the unemployed, are less likely to have bank accounts and, by proxy, access to debit or credit cards, but are also less likely to own a car and drive it in the Congestion Charging zone.

1.4.16. The removal of the retail payment channel would be expected to save TfL some £600,000 per year.

Penalty charge increase

1.4.17. TfL proposed to increase the penalty charge for non-payment of the Congestion Charge from £120 to £130. From 29 April 2013 (TfL is recommending the slight delay of this proposal to 20 May 2013 to allow the changes to be fully implemented), the penalty charge would be £130, reduced to £65 if paid within 14 days or increased to £195 if not paid within 28 days. This would bring the penalty charge in line with moving traffic, bus lane and parking penalty charges for serious contraventions.

1.4.18. The proposed increase in the penalty charge would result in £20.5m extra net income over the TfL Business Plan period 2013/14 to 2021/22.

2 The consultation process

2.1. Introduction

2.1.1. This chapter provides an overview of the consultation, as well as a description of the actions and communication methods employed to promote the consultation itself and elicit views from the public and stakeholders about the proposals.

2.1.2. The primary objective of the consultation process is to understand the views of the public and stakeholders concerning proposed changes to the Consultation Charging scheme. This report sets out the feedback from the consultation process which aims to inform the Mayor's decision making process.

2.1.3. TfL has a statutory duty to consult on any variations to the Congestion Charging scheme. The previous Mayor issued statutory guidance to TfL detailing consultation practice, entitled 'Guidance from the Mayor of London on charging schemes pursuant to schedule 23 of the Greater London Authority Act 1999'. This guidance informed the consultation strategy in advance of implementation.

2.1.4. The consultation sought views on the three proposed changes to the Congestion Charging scheme set out in the Variation Order (see sections 1.3 and 1.4).

2.2. Consultation dates

2.2.1. The consultation commenced on 19 November 2012 and closed on 8 February 2013.

2.3. Publicising the consultation

2.3.1. A marketing campaign was developed to raise awareness of the consultation and encourage customers to have their say. Adverts were featured in a variety of London media titles including Evening Standard, Metro and City AM.

2.3.2. A notice was also published in the London Gazette.

2.3.3. The consultation was further promoted through effective media liaison with news and trade titles. TfL issued a press release to mark the start of the consultation on 19 November 2012.

2.3.4. A follow up press release was also issued on 25 January 2013 to encourage additional responses to the consultation. This release generated a significant amount of follow up media activity including coverage on the London 24 website, The Guardian, The Times, Fleet News Online, LBC Radio, Autocar, The Daily Telegraph, Daily Mail, City AM, BBC London Radio, Londonist, GreenCarWebsite (blog), BBC London Television news and Evening Standard.

2.3.5. Both press releases were issued to:

- All London broadcast and print media
- Trade media
- Local Borough/Council press offices

2.3.6. In the final week of consultation, TfL tweeted daily about it, encouraging followers of @TfLOfficial (around 86,000 followers) to submit their views. The tweets carried a link to the consultation portal (see section 2.7).

2.4. Stakeholder communications and meetings

2.4.1. The public consultation was supplemented by engagement with stakeholders. This was to ensure that stakeholders were well briefed about the potential timetable for the proposed changes, to understand their issues and concerns, and to encourage participation in the consultation

2.4.2. TfL identified key stakeholders including the 33 London boroughs (including the City of London Corporation), London Councils, the Metropolitan Police Authority, the London Fire and Emergency Planning Authority, business representative organisations, freight and haulage representative organisations, transport and environment representative organisations, government departments and non-departmental bodies, trade and professional associations and London TravelWatch, London Assembly members and organisations representing the local community and voluntary sectors. TfL also consulted with the Environment Agency and neighbouring local authorities.

2.4.3. On the consultation launch date, TfL wrote to stakeholders explaining the plans in full. In order to provide further background and detailed information about the proposals copies of the following consultation materials were included:

- Consultation public information leaflet (see section 2.8);
- Scheme Description and Supplementary Information; and
- Impact Assessment.

2.4.4. TfL also offered face to face meetings to key stakeholder organisations in order to provide a further opportunity to explain our proposals in detail. The Federation of Small Businesses, British Vehicle Rental and Leasing Association and the Freight Transport Association met with TfL within the consultation period.

2.5. Targeted communications to Congestion Charging customers

2.5.1. On the consultation launch date, TfL sent an email to relevant registered Congestion Charging scheme customers using a customer relationship management system. In total, over 15,000 customers were emailed, as set out in table 2.1.

Table 2.1: Number of consultation emails sent to each Congestion Charging scheme customer registration type

Customer registration type	**Customers contacted**
Customers registered for the Greener Vehicle Discount and Electric Vehicle Discount	12,456
Residents registered for the 90% discount and currently paying the weekly or monthly residents charge using the retail channel	1,151
Registered drivers who are known to use the retail channel*	2,112
Total	***15,719***

*Note: most drivers who currently use the retail channel are not registered with TfL. TfL was unable to contact customers for whom it did not have an email address

2.5.2. Customers were requested to complete the online questionnaire to provide their views and were directed to TfL's consultation portal (see section 2.7).

2.6. TfL website

2.6.1. TfL raised awareness of the consultation by placing banners in a number of prime areas of its website, including the TfL main home page (www.tfl.gov.uk) and the Congestion Charging scheme home page (cclondon.com). The banners offered a link through to the consultation portal and an opportunity for the public to provide their views.

2.7. The consultation portal

2.7.1. The TfL online consultation portal (www.tfl.gov.uk/ccyourviews) hosted all the relevant information relating to the Congestion Charging consultation. This included an overview of the Congestion Charging scheme and map of the zone. During the consultation period, there were 43,201 unique visitors to the Congestion Charging consultation page.

2.7.2. The consultation portal provided a summary of the proposed changes and set out the proposed implementation dates. The portal also included a link to the following documents which provided more detailed information on the proposals:

- Consultation leaflet (see section 2.8);
- Scheme Description and Supplementary Information;
- Impact Assessment;

- Variation Order;
- Schedule of Variations; and
- Legal Notice.

2.7.3. Respondents were requested to complete and submit an online questionnaire to provide their feedback about the proposals. It included a number of open and closed questions providing the opportunity for respondents to indicate their views about each of the proposals as well as give additional comments and feedback.

2.8. Consultation leaflet

2.8.1. TfL produced a consultation leaflet, aimed at the public and businesses, which featured high level information about the proposals (consistent with the consultation portal) as well as a hard copy of the questionnaire.

2.8.2. Respondents wishing to respond to the consultation using this method did so by completing and returning the questionnaire to a specified freepost address.

2.8.3. In total, 735 copies of the consultation leaflet were distributed across 49 libraries within the London Boroughs of Camden, Hackney, Lambeth and Southwark and the City of London and City of Westminster.

2.8.4. Copies of the consultation leaflet were posted directly to members of the public following requests received through the telephone information service.

2.9. Telephone information service

2.9.1. A telephone information service was established over the period of the Congestion Charging consultation to answer queries relating to proposed changes. The call centre did not record or address responses to the consultation.

2.9.2. Throughout the consultation period, the centre dealt with 71 calls directly relating the consultation. There were 57 requests for leaflets which resulted in a total of 115 leaflets being distributed to members the public.

2.10. Late consultation responses

2.10.1. Six representations from members of the public were received after the consultation closed. These have been forwarded to the Mayor.

2.10.2. Any representations received after this report is submitted, and up to the date of the Mayor’s decision, will be forwarded to the Mayor.

3 Summary of respondent information

3.1. Number of responses received

3.1.1. In total, 2,740 responses were received to the consultation. Table 3.1 provides a breakdown of public and stakeholder responses.

Table 3.1: Total number of stakeholder and public responses received

Audience type	Number of responses	Percentage
Stakeholders	36	1%
Public and businesses	2,705	99%
Total	***2,740***	***100%***

3.2. Channels used to respond to the consultation

3.2.1. TfL offered a number of ways for respondents to provide their responses to the consultation.

- Online – through the consultation portal
- Leaflet – through the return of a hard copy of the consultation questionnaire
- Email – comments emailed directly to TfL
- Letter – a small number of stakeholders wrote directly to TfL providing detailed comments

Table 3.2: Consultation responses by response method

Response method	Number of responses	Percentage
Leaflet	47	2%
Letter	27	1%
Email	30	1%
Online	2,636	96%
Total	***2,740***	***100%***

3.3. Respondent types

3.3.1. Public and business respondents were asked to indicate what capacity they were responding to the consultation, that is whether they were representing themselves or another business or organisation.

Table 3.3: Proportion of responses by respondent type

Respondent Type	Number of responses	Percentage
A representative of a campaign group	2	<1%
As a representative of a community or voluntary Organisation	6	<1%
As a representative of a government organisation	3	<1%
As a representative of a business	188	7%
As an individual	2,455	91%
Not Answered	51	2%
Total	***2,705***	***100%***

3.4. Driving behaviour

3.4.1. Respondents were asked to provide information about their driving behaviour. The questionnaire sought information on whether respondents drove within the Congestion Charging zone, the main reason for driving in the zone and the frequency of driving in the zone. The following tables provide an analysis of the answers to the questions above. The total of the pecentages is 100% prior to rounding.

Table 3.4: Proportion of public and business respondents who drive in the Congestion Charging zone

Action	Number of responses	Percentage
Yes	2,260	84%
No	379	14%
Not answered	66	2%
Total	***2,705***	***100%***

Table 3.5: Main reason indicated by public and business respondents for driving in the Congestion Charging zone

Reason	Number of responses	Percentage
On behalf of your organisation	68	3%
For business reasons	744	28%
For commuting	647	24%
For leisure purposes	948	36%
Not answered	298	11%
Total	***2,705***	***100%***

Table 3.6: Public and business respondent frequency of driving in the Congestion Charging zone

Frequency	Number of responses	Percentage
1-2 days a week	364	13%
3-4 days a week	293	11%
5 days a week	506	19%
1-2 times a month	528	20%
Less than once a month	810	30%
Not answered	204	8%
Total	***2705***	***100%***

3.5. Registered discounts

3.5.1. Respondents were asked to indicate which Congestion Charging scheme discounts they were registered for (if applicable).

Table 3.7: Proportion of public and business respondents registered for a Congestion Charging discount

Discount type	**Number of responses**	**Percentage**
CC Auto Pay, Greener Vehicle Discount, Electric Vehicle Discount or Residents' discount	969	36%
Another CC Discount	292	11%
None of the above	1,186	44%
Unsure	121	5%
Not answered	137	5%
Total	***2,705***	***100%***

4 Analysis of public, community and business responses

4.1. Introduction

4.1.1. This chapter provides an analysis of the feedback provided by the public and businesses about the three proposals being consulted on. It includes quantitative and qualitative analysis of the data. A full list of community organisations and businesses who responded to the consultation is provided at Annex B.

4.2. Quantitative analysis of closed questions

4.2.1. This section looks at the responses provided to the closed questions contained within the questionnaire. Results are provided in the tables below showing the number of respondents and the proportion of support and opposition (totalling 100% prior to rounding).

Proposal to replace the GVD and EVD with the new ULED

4.2.2. Table 4.1 sets out the proportion of support and opposition to the proposal from public and business respondents, with 59% opposing the proposal and 24% supporting it. It should be noted that TfL directly emailed some 12,000 drivers registered for the GVD to inform them of the consultation and it would be expected that a higher proportion of drivers who are registered for the discount would oppose the proposal to remove the discount than the general public.

Table 4.1: Proportion of support and opposition from public and business respondents to the proposal to introduce the new ULED to replace the GVD and EVD

Response	Number of responses	Percentage
Strongly Support	285	11%
Support	360	13%
Neither support or oppose	434	16%
Oppose	342	13%
Strongly Oppose	1254	46%
Not answered	30	1%
Total	***2,705***	***100%***

4.2.3. Of the 2,260 public and business respondents who indicated they drive in the Congestion Charging zone, 63% opposed the proposal and 21% supported it (see table 4.2 and figure 4.1). A higher proportion of respondents who did not drive in the zone supported the proposal (41%) than opposed it (39%).

4.2.4. Figure 4.2 shows that public and business respondents who drove more frequently in the in the zone were more likely to oppose the proposal while those who drove less frequently were more likely to support the proposal. Public and business consultation respondents who drove in the zone for business reasons were more likely to oppose the proposals, while drivers who drove for leisure purposes were more likely to support the proposals (see figure 4.3).

Table 4.2: Support and opposition to the proposal to replace the GVD and EVD with the new ULED from public and business respondents by whether respondent drives in the Congestion Charging zone

Option	Strongly support	Support	Neither support nor oppose	Oppose	Strongly oppose	Not answered	*Total*
Yes	192	289	356	278	1,137	8	***2,260***
No	93	64	73	42	105	2	***379***
Not answered	0	7	5	22	12	20	***66***
Total	***285***	***360***	***434***	***342***	***1,254***	***30***	***2,260***

Figure 4.1: Support and opposition to the proposal to replace the GVD and EVD with the new ULED from public and business respondents by whether respondent drives in the Congestion Charging zone

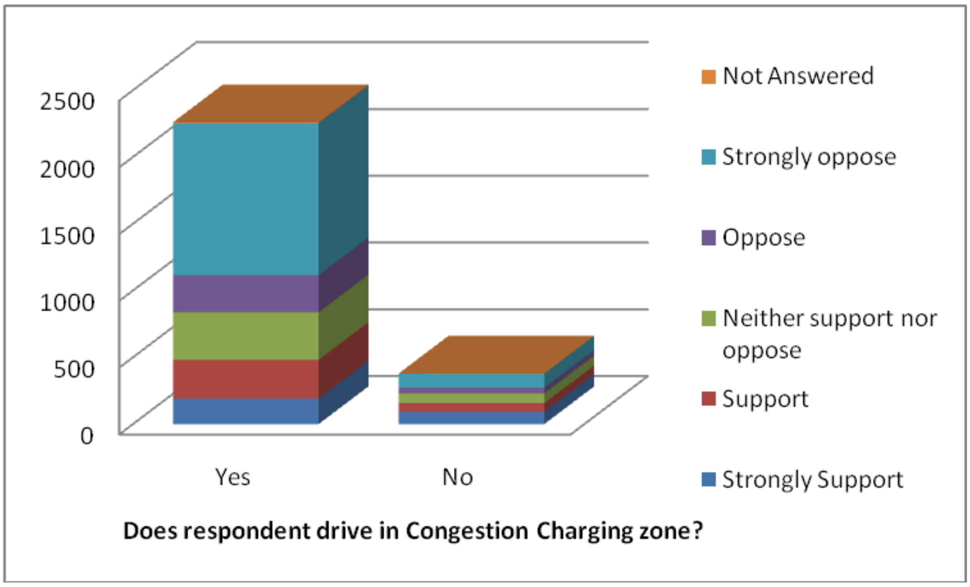


Table 4.3: Support and opposition to the proposal to replace the GVD and EVD with the new ULED from public and business respondents who drive in the Congestion Charging zone by frequency of driving in the zone

Option	Strongly support	Support	Neither support nor oppose	Oppose	Strongly oppose	Not answered	*Total*
Less than once a month	86	112	127	92	195	2	***614***
1-2 times a month	39	77	107	60	220	2	***505***
1-2 days a week	28	44	51	39	186	2	***350***
3-4 days a week	14	25	31	37	179	0	***286***
5 days a week	25	30	38	48	355	1	***497***
Not answered	0	1	2	2	2	1	***8***
Total	***192***	***289***	***356***	***278***	***1,137***	***8***	***2,260***

Figure 4.2: Support and opposition to the proposal to replace the GVD and EVD with the new ULED from public and business respondents who drive in the Congestion Charging zone by frequency of driving in the zone (2,260 respondents)

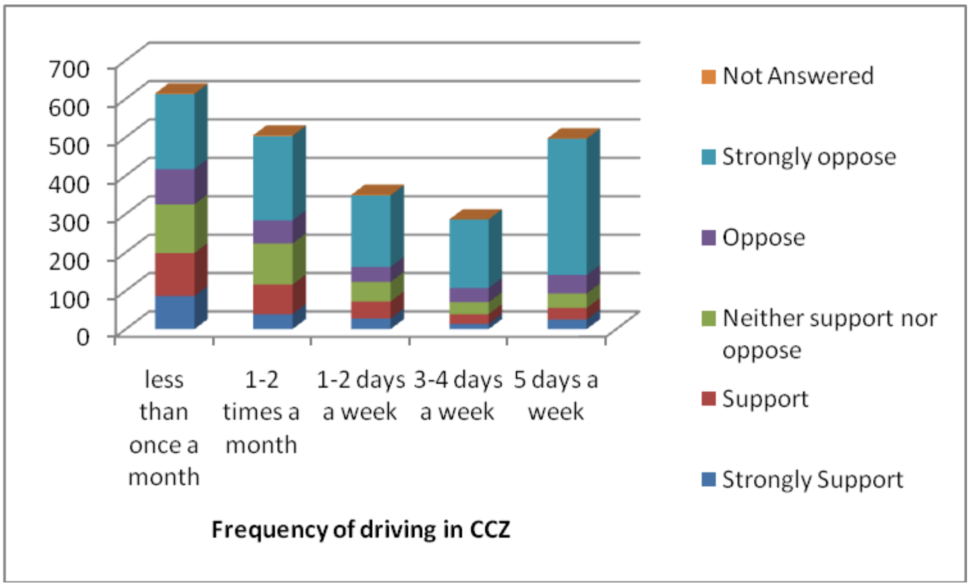
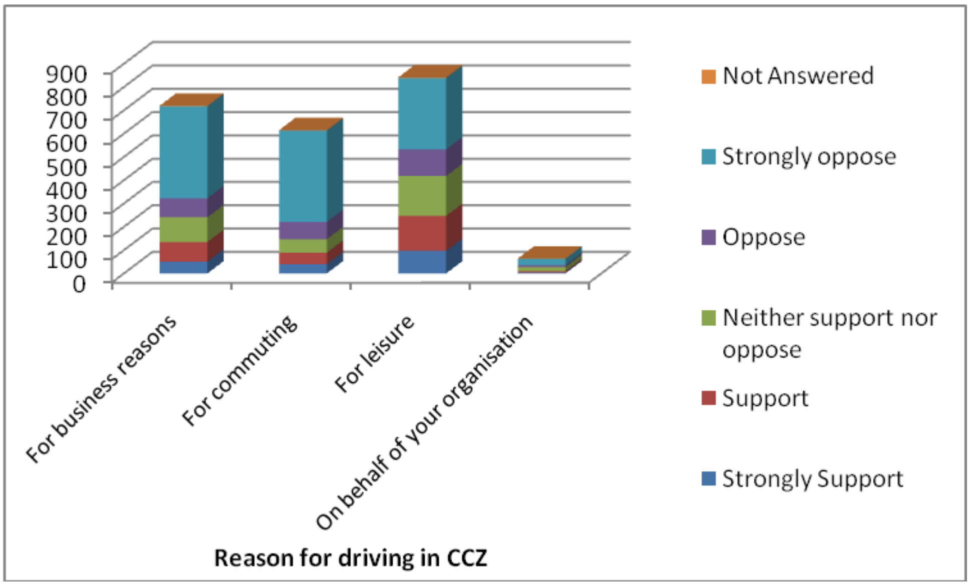


Table 4.4: Support and opposition to the proposal to replace the GVD and EVD with the new ULED from public and business respondents who drive in the Congestion Charging zone by reason for driving in the zone

Option	Strongly support	Support	Neither support nor oppose	Oppose	Strongly oppose	Not answered	*Total*
For business reasons	51	84	106	82	395	2	***720***
For commuting	40	49	58	74	392	2	***615***
For leisure purposes	97	150	171	114	307	3	***842***
On behalf of your organisation	4	6	17	8	28	1	***64***
Not answered	0	0	4	0	15	0	***19***
Total	***192***	***289***	***356***	***278***	***1,137***	***8***	***2,260***

Figure 4.3: Support and opposition to the proposal to replace the GVD and EVD with the new ULED from public and business respondents for drive in the Congestion Charging zone by reason for driving in the Congestion Charging zone (2,260 respondents)



Proposal to replace to remove the retail payment channel

4.2.5. Table 4.5 sets out the proportion of public and business support and opposition to the proposal. Of public and business respondents, 54% opposed the proposal, while 16% supported it. Respondents who did not drive in the Congestion Charging zone were slightly more likely to oppose the proposal (59%) than respondents who drove in the zone (54%), while the level of support was similar at 16% or for those who drove in the zone and 17% for those who did not drive in the zone (see table 4.6 and figure 4.4).

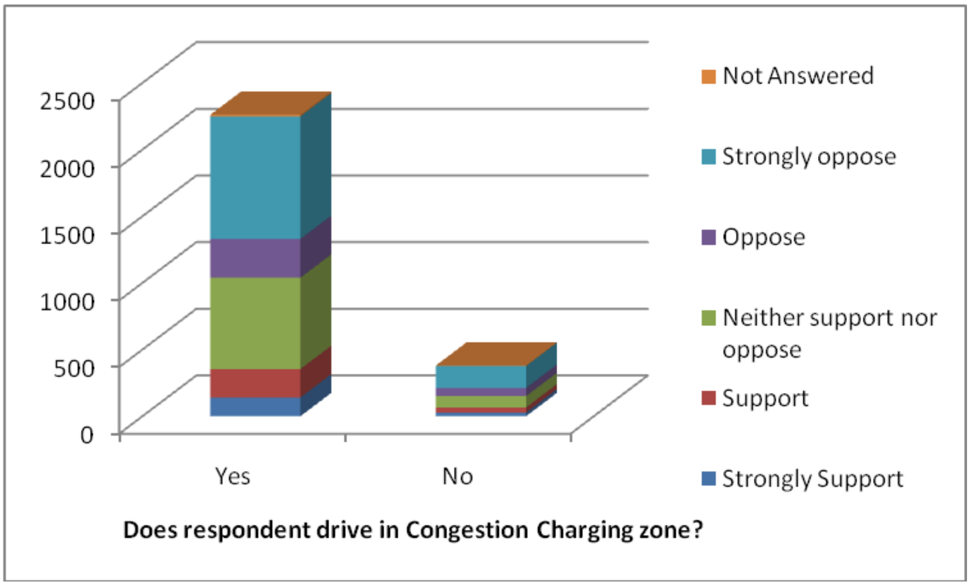
Table 4.5: Proportion of support and opposition from public and business respondents to the proposal to remove the option to pay the charge in retail outlets

Response	Number of responses	Percentage
Strongly Support	170	6%
Support	256	9%
Neither support or oppose	773	29%
Oppose	361	13%
Strongly Oppose	1,095	40%
Not answered	50	2%
Total	***2,705***	***100%***

Table 4.6: Support and opposition to the proposal to remove the retail payment channel from public and business respondents by whether respondent drives in the Congestion Charging zone

Option	Strongly support	Support	Neither support nor oppose	Oppose	Strongly oppose	Not answered	*Total*
Yes	141	213	685	291	919	11	***2,260***
No	28	38	85	62	164	3	***380***
Not answered	1	5	3	8	12	36	***65***
Total	***170***	***256***	***773***	***361***	***1,095***	***50***	***2,705***

Figure 4.4: Support and opposition to the proposal to remove the retail payment channel from public and business respondents by whether respondent drives in the Congestion Charging zone



Proposal to increase the penalty charge

4.2.6. Table 4.7 sets out the proportion of public and business support and opposition to the proposal. Of public and business respondents, 49% opposed the proposal, while 24% supported it. Respondents who did not drive in the zone were more likely to support the proposed increase in the penalty charge (42%) than those who drove in the zone (20%). A slightly higher proportion of respondents who drove in the zone opposed the proposal (51%), while 40% of respondents who did not drive in the zone opposed the proposal (see table 4.8 and figure 4.5).

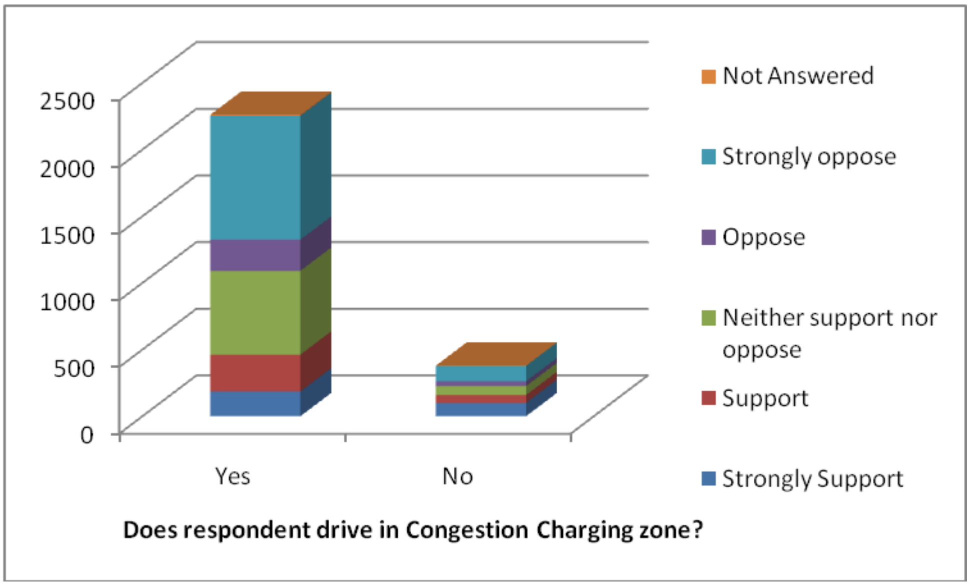
Table 4.7: Proportion of support and opposition from public and business respondents to the proposal to increase the penalty charge from £120 to £130

Response	Number of responses	Percentage
Strongly Support	287	11%
Support	341	13%
Neither support or oppose	701	26%
Oppose	273	10%
Strongly Oppose	1058	39%
Not answered	45	2%
Total	***2,705***	***100%***

Table 4.8: Support and opposition to the proposal to increase the penalty charge from public and business respondents by whether respondent drives in the Congestion Charging zone

Option	Strongly support	Support	Neither support nor oppose	Oppose	Strongly oppose	Not answered	*Total*
Yes	186	276	629	233	929	7	***2,260***
No	100	59	67	36	116	1	***379***
Not answered	1	6	5	4	13	37	***66***
Total	***287***	***341***	***701***	***273***	***1,058***	***45***	***2,705***

Figure 4.5: Support and opposition to the proposal to increase the penalty charge from public and business respondents by whether respondent drives in the Congestion Charging zone



4.3. Qualitative analysis

4.3.1. The questionnaire asked respondents to provide comments to illustrate their views about each of the proposals. All of the comments received were reviewed and tagged in order to identify common themes raised by respondents.

4.3.2. Respondents were provided with a free text box under each of the closed questions relating to the individual proposals, and were given the opportunity to submit multiple comments. The qualitative analysis evaluates the frequency that a common theme was raised. In addition, this analysis identifies the percentage of overall resident/ business respondents who raised individual themes.

Table 4.1: Common themes raised by public and business respondents relating to the proposal to replace the GVD and EVD with the ULED

Comment/ theme	Comment/ theme frequency	Percentage
Not fair to change discount criteria - disadvantages people who have invested in low emission vehicles	831	31%
Proposal is only to generate revenue for TfL	235	9%
Reducing the number of eligible vehicles will discourage people buying greener models	142	5%
Proposed threshold is too strict given the availability of ultra low emission vehicles	131	5%
Suggests other methods to reduce congestion eg higher charge for 4x4s or reinstating western extension zone	121	4%
Requests that the sunset period is extended for GVD and EVD	117	4%
Current criteria is adequate	83	3%
Will have a negative effect on businesses who have invested in low emission vehicles	79	3%
Does not agree with any environmental discounts from the Congestion Charge	77	3%
Electric vehicles are too expensive (even with Government incentive)	73	3%
Thinks proposal is an unnecessary taxation	64	2%
Thinks the infrastructure, ie charge points, needs to be improved for more people to use electric vehicles	60	2%
Thinks TfL should concentrate on reducing emissions of other traffic in zone (buses, taxis etc)	58	2%
Electric vehicles are not practical	56	2%
Worried about resale value of vehicles post sunset period	52	2%
Doesn't think proposals will reduce congestion	50	2%
Thinks ULED should only apply to vehicles not currently registered for discount	50	2%

Table 4.2: Common themes raised by public and business respondents relating to the proposal to remove the retail payment channel

Comment/ theme	Comment/ theme frequency	Percentage
Should be a variety of payment options for people to chose from	473	17%
Removing the retail payment channel would make it more difficult to pay the Congestion Charge	416	15%
Shouldn't have to be reliant on technology	371	14%
Concerned about the impact of the retail payment channel on socially excluded groups	202	7%
Concerned about the impact of the retail payment channel on tourists/ visitors	191	7%
Considers proposal will deceive customers and generate income for TfL	169	6%
Retail payment channel is most convenient for customer	124	4%
Concerned about the impact of the removal of retail payment channel on small business	69	3%
Must have an option to pay by cash	66	2%

Table 4.3: Common themes raised by public and business respondents relating to the proposal to increase of the penalty charge

Comment/ theme	Comment/ theme frequency	Percentage
Congestion Charge penalty charge is already expensive	436	16%
Increase is an unjustifiable way for TfL to raise revenue	346	13%
Making the penalty charge the same is not a justifiable reason for increase	108	4%
Not fair to increase penalty charge in the economic downturn	75	3%
Suggests the penalty charge should reduced	68	3%
People should be given longer to pay the Congestion Charge to avoid penalty charge	61	2%
£10 increase is irrelevant	51	2%

5 Analysis of stakeholder responses

5.1. Introduction and responses received

5.1.1. This chapter of the report looks at the feedback provided by key stakeholders about the three proposals being consulted on. It includes an analysis of both quantitative and qualitative data.

5.1.2. Responses were received from 36 stakeholders. A full list of the stakeholders who responded is provided at Annex B and a summary of each stakeholder response is provided at Annex C.

5.2. Quantitative analysis

5.2.1. Stakeholders submitted their comments using a variety of channels. Of the 36 stakeholders that responded to the consultation, 20 used the consultation portal. The other stakeholders responded by letter or by email.

5.2.2. The following section provides a quantitative analysis of the support or opposition to the proposals included in the stakeholder responses. Stakeholders who provided comments setting out their views on the proposals but did not specifically state support or opposition, or noted that they had no objections to the proposals are listed in the category ‘no objection/ not stated’. Tables 5.1 to 5.3 set out the level of support and opposition to the proposal indicated in the stakeholder responses.

Table 5.1: Stakeholder support for and opposition to the proposal to replace the GVD and EVD with the ULED

Response	Number of responses	Percentage
Support	16	44%
Oppose	5	14%
No objection/ not stated	15	42%
Total	***36***	***100%***

Table 5.2: Stakeholder support for and opposition to the proposal to remove the retail payment channel

Response	Number of responses	Percentage
Support	6	17%
Oppose	7	19%
No objections/not stated	23	64%
Total	***36***	***100%***

Table 5.3: Stakeholder support for and opposition to the proposal to increase the penalty charge

Response	Number of responses	Percentage
Support	10	28%
Oppose	7	19%
No objections/not stated	19	53%
Total	***36***	***100%***

5.3. Qualitative analysis

5.3.1. Stakeholders were invited to submit comments to further illustrate their stated views and/or to raise additional points for TfL's consideration.

Table 5.4: Common themes raised by stakeholder respondents relating to the proposal to replace the GVD and EVD with the ULED

Comment/ theme	Frequency	Percentage
Consideration needs to be given to business/ fleet customers	7	20%
Suggest extension of GVD sunset period	6	17%
Suggest incentivising vehicles which emit less than 100g/km of CO_2 (a tiered discount system)	4	11%
Suggests ULED adopts stricter air quality criteria, eg Euro 6	4	11%
TfL should address emissions from taxis/ buses	3	9%
Does not support the principle of the Congestion Charge	2	6%
TfL should promote ULED to encourage take up of low emission vehicles and smooth transition	2	6%
Suggest increasing Congestion Charge for high CO_2 emitting cars	2	6%
Requests biomethane, natural gas and dual fuel vehicles are eligible for ULED	2	6%
Requests that the ULED is extended/ criteria reconsidered to include larger commercial vehicles (HGVs over 3.5 tonnes)	2	6%
Safety risk - electric vehicles are too quiet and cannot be identified by blind/ partially sighted people	1	3%
Does not support "green" discounts from the Congestion Charge	1	3%
Consideration should be given to employees working within the zone who have purchased GVD compliant vehicles	1	3%
Suggests incentivising low emission cars (GVD eligible)	1	3%
ULED criteria is too strict given availability of vehicles within the market	1	3%
Suggests ULED will disincentivise the purchase of low emission vehicles and promote the purchase of high polluting vehicles	1	3%
Suggests car club vehicles are eligible for Congestion Charging discounts (eg residents' discount)	1	3%
Suggests delaying the start of ULED	1	3%
Investment needed in electric vehicle infrastructure	1	3%
Requests TfL access DVLA database for evidence of exemptions	1	3%

Table 5.5: Common themes raised by stakeholder respondents relating to the proposal to remove the retail payment channel

Comment/ theme	Frequency	Percentage
Need to consider socially excluded people	5	14%
Need to consider customers who do not have access to debit/credit cards or bank accounts	5	14%
Need to consider tourists/visitors/low frequency visits	4	11%
Need to consider those without access to technology (internet/computers/phones etc)	2	6%
Supports a variety of payment options	1	3%
Retail payment channel is most convenient	1	3%
Removal of retail payment channel will result in an increased number of fines being issued	1	3%
Need to consider loss of income for small retailers	1	3%
Supports retaining the retail payment channel on a reduced scale	1	3%
Suggests cash payments could be received through Travel Information Centres or nominated bank account	1	3%
Need to consider business customers	1	3%

Table 5.6: Common themes raised by stakeholder respondents relating to the proposal to increase the penalty charge

Comment	Frequency	Percentage
Penalty charge is already expensive	3	9%
Standardising penalty charges is not justifiable reason for increase	2	6%
Need to consider economic downturn and constraints on finances	1	3%
Need to consider business customers	1	3%
Requests that the penalty charge is reduced	1	3%
Requests that e-notifications are issued to offenders	1	3%

6 TfL's response to the issues raised

6.1. Introduction

6.1.1. This chapter sets out TfL's analysis of the responses received to the consultation by theme and its response to the issues and recommendations contained in those responses.

6.2. Theme A: General comments on the Congestion Charging scheme

6.2.1. Representations made within this theme concerned the level of the charge, discounts and exemptions from the scheme and the administration of the scheme.

Analysis of responses

6.2.2. Ten stakeholders commented on issues relevant to this section. These were: Alliance of British Drivers, Anaerobic Digestion and Biogas Association (ADBA), British Vehicle and Rental Leasing Association (BVRLA), Carplus, Federation of Small Businesses (FSB), Freight Transport Association (FTA), London Assembly Liberal Democrat Group, London Borough of Camden, London Borough of Wandsworth and Westminster City Council.

Issues raised

6.2.3. The following is a list of the issues raised:

- Opposition to the Congestion Charging scheme
- Congestion Charge level
- Discounts/ exemptions from the Congestion Charge
- Simplifying administration for customers
- Appeals process
- Road User Charging Regulations

Opposition to the Congestion Charging scheme

6.2.4. The Alliance of British Drivers and Westminster City Council stated that they opposed the Congestion Charging scheme and considered it should be removed. In addition, 71 public and business respondents (around 3% of all respondents) included comments opposing the Congestion Charging scheme.

TfL response

6.2.5. TfL considers that the central London Congestion Charging scheme delivers significant traffic and congestion benefits to some of the most congested parts of London and should therefore be retained. Furthermore, revenue from the scheme has been invested in improving transport in London.

Congestion Charge level

6.2.6. The London Assembly Liberal Democrat Group stated that the Mayor could do more to reduce congestion, improve air quality and lower carbon emissions by increasing the Congestion Charge and to continue to increase it at the same level each year as for public transport fare rises.

TfL response

6.2.7. The Mayor's Transport Strategy sets out a number of measures to reduce congestion, improve air quality and lower carbon emissions from transport, in addition to the Congestion Charging scheme.

6.2.8. There are no plans to increase the level of the Congestion Charge at this time. TfL considers that the £10 daily charge remains a relevant deterrent value compared to other transport costs in order to maintain the benefits of the scheme.

Discounts/ exemptions from the Congestion Charge

6.2.9. Eight stakeholders made comments regarding discounts and exemptions from the Congestion Charging scheme. The London Borough of Camden was concerned that licensed taxis and private hire vehicles are exempt from the Congestion Charge and that TfL should evaluate the impact of emissions from these vehicles and construct charges appropriately to reduce emissions from this sector. The London Borough of Wandsworth noted that buses and taxis are exempt from the scheme but are significant polluters and supported efforts to improve the environmental performance of these vehicles.

6.2.10. The FTA asked TfL to consider providing discounts or exemptions for freight vehicles because there are no charge-free breaks in the working day to encourage deliveries to be made outside the rush hour; while the London Lorry Control Scheme restricts HGV movements at night and on weekends. The FTA and the ADBA asked for incentives for cleaner HGVs.

6.2.11. The BVRLA, Carplus and responses from Zipcar, Car2go and BMW Group sought an exemption or discount from the Congestion Charge for rental vehicles and car club vehicles. They cite research which indicates that car hire and car clubs reduce car ownership and use and have lower than average vehicle emissions. Carplus considered that the Congestion Charging discounts fail to recognise that car club vehicles are low emission by virtue of the service they operate because the discounts were only provided on the basis of actual vehicle emissions. It considered that TfL should be looking to lower the cost barriers to car club operation in London through Congestion Charge discounts.

6.2.12. The Alliance of British Drivers opposed any environmental discounts from the scheme.

6.2.13. In addition, 121 public and business respondents suggested alternative measures to reduce congestion such as a higher charge for 4x4s or reinstating the western extension zone; 77 responses stated they did not agree with environmental discounts from the Congestion Charge; and 58 responses stated that TfL should concentrate on reducing emissions from other traffic in the zone, such as buses and taxis.

TfL response

6.2.14. The primary aim of the Congestion Charging scheme is to reduce traffic and congestion in central London. However, the scheme also provides an opportunity to incentivise those who continue to drive in the zone to switch to the cleanest vehicles.

6.2.15. Buses and licensed taxis and private hire vehicles are exempted from the Congestion Charging scheme because they provide a public transport alternative within the zone. There have been significant improvements in London's bus fleet over the past decade with emissions of particulates reducing from 200 tonnes per year in 1997 to 17 tonnes per year now. Other measures to reduce emissions from buses include: creating a young bus fleet with an average bus age of six years; delivering Europe's largest hybrid bus fleet with more than 330 hybrid buses; developing the New Bus for London; installing filters on all buses made before 2005 to reduce their particulate emissions; trialling innovative new technologies like hydrogen fuel cell buses; and testing and developing the retrofitting of Selective Catalytic Reduction (SCR) equipment to reduce NO_x emissions. Additional measures are planned including: 600 New Buses for London and 600 additional conventional hybrid buses by 2016; retrofitting 900 older buses by 2014 to reduce NO_x emissions by up to 90%; replacing up to 900 Euro III buses with the cleanest Euro VI buses by 2015; all buses to meet the Euro IV standard for NO_x by the end of 2015; and rearranging the fleet so the cleanest buses go through London's air pollution hotspots to reduce exposure to air pollution.

6.2.16. Measures to reduce emissions from London's taxis and private hire vehicles include age limits for taxis and private hire vehicles and the ambition for a new zero emission taxi.

6.2.17. TfL does not consider it appropriate to provide a discount from the Congestion Charging scheme for delivery, freight and commercial vehicles. Such a discount would be very difficult in practice to define or enforce and could erode significantly the decongestion benefits of the Congestion Charging scheme.

6.2.18. Organisations with six or more vehicles, including freight and other commercial vehicles, can register for Fleet Auto Pay and pay a lower £9 daily charge per vehicle per day. TfL considers that any emissions based discount for HGVs is likely to be much less of an incentive as the Congestion Charge represents a small proportion of the total running cost of an HGV. Therefore, any discount would tend to reward companies and drivers for their standard practice in investing in newer vehicles and not necessarily incentivise different purchasing decisions. There are also practicalities with such a discount, including the fact that the CO_2 performance of HGVs is not recorded by the DVLA on the V5C registration document making administration of any discount very difficult. Additionally, the level of CO_2 emissions of an HGV is hard to determine as it can vary significantly depending on the load being carried by the vehicle at the time. However, given that operators of HGVs are likely to continue driving in the Congestion Charging zone, it is important to explore opportunities to promote best practice. Therefore TfL will continue to work with industry to see if there are options for incentivising low carbon or alternative fuel HGVs.

6.2.19. TfL does not consider it appropriate to provide a discount from the Congestion Charging scheme for car clubs or car hire. The primary aim of the scheme is to reduce traffic and congestion in central London. Car club and hire cars are not a form of public transport. Furthermore, while car clubs and rental vehicles could contribute to an overall reduction in the number of vehicles in London, car club cars and rental vehicles still contribute to congestion in central London. It is therefore not appropriate to provide a specific discount from the Congestion Charge for these vehicles. Car clubs and car rental vehicles are eligible for the environmental discounts which currently exist should these vehicles meet the emissions criteria.

6.2.20. While the primary aim of the Congestion Charge is to reduce traffic volumes and congestion in central London, environmental discounts from the scheme provide an important means of incentivising the use of the cleanest vehicles, thereby further reducing CO_2 and air pollutant emissions.

Simplifying administration for customers

6.2.21. The BVRLA asked TfL to consider electronic notification of PCNs for rental companies to reduce administration. It also encouraged TfL to consider a DVLA look-up facility for rental companies registering vehicles for Congestion Charging accounts/ discounts to avoid having to provide a copy of the vehicle registration document.

TfL response

6.2.22. TfL regularly reviews the operation of the Congestion Charging scheme and makes changes where possible to make the scheme as efficient as possible and more user-friendly for its customers, such as with the introduction of CC and Fleet Auto Pay. However, to provide for the electronic notification of PCNs would be expensive for TfL to implement and operate because this would require extensive secure IT systems and data interfaces which would need to be available to all its customers. Furthermore, TfL is bound to send the PCN to the registered keeper of the vehicle, and is dependent on the information held by the DVLA, which does not hold email details for registered keepers. There are also very significant costs involved in obtaining and maintaining the integrity of vehicle registered keeper information from the DVLA, which means a DVLA look-up facility would not be cost effective for TfL.

Appeals process

6.2.23. The FSB asked TfL and the Mayor to investigate whether the appeals process could be less “heavy handed”, citing anecdotal evidence that appeals were ignored unless litigation was threatened.

TfL response

6.2.24. The FSB is invited to provide TfL with evidence that appeals have been ignored and TfL will investigate this further. The issue of a PCN, the enforcement process and the dispute process encompassing representation and appeals are statutory procedures set out in specific regulations. TfL is legally required to follow those processes at all times.

6.2.25. The dispute process is aimed at being a relatively simple cost effective mechanism that provides the recipient of a PCN the opportunity to dispute a PCN on six statutory grounds and provides scope to have the matter considered by an Independent Adjudicator.

Road User Charging Regulations

6.2.26. The BVRLA sought TfL’s support on an amendment to the Road User Charging Regulations to allow leasing companies whose agreements are longer than six months to transfer fines to the customer.

TfL response

6.2.27. TfL has continually supported the BVRLA in their pursuit of amendments to the Road User Charging Regulations to enable leasing companies to transfer of liability for penalty charges, since the matter was first raised following the inception of the Central London Congestion Charging Scheme. In 2004, the Department for Transport (DfT) consulted on amendments to the regulations, which included the necessary provisions to enable the transfer of liability, and TfL has worked closely with the DfT throughout subsequent years in an attempt to pass those amendments.

TfL recommendation

No change to the Variation Order

6.3. Theme B: Introduction of a new Ultra Low Emission Discount to replace the Greener Vehicle Discount and Electric Vehicle Discount

6.3.1. Representations made within this theme concern the proposal to replace the GVD and EVD with the new ULED.

Analysis of responses

6.3.2. Thirty-five stakeholders commented on issues relevant to this section. These were: The AA, Alliance of British Drivers, Anaerobic Digestion and Biogas Association (ADBA), British Vehicle Rental and Licensing Association (BVRLA), Cancer Research UK, Carplus, CBI, Clean Air in London, Energy Saving Trust, Federation of Small Businesses (FSB), Freight Transport Association, Friends of the Earth, Guide Dogs for the Blind, London Assembly Health and Environment Group, London Assembly Liberal Democrat Group, London boroughs of Camden, Ealing, Hammersmith and Fulham, Harrow, Hillingdon, Islington, Redbridge, Waltham Forest and Wandsworth, London Chamber of Commerce and Industry (LCCI), London Forum of Amenity and Civic Societies, London TravelWatch, RAC Foundation, Royal Borough of Kensington and Chelsea, Royal Norwegian Embassy, Salvation Army, Singapore High Commission, Society of Motor Manufacturers and Traders (SMMT), We Are Futureproof, and Westminster City Council.

6.3.3. Around 2,350 comments were made by public and business respondents regarding the proposal. These were broadly similar to the issues raised by stakeholders.

Issues raised

6.3.4. The following is a list of the issues raised:

- Support or oppose the proposal
- Including vans in ULED
- Including commercial vehicles over 3.5 tonnes in the ULED
- Alternative criteria for the GVD/ ULED
- Sunset period length
- Impact on businesses/ fleets
- Air quality impacts
- Including diesel cars in ULED
- Availability of ultra low emission vehicles
- Discount for alternative fuels/ biofuels
- Need for long-term planning
- Other considerations

Support and opposition to the proposal

6.3.5. Sixteen stakeholders indicated support for the proposal to replace the GVD and EVD with the new ULED while a further four stakeholders indicated no objections to the proposal. London TravelWatch stated that the scheme is and should remain primarily to reduce congestion levels in the central area. The SMMT and car manufacturers including BMW Group, GM, Nissan and Toyota, welcomed the aligning of the ULED to schemes at the national level such as the Government's Plug-in Car and Van Grants.

6.3.6. The Energy Saving Trust said that its research confirmed that an exemption for plug-in vehicles is a huge incentive for fleets to adopt electric vehicles, particularly as the number of plug-in vehicles on the market is growing monthly and there are many options available now and coming onto the market in the next few months that will suit the business needs of most organisations.

6.3.7. Five stakeholders opposed the proposal to remove the GVD. The FSB, Cancer Research UK and the Salvation Army opposed the proposal because businesses, fleets and individuals who had purchased vehicles to qualify for the GVD would no longer be eligible for a 100% discount. The AA said the GVD should remain because the vehicles currently receiving the discount meet Euro 5 and have CO_2 emissions below the average car.

6.3.8. Comments from public and business respondents relevant to this issue included: not fair to change discount criteria when people had invested in low emission vehicles (831 responses); proposal only to generate revenue for TfL (235 responses); current criteria is adequate (83 responses); proposal is unnecessary taxation (64 responses); and proposals won't reduce congestion (50 responses).

TfL response

6.3.9. The primary aim of the Congestion Charging scheme is to reduce traffic and congestion in central London. The scheme also provides an opportunity to incentivise those who continue to drive in the zone to switch to the cleanest vehicles. TfL has always been clear that no discount exists in perpetuity and that the scheme is regularly reviewed to ensure it continues to meet its primary aim.

6.3.10. The GVD has been an important step on the way to focusing Congestion Charging incentives on the cleanest ultra low emission vehicles, while recognising that the market for these vehicles, particularly electric vehicles, was less mature. When the Mayor announced the introduction of the GVD in 2010, he stated: "Over the course of the next 12-18 months I anticipate that new electric and hybrid electric plug-in vehicles will be brought to the market with significantly lower emission levels. I therefore intend to monitor developments in the market and keep under review the discount with the intention of reducing CO_2 emissions to 80g/km or lower when the time is right". TfL's review of the GVD has indicated that increasing numbers of cars qualifying for the discount would enter the Congestion Charging zone and could start to erode the congestion and environmental benefits of the scheme. The Mayor therefore asked TfL to consult on the proposal to replace the GVD and EVD with the new ULED. The CO_2 emissions criteria of 75g/km for the ULED were chosen to align with the Government's Plug-in Car and Van Grants – there is only one vehicle currently available that is not a plug-in hybrid electric vehicle, the Toyota Yaris Hybrid, with CO_2 emissions of less than 80g/km.

6.3.11. In recognition that drivers have purchased low emission cars that would not qualify for the ULED, a sunset period is proposed whereby drivers registered for the GVD when it closes to new registrations on 28 June 2013 would continue to receive the 100% discount – TfL is recommending that the proposed two year sunset period be extended by one year to 24 June 2016, to align with typical fleet purchasing patterns in recognition of the significant role played by fleets and businesses in purchasing low emission vehicles. All vehicles registered for the EVD would qualify for the ULED and be automatically transferred to the new discount.

Including vans in the ULED

6.3.12. The SMMT and Nissan welcomed the inclusion of vans in the ULED. The SMMT stated the proposed minimum top speed criteria for plug-in hybrid vans could be viewed as onerous for vans operating in central London and recommended that TfL engage with vehicle manufacturers to establish more appropriate criteria based on forthcoming production plans.

TfL response

6.3.13. TfL welcomes the support for the inclusion of vans in the ULED. TfL acknowledges that a van legally cannot operate at 50mph in central London. However, the proposed minimum top speed requirement of 50mph for plug-in hybrid electric vans to be eligible for the ULED is set so as to ensure that vehicles are not manufactured purely to qualify for Government tax incentives or the Congestion Charge discount without delivering environmental benefits. Importantly, such vehicles should be fit for purpose and TfL would want users of such vehicles to be able to choose to use them safely in higher speed conditions outside of central London. It aligns with the criteria used by the Government for the Plug-in Van grant, which also helps to simplify communication with vehicle manufacturers and consumers. Pure electric vans (those with fuel type electric) are not subject to the same requirements.

Including commercial vehicles over 3.5 tonnes in the ULED

6.3.14. The SMMT and the ADBA both expressed concern that commercial vehicles over 3.5 tonnes are excluded from the ULED. The SMMT considered that the exclusion of such vehicles could lead to an increased uptake of smaller vehicles with smaller loading volumes making more journeys and thereby impacting on congestion and emissions. The ADBA considered that a discount would support the uptake of natural gas/ biomethane HGVs.

TfL response

6.3.15. Electric vehicles over 3.5 tonnes are eligible for the ULED on the basis of having fuel-type electric. It is not practical to include HGVs with other fuel types in the discount because the CO_2 performance of HGVs is not recorded by the DVLA on the V5C registration document making administration of the discount difficult. Additionally, the level of CO_2 emissions of an HGV is hard to determine as it can vary significantly depending on the load being carried by the vehicle.

6.3.16. TfL recognises that HGVs have a business need to operate within the Congestion Charging zone and it is important to explore opportunities to promote best practice. Therefore TfL will continue to work with industry to see if there are options for incentivising low carbon or alternative fuel HGVs.

Alternative criteria for the GVD/ULED

6.3.17. Ten stakeholders and a number of business and other organisation respondents suggested alternative criteria for the GVD or ULED, including an additional discount category or a Euro 6 standard.

6.3.18. Clean Air in London, the London Assembly Health and Environment Committee and Friends of the Earth stated that the emissions requirement for the ULED should be Euro 6 because the Euro 5 emission standard had not reduced emissions of NO_x as much as expected and many manufacturers were already producing Euro 6 vehicles. Clean Air in London suggested a two stage process with the ULED applying to vehicles with CO_2 emissions of 75g/km or less that exceeded Euro 6 in real world driving conditions applying from 1 July 2013, with the discount limited to vehicles with zero emissions at the point of use then applying from 31 December 2014.

6.3.19. The SMMT indicated that some of its members would prefer a differential discount of 50% applying to vehicles with CO_2 emissions between 76g/km and 95g/km to support greater consumer choice for purchasing vehicles in a segment that is seen as a stepping stone to ultra low carbon technology. Toyota and BMW Group also supported an additional discount band, with Toyota stating that only 2.1% of new car registrations in 2012 would be eligible. BMW Group suggested that Euro 6 cars with CO_2 emissions between 76g/km and 99g/km should be eligible for the proposed ULED. The London Borough of Hammersmith and Fulham and the Royal Borough of Kensington and Chelsea also preferred a two tier discount system to continue to incentivise the uptake of smaller cleaner vehicles.

6.3.20. We Are Futureproof suggested that a single flat charge for vehicles that fall outside the criteria for a 100% discount could perversely encourage drivers who are unable to choose zero or ultra low emission cars to return to larger “gas guzzler status vehicles” by removing an incentive to purchase more compact cleaner models. It proposed a differential charge in addition to the ULED, with a £30 charge for vehicles emitting over 175g/km of CO_2 and a £3 or £4 discount for vehicles emitting below 100g/km of CO_2. It recommended that future tightening of the emissions limit should be built into any new plans to avoid the need for further consultation.

TfL response

6.3.21. TfL proposed a Euro 5 emission standard for the ULED because this is the tightest emission standard currently available. TfL acknowledges that many manufacturers are making vehicles that meet the Euro 6 standard, and would encourage manufacturers to meet this standard in advance of it becoming mandatory. However, the DVLA does not record the Euro emissions class of a vehicle and using date of first registration as a proxy for Euro class (as happens with the Low Emission Zone scheme) would not allow early adopters of Euro 6 to be identified. Furthermore, TfL is reliant on the type approval test cycle and would have no way of identifying whether a vehicle was able to beat Euro 6 in real world driving conditions. TfL and the Greater London Authority (GLA) recognise that there are issues with the Euro emissions standards and in particular that Euro 4 and Euro 5 have not cut NO_2 emissions as expected. The GLA has lobbied the European Commission to address the failure of Euro standards to cut NO_2 and to ensure that test cycles better reflect driving conditions, particularly in urban conditions.

6.3.22. TfL does not consider that it would be appropriate to include an additional discount category for the relatively cheap low emission cars that are currently eligible for the GVD because to do so would discourage drivers and fleets from investing in ultra low emissions vehicles, such as electric and plug-in hybrid electric vehicles. A further discount category would be expected to increase traffic volumes in the Congestion Charging zone and impact on congestion.

6.3.23. TfL has no plans to introduce a higher Congestion Charge for higher CO_2 emitting vehicles.

Sunset period length

6.3.24. Six stakeholders and three motor manufacturers commented on the length of the sunset period, during which drivers already registered for the GVD would continue to receive a 100% discount for a further two years after it is proposed the GVD closes to new registrations. Clean Air in London considered the sunset period was too long and should end on 31 March 2014, due to the higher than expected NO_x emissions from Euro 5 diesel vehicles.

6.3.25. The AA, RAC Foundation, SMMT and the Royal Borough of Kensington and Chelsea all expressed concern that the sunset period was not long enough. The SMMT, BMW Group, General Motors and Toyota all stated that the sunset period should be three years, based on typical fleet purchasing patterns. The SMMT stated that this would recognise the significant role fleets and businesses have in purchasing new cars, with nearly 60% of all new cars in 2012 registered by the fleet and business market. The RAC Foundation accepted the need to reduce the number of qualifying vehicles but considered that drivers had acted in good faith in purchasing vehicles to be eligible for the discount and the sunset period should be four years to reflect the average period of ownership of a new vehicle. The Royal Borough of Kensington and Chelsea suggested that the sunset period should be five years to allow drivers currently registered for the GVD time to change ownership of their vehicle and to protect the discount for subsequent purchasers.

6.3.26. The BVRLA asked TfL to allow the GVD to be available to both existing registered discount holders and to any new keepers during the sunset period.

6.3.27. In addition, 117 public and business responses commented that the sunset period should be extended.

TfL response

6.3.28. In recognition of the fact that many owners of GVD qualifying vehicles have purchased them in order to try to lower their emissions, drivers registered with TfL for the GVD as at 28 June 2013 would continue to receive the discount during a sunset period. New registrations for the GVD would cease to be taken from 28 June 2013. However, in order to ensure there is sufficient processing time (as set out in the Scheme Order), any GVD application should be made 10 charging days in advance of 28 June 2013. Congestion Charging discounts are not transferable. If a vehicle owner changes during the sunset period, the new owner would not be eligible for the GVD.

6.3.29. TfL acknowledges that fleets, businesses and individuals have played a significant role in purchasing new low emission cars and is therefore recommending that the proposed two year sunset period is extended by one year to 24 June 2016 to better align with typical fleet purchasing patterns.

6.3.30. Extending the sunset period to three years would lead to an expected additional 2,000 drivers per day using the Congestion Charging zone in 2015/ 16, with some marginal negative congestion and emissions impacts in the zone. It would also be expected to lead to a small reduction in the forecast uptake of ultra low emission vehicles during this period.

Impact on businesses/ fleets

6.3.31. Five stakeholders expressed concern about the proposal to replace the GVD and EVD with the new ULED because of the impact it would have on businesses and fleets. The Federation of Small Businesses stated that the changes would have a disproportionate impact on small businesses who had changed vehicles to take advantage of the 100% discount. It stated there should be no changes that burden small businesses at a time of increasing economic pressures and when small businesses are dependent on their vehicles for essential business journeys. The CBI said that changing the GVD after two years penalises companies when best practice for fleets is to keep a vehicle for three to five years. Cancer Research UK and the Salvation Army considered it was unfair to change the GVD when fleets had purchased eligible vehicles.

6.3.32. In addition, 79 public and business responses stated that the proposal would have a negative impact on businesses who had invested in low emission vehicles.

TfL response

6.3.33. TfL has always been clear that no Congestion Charging discount necessarily exists in perpetuity and at the time of the confirmation of the introduction of the GVD in October 2010, the Mayor committed to review the discount before 2013, recognising that as the low emission vehicle market grew, more cars qualifying for the GVD would be entering the zone and potentially start eroding the traffic and congestion benefits of the scheme. However, in recognition that businesses and individuals have invested in low emission cars, a sunset period has been proposed whereby drivers of cars registered for the GVD when it closes to new registrations on 28 June 2013 would continue to receive the discount for a further period of time. TfL is recommending that the proposed two year sunset period is extended by one year to end on 24 June 2016. TfL considers that a further three years worth of 100% discount from the Congestion Charge allows vehicle owners to recoup much of the purchase price of a low emission car.

Air quality impacts

6.3.34. Three stakeholders made representations on the subject of air quality. Clean Air in London stated that the focus of the proposed ULED should be on air pollutants because these are of critical importance for air quality in Central London, while CO_2 emissions in the same area are relatively insignificant on UK and Greater London scales. The London Borough of Camden said that air quality is a major issue in Camden, and that the council is keen that TfL provides information on the Congestion Charging website that encourages the take up of low emission light commercial vehicles, particularly electric vehicles that under the proposed changes would qualify for a 100% discount. It suggested that given the price differential in buying diesel/ petrol vehicles compared with electric vehicles, TfL could provide a simple calculator (typical vehicles costs, how often a vehicle is used, the effect of the discount on operating costs) that may help encourage electric vehicle take up under the proposed changes.

6.3.35. The London Assembly Liberal Democrat Group said that if TfL and Mayor are serious about reducing carbon emissions and improving air quality in London they should look at Liberal Democrat proposals to convert to electric buses and taxis in

London. It added that while the Congestion Charge restricts emissions of private vehicles, taxis and buses still contribute a significant proportion of particulates emitted in London. It stated that the technology exists to convert both of these types of vehicles to electric power, and only thing missing is will and leadership to make this a reality.

TfL response

6.3.36. TfL agrees that air quality is an important consideration in the Congestion Charging zone, and for this reason has included an air quality Euro standard in the emissions standards for both the GVD and the proposed ULED.

6.3.37. The Congestion Charging website currently carries a link to the Source London website (www.sourcelondon.net), which provides a single location for information about electric vehicles. The website includes information about vehicles currently available on the market, charge point locations, and the potential cost savings from buying and running an electric vehicle. TfL has previously considered implementing a calculator to help customers understand the cost benefits of electric vehicles, however is not progressing this at the moment due to funding constraints.

6.3.38. TfL is actively investigating how best to further reduce emissions from taxis and buses. Taxis have to meet a rolling 15 year age limit, while private hire vehicles must meet a rolling 10 year age limit. Some private hire operators already include electric and hybrid vehicles in their fleets. The Mayor has also outlined his aspiration to develop a zero-emission taxi by 2020. TfL has implemented an extensive programme to reduce the emissions from buses, including a programme to retrofit 900 buses with selective catalyst reduction by 2014, replace up to 900 Euro III buses with Euro VI buses by 2015, and introduce 1,600 hybrid buses by 2016, including 600 New Buses for London. In addition, TfL is trialling electric and alternative fuel technologies to understand the options for reducing emissions from the bus fleet even further.

Including diesel cars in the ULED

6.3.39. Clean Air in London stated that small diesel vehicles would soon meet 75g/km of CO_2 and would then be eligible for the ULED. It considered that providing Euro 5 diesel vehicles with free access to the Congestion Charging zone was a backwards step for air quality because evidence suggests that Euro 5 diesel vehicles emit considerably more NO_x in urban driving conditions than previously thought and more of this is emitted as primary NO_x.

6.3.40. Westminster City Council considered the proposal to replace the GVD and EVD with the new ULED could lead to a reduction in diesel vehicles entering the zone.

TfL response

6.3.41. TfL does not consider that diesel cars or vans would achieve CO_2 emissions of 75g/km in the short term, and not before the Euro 6 standard becomes mandatory in September 2014 for cars and September 2015 for vans. There are currently only two models of diesel car that can achieve less than 85g/km of CO_2 and significant technological advances would be required for a conventional diesel or petrol car or van to achieve 75g/km of CO_2 or less.

Availability of ultra low emission vehicles

6.3.42. Two stakeholders expressed concern about a lack of available ultra low emission vehicles which meet the criteria for the proposed ULED. The CBI said that ultra low emission vans are not yet available and electric vans are not always appropriate for business operations where travel range is important. The FTA welcomed the inclusion of vans in the proposed ULED, but said this only offers hypothetical benefits as no standards currently meet the ULED standard.

6.3.43. In addition, 131 public and business responses stated the ULED emissions criteria was too strict given the availability of ultra low emission vehicles; 73 stated that electric vehicles are too expensive (even with the government grant); 60 stated that electric vehicle infrastructure, such as charge points, should be improved to encourage their use; and 56 stated that electric vehicles are not practical.

TfL response

6.3.44. TfL acknowledges that new electric cars and vans are currently typically more expensive to purchase than a petrol or diesel vehicle, even though they are significantly cheaper to run than such vehicles. In recognition of their considerable benefits over conventional vehicles in terms of CO_2 and air pollutant emissions, and to encourage their uptake, TfL has provided a 100% discount for electric vehicles from the Congestion Charge. These vehicles would automatically qualify for the new ULED. In addition, to promote the use of electric and plug-in hybrid vehicles, the Government's Plug-in Car Grant subsidises 25% of the purchase price of an electric car up to a maximum of £5,000, while the Plug-in Van Grant subsidises 20% of the purchase price of an electric van up to a maximum of £8,000. The grants are intended to help overcome the higher up-front cost so that more people can afford an electric vehicle.

6.3.45. The range of available electric vehicle models is increasing rapidly, with many major manufacturers now launching ranges of pure electric and plug-in hybrid vehicles suitable for business and private use. There are 13 models of new electric car currently available to purchase with a further 17 models of new electric van and 14 models of new electric quadricycle car/ van.

6.3.46. TfL has been working in partnership with private and public sector organisations to install the Source London network of charge points across London, with the aim that no Londoner will be more than a mile on average from a charge point. Source London is on target to deliver 1,300 charge points in 2013. However, many electric vehicle users will be able to charge their vehicles in garages or driveways at home, and evidence from UK trials and other countries is that this is likely to form the primary means of charging for most electric vehicle users where possible. TfL is also working with partners, to encourage private sector companies to install work place charge points.

6.3.47. TfL acknowledges that the ultra low emission van market is still in the relatively early stages of development, however there are a number of electric vans which qualify for the proposed ULED. TfL considers that the inclusion of vans in the proposed ULED sends a clear signal to manufacturers that there will be a market for ultra low emission vehicles in London.

Discount for alternative fuels/ biofuels

6.3.48. Two stakeholders stated that TfL should make vehicles which run on other alternative fuels, including biofuels, eligible for a discount. The CBI expressed concern that other fuels, such as LPG (liquid petroleum gas), have a proven contribution to air quality compared with diesel, but are not eligible for a discount under the ULED proposals.

6.3.49. The FTA said that since the removal of the Alternative Fuel Discount there has been no Congestion Charging discount available for vehicles over 3.5 tonnes. The FTA said they would like TfL to reconsider what incentives could be introduced for cleaner HGVs. It also said that electric vehicles are not a viable option for larger commercial vehicles due to volume and weight of batteries requires, restrictions on payload and range limitations. The FTA stated that TfL should offer discounts to the types of cleaner freight vehicles that are available today to act as an incentive to companies to upgrade their fleet. It said that LNG (liquid natural gas), CNG (compressed natural gas) and biomethane deliver greater reductions in CO_2, NO_x and PM emissions compared with diesel, but noted that such vehicles have a higher upfront cost than standard diesel equivalents. It is working with national Government to promote the wider uptake of gas powered vehicles and would welcome similar discussions with TfL about how they can help build the business case for the industry to invest.

TfL response

6.3.50. TfL acknowledges that alternative fuels and biofuels may have a role to play in reducing transport emissions. The standards for the proposed ULED have been set at a level to achieve the greatest reductions in emissions for cars and vans. The standard is technology neutral, so if an alternatively fuelled car or van could meet the emissions requirements, it would be eligible to register for a discount under the proposed ULED.

6.3.51. TfL is also developing a Low Emission Vehicle Strategy on behalf of the Mayor, which will set out options for alternative fuels and biofuels in London across all vehicle types.

Need for long-term planning

6.3.52. Four stakeholders stated that TfL should make policies that are long term and expressed concern that the GVD was being removed after two and half years. The Royal Borough of Kensington and Chelsea said that if the rules for qualifying for a discount change too often there is a danger that the public will feel duped and lose confidence in the new rules. The SMMT and General Motors said there was a need for long-term policies, clearly set out and consistently applied which offer clear and measurable benefits to reduce emissions and support the development of the ultra low carbon vehicle market. The FTA said it was imperative any discounts and incentives offered by TfL are future-proofed to give fleet buyers certainty the discount will continue before investing in new vehicles, particularly if the upfront cost is higher than standard vehicles.

6.3.53. The AA said that setting an implementation date beyond 2015 would recognise that car purchasing decisions are long term. Similarly, BMW Group expressed concern that six months lead time was too short notice as manufacturers and customers welcome clear and consistent long-term policies that provide confidence, especially when the market for ultra low emission vehicles is still in its infancy.

TfL response

6.3.54. TfL acknowledges that manufacturers and customers would prefer policies to be set out in advance to allow for planning and purchasing decisions. However, the criteria for the ULED are relatively future-proofed in that significant technological advances will be required before conventional petrol or diesel vehicles are able to achieve 75g/km of CO_2, thereby limiting the discount to only the cleanest vehicles on the market and maintaining the traffic and congestion benefits of the Congestion Charging scheme.

6.3.55. The GVD was always intended to be a step on the way to incentivising ultra low emission vehicles. It's introduction recognised that the market for ultra low emissions vehicles was still in its infancy and that a 'technology neutral' incentive for low emission vehicles was required to replace the Alternative Fuel Discount, which no longer represented best practice. For this reason, when the Mayor announced he would introduce the GVD in 2010, he said that it would be subject to review in recognition that the market for low emission vehicles was likely to expand.

Other considerations

6.3.56. The LCCI considered that any increase in revenue from vehicles that currently qualify for the GVD but would have to pay the full daily charge after the discount closes should be invested in improving the infrastructure for ultra low emission vehicles, such as charge points and retro-fitting vehicles for businesses to reduce their emissions.

6.3.57. Guide Dogs for the Blind expressed concern that the quiet operation of electric and hybrid vehicles at low speed was a risk to blind and partially sighted people who are reliant on audible cues to assist with their mobility and orientation. It suggests that the Department for Transport should continue research into the safety profile of electric and hybrid vehicles for blind and partially sighted people.

TfL response

6.3.58. By law, all net revenue from the Congestion Charging scheme is used to implement the objectives set out in the Mayor's Transport Strategy. This could include supporting the uptake of ultra low emission vehicles, such as electric cars and vans.

6.3.59. Source London is the Capital's first London-wide publicly accessible charge point network. By 2013 there will be 1,300 charge points in the network. TfL is part of a consortium of partners involved in the Government's Plugged-In Places (PiP) initiative. PiP provides match funding from the Department for Transport for the installation of charge points for partners in the consortium and this money has been used to support the Source London network.

6.3.60. TfL acknowledge the concerns raised by Guide Dogs for the Blind. In 2011 the Department for Transport published statistical analysis and research into the audibility of electric vehicles which sought to determine people's ability to detect quiet vehicles and understand how people with visual impairments cross roads[3]. The report found that accidents with pedestrians were no more likely with electric/ hybrid-electric vehicles than conventional vehicles. In the UK, any legislation around vehicle audibility will have to come from Government or the EU. However, TfL has engaged with stakeholders representing blind and visually impaired groups to further understand their concerns and will continue to monitor the situation and any developments in this area.

TfL recommendation

TfL recommends a change to the Variation Order to extend the proposed two year sunset period for the GVD by one year from 26 June 2015 to 24 June 2016, to better align with typical fleet purchasing patterns and in recognition of the investment fleets, businesses and individuals have made in low emission cars.

[3] Transport Research Laboratory, 2011, *Assessing the perceived safety risk from quiet electric and hybrid vehicles to vision-impaired pedestrians*, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/4486/PPR525-assessing-the-perceived-safety-risk-from-quiet-electric-and-hybrid-vehicles.pdf

6.4. Theme C: Removal of the retail payment channel

6.4.1. Representations made within this theme concern the proposal to remove the retail payment channel, which would remove the option to pay cash for the Congestion Charge.

Analysis of responses

6.4.2. Thirty-five stakeholders commented on issues relevant to this section. These were: The AA, Alliance of British Drivers, Anaerobic Digestion and Biogas Association (ADBA), British Vehicle Rental and Leasing Association (BVRLA), Cancer Research UK, Carplus, Clean Air in London, Energy Saving Trust, Federation of Small Businesses, Freight Transport Association, Friends of the Earth, Guide Dogs for the Blind, London Assembly Health and Environment Committee, London Assembly Liberal Democrats Group, London boroughs of Bromley, Camden, Ealing, Hammersmith and Fulham, Harrow, Hillingdon, Islington, Redbridge, Waltham Forest and Wandsworth, London Chamber of Commerce and Industry, London Forum of Amenity and Civic Society, London TravelWatch, RAC Foundation, Royal Borough of Kensington and Chelsea, Royal Norwegian Embassy, Salvation Army, Singapore High Commission, Society of Motor Manufacturers and Traders, We Are Futureproof and Westminster City Council.

6.4.3. Around 2,100 comments were made by public and business respondents regarding the proposal. These were broadly similar to the issues raised by stakeholders.

Issues raised

6.4.4. The following is a list of the issues raised:

- Support and opposition to the removal of the retail payment channel
- Social impacts
- Impact on businesses
- Other impacts
- Other considerations

Support and opposition to the removal of retail payment channel

6.4.5. Twelve stakeholders indicated support or opposition to the proposed removal of the retail payment channel. The Royal Borough of Kensington and Chelsea supported the proposed removal of the retail payment channel but acknowledged it would disadvantage people without access to debit or credit cards. The BVRLA supported the proposal on the grounds it reduced TfL’s operating costs.

6.4.6. The London Borough of Hillingdon and London TravelWatch regretted the loss of the facility to pay the charge in local shops but accepted the low level of usage meant the payment channel was no longer cost effective. The London Borough of

Ealing would like to see the ability to pay in retail outlets retained but acknowledged this may have to be on a reduced scale, such as petrol stations only.

6.4.7. The Salvation Army expressed concern that many drivers were not up to speed on the Congestion Charge and that paying in shops was most convenient, particularly for those without internet access. The Alliance for British Drivers opposed the reduction in payment options to make the scheme more economic for TfL to operate.

6.4.8. Comments from the public and businesses relevant to this issue included: should be a variety of payment options (474 responses); removing the retail payment channel could make it more difficult to pay the charge (416); shouldn't have to be reliant on technology (371); considers proposal will deceive customers and generate income for TfL (169); retail payment channel most convenient channel (124); and must have an option to pay by cash (66).

TfL response

6.4.9. The retail payment channel currently accounts for just 6% of all charge transactions, or around 11,500 transactions per week, and the proportion of charges made using this channel is expected to decline further as customers continue to move to CC Auto Pay. The declining number of retail transactions means the payment channel is no longer cost effective for TfL to operate. Furthermore, the Barclays Cycle Hire scheme sets a precedent for requiring a payment card to use its service.

6.4.10. Should the Mayor confirm the proposal to remove the option to pay the charge in retail outlets using cash, TfL would undertake a public information campaign to inform customers that the payment channel is closing and what alternative payment methods are available.

Social impacts

6.4.11. Four stakeholder responses expressed concern about the social impacts of removing the retail payment channel. The London Borough of Camden, Westminster City Council and the RAC Foundation expressed concern that the removal of the retail payment channel would unfairly penalise or inconvenience motorists who did not have a bank account or debit or credit card and could create difficulties for visitors and newly arrived immigrants. The London Assembly Liberal Democrat Group indicated that up to 20% of the population do not have access to a bank account and stated that TfL should offer alternatives, such as payment by text message.

6.4.12. Westminster City Council asked for additional information on how the proposed change aligns with current Equal Opportunities legislation and whether a proportionate payment option at the six TfL Travel Information Centres could remain for those who have no other option but to pay in cash, or what arrangements would be in place for those drivers without a mobile phone, computer access or a credit or debit card.

6.4.13. PayPoint, the previous retail payment channel service provider, indicated that the Greater London area is its highest density region by volume of cash transactions and suggests therefore that a significant number of people use cash for transactions in London.

6.4.14. In addition, 202 public and business responses expressed concern about the impact of the proposal on socially excluded groups.

TfL response

6.4.15. TfL acknowledges the concerns raised by stakeholders and the public that the removal of the option to pay cash for the Congestion Charge in local shops could disadvantage customers who did not have access to a debit or credit card or to a mobile phone or the internet. The Impact Assessment undertaken to support the consultation found that only a very small number of Congestion Charge users would not have access to a debit or credit card given that such households are more likely to be low income households. These households are less likely to own a car and are more likely to be put off driving in the Congestion Charging zone because of the high cost of parking and the daily charge. The accessibility and quality of public transport, particularly buses, in the zone also mitigates against these households driving in the zone.

6.4.16. The retail payment channel allows customers to pay the £10 daily charge in advance or on the day of travel in the zone. Customers without access to a debit or credit card would no longer be able to pay the charge on the day of travel. However, they would be able to pay the charge by cash using a postal order/ bank draft or by cheque in advance of travel. TfL requires customers to allow 10 days for postage and processing of the payment.

6.4.17. TfL also accepts prepaid cards for payment of the £10 daily charge or £12 pay next day charge. Prepaid cards are widely available, and can also be accessed by people who do not have a bank account or have a poor credit history.

6.4.18. Visitors to London and recently arrived immigrants are able to pay the Congestion Charge using a payment card (including prepaid VISA/ Mastercard currency cards and payment cards registered outside the UK) via the call centre or the website. TfL provides information on the methods of payment for the Congestion Charge in a variety of languages and these are available from the call centre and the website.

6.4.19. The six TfL Travel Information Centres, located at Liverpool Street, Piccadilly Circus, King's Cross and Heathrow 123 Underground stations and Euston and

Victoria rail stations, accept payments for the Congestion Charge via the retail service provider. Once the retail payment channel closes, the TfL Travel Information Centres would no longer be able to process Congestion Charge payments. TfL does not consider that it would be an appropriate solution to allow customers to make payments in the TfL Travel Information Centres after the proposed retail payment channel closure. This is because the Travel Information Centres are mainline rail and Underground stations without easy access to parking which means they are not easily accessible for drivers. In addition, allowing payments at six locations would be complicated and expensive for TfL for to set up and operate.

Impact on businesses

6.4.20. The FSB opposed the removal of the retail payment channel and said that TfL should learn from the experience of the London Borough of Barnet when the borough reinstated parking meters, which the FSB says caused disruption and expense for the small business community.

6.4.21. The London Forum of Amenity and Civic Society considered that being able to pay the charge with cash in shops is a help to some motorists, particularly those who do not use the zone very often, and that it provides business for some local shops who are struggling.

6.4.22. In addition, 69 public and business responses expressed concern about the impact of the proposal on small businesses.

TfL response

6.4.23. Shops and other retail outlets which allow the payment of the Congestion Charge would no longer receive a payment per transaction from epay, the retail payment channel service provider, if the retail payment channel closes. The money individual retailers make on such transactions is determined by epay and is likely to be relatively a relatively small amount. The epay system is primarily aimed at mobile phone top ups and Congestion Charge transactions make up only a very small proportion of epay business in shops. TfL therefore does not consider the removal of the retail payment channel would negatively impact on small businesses.

6.4.24. Should the Mayor decide to confirm the proposal to removal the retail payment channel, TfL would undertake a public information campaign to make the public and retailers aware of the changes and of alternative payment methods.

Other impacts

6.4.25. The LCCI suggested that the money saved through the removal of the retail payment channel should be invested to reduce the penalty charge.

TfL response

6.4.26. By law, the net revenue from the Congestion Charge must be reinvested in transport in London. It would not be appropriate for TfL to use any net revenue resulting from the reduction in operational costs from removing the retail payment channel to reduce the penalty charge. The penalty charge is set at a level to be a deterrent against avoiding paying the daily charge, and thereby helps to reduce traffic volumes and congestion in the zone.

Other considerations

6.4.27. The Variation Order proposed the retail payment channel closed on 28 June 2013. TfL is recommending this is delayed slightly until 26 July 2013 to allow for the changes to be fully implemented.

TfL recommendation

TfL is recommending a minor modification to the Variation Order to delay the removal of the retail payment channel to 26 July 2013, to allow for the full implementation of the proposal.

6.5. Theme D: Penalty charge increase

6.5.1. Representations made within this theme concern the proposal to increase the penalty charge where the appropriate Congestion Charge has not been paid.

Analysis of responses

6.5.2. Twelve stakeholders commented on issues relevant to this section. These were: AA, Alliance of British Drivers, British Vehicle Rental and Licensing Association (BVRLA), Cancer Research UK, Confederation of British Industry (CBI), Federation of Small Businesses (FSB), Energy Saving Trust, Freight Transport Association (FTA), London boroughs of Wandsworth and Hammersmith and Fulham, Salvation Army and London TravelWatch.

6.5.3. Around 1,100 comments were made by public and business respondents regarding the proposal. These were broadly similar to the issues raised by stakeholders.

Issues raised

6.5.4. The following is a list of the issues raised:

- Support or opposition to the penalty charge increase
- Level of increase
- Impacts on business
- Impacts on car hire companies
- Other considerations

Support or opposition to the penalty charge increase

6.5.5. Four stakeholder responses supported the proposed increase in the penalty charge. London TravelWatch considered it was appropriate to have a single level of penalty charge for the Congestion Charge, parking and moving traffic violations. The London Borough of Wandsworth had no objections but considered justification could have been expressed better in terms of the congestion benefits and deterrent effect of a higher charge. The Energy Saving Trust considered that the increase in the penalty would give drivers a stronger incentive to shift to ultra low emission vehicles. The London Borough of Hammersmith and Fulham had concerns about increases in costs to people who may be in difficult financial circumstances but recognised the need for penalties to cover their administration costs and to increase in line with inflation to maintain their deterrent effect.

6.5.6. Four stakeholder responses opposed the penalty charge increase. Cancer Research UK opposed the increase because it considered most people are on a fixed income and do not have the funds to pay an increased fine. The LCCI did not consider sufficient justification had been given for the increase. The Alliance of British Drivers and CBI considered the increase was too great and above inflation.

6.5.7. Comments from public and business respondents relevant to this issue included: bringing penalty charge in line with other offences is not a justifiable reason (108); and people should be given longer to pay penalty charge (61).

TfL response

6.5.8. The increase in the penalty charge will bring it in line with other moving traffic, bus lane and parking penalty charges, which increased in April 2011. The principle adopted by TfL and London Councils' Transport and Environment Committee in setting the level of penalty for parking and other contraventions is that the penalty should be the minimum needed to secure an adequate level of compliance.

Level of increase

6.5.9. The CBI and the Alliance of British Drivers stated that the increase in the penalty charge is too great, particularly if administration costs are being reduced, such as through the removal of the retail payment channel.

6.5.10. Comments from public and business respondents relevant to this issue included: penalty charge is already expensive (436 responses); increase is an unjustifiable way for TfL to raise revenue (346); not fair to increase penalty charge in economic downturn (75); and penalty charge should be reduced (68);

TfL response

6.5.11. TfL considers that the evasion of the Congestion Charge in central London constitutes a serious contravention. Therefore, the penalty should be in line with those imposed for other serious contraventions such as moving traffic and parking violations which affect the free-flow of traffic and thus have impacts on congestion. The reduction in operational costs for the Congestion Charging scheme which would arise from the proposed changes has no bearing on the level of penalty charge.

6.5.12. The penalty charge rate for moving traffic and parking contraventions was proposed by London Councils and TfL after extensive consultation and was ratified by the Mayor of London and Secretary of State for Transport. There is broad agreement across the London boroughs that these rates are the most effective in deterring traffic and parking contraventions. TfL considers that the proposed penalty charge rate for congestion charging is appropriate in this context.

6.5.13. The penalty charge for not paying the Congestion Charge was last increased over five years ago in 2007, when it was brought into line with London Councils' rate. TfL believes that the change is important in order to maintain the effectiveness of the enforcement regime by acting as a sufficient deterrent, ensuring consistency and minimising confusion for drivers receiving a penalty charge.

Impact on business

6.5.14. The FSB opposed the increase because it considered it would disproportionately affect small businesses who did not always have the staff to plan for travel in advance and who would be least able to pay. It considered it would be more conducive to growth to round down other penalty charges to bring them into line, which would leave more money for motorists and small businesses to spend in London.

6.5.15. The AA and the FTA considered that many penalty charges were for administrative errors. The FTA expected TfL to adopt a lenient and pragmatic approach which recognises the difference between those who fail to pay and deliberately avoid payment and those who have made a genuine and honest administrative error.

TfL response

6.5.16. TfL acknowledges that it is not always possible to plan journeys in advance, and that there will be occasions where drivers forget to pay the Congestion Charge. In response to this, TfL has made several changes to the scheme.

6.5.17. Pay Next Day (PND) was introduced in 2006 and provides drivers the opportunity to pay the charge up until midnight on the following charging day; after its first year of implementation the number of penalties issued had reduced by 12-15%. Congestion Charging Auto Pay (CC Auto Pay) was introduced in 2011, which allows drivers to register their vehicle and automatically be billed for their trips into the Congestion Charging zone, with the assurance that they will not receive a penalty charge as long as they are correctly registered. In addition, the previous fleet scheme and current Fleet Auto Pay reduce administration for organisations, provide a reduced £9 daily charge and reduce the risk of receiving PCNs. TfL considers that PND, CC Auto Pay and Fleet Auto Pay provide sufficient opportunity for drivers to avoid receiving a penalty charge.

6.5.18. TfL does review representations challenging a PCN and will consider mitigating circumstances and use its discretion where a genuine mistake has been made.

6.5.19. The penalty charge rate for parking, bus lane and other moving traffic contraventions has been reached by London Councils after extensive consultation and there is broad agreement across the London boroughs that these rates are the most effective in deterring such contraventions. TfL considers that the proposed penalty charge rate for Congestion Charging is appropriate in this context.

Impact on car hire companies

6.5.20. The BVRLA did not support the increase in the penalty charge while the Road User Charging Regulations continue to prevent its members with rental/ leasing agreements of more than six months from transferring liability to the customer. Car rental companies are then held responsible for the actions of their customer and are unable to recover the costs of the penalty charge if the customer refuses to pay.

TfL response

6.5.21. Car rental and leasing agreements include provisions for the payment of PCNs and car rental companies charge a fee to recover this money. TfL is bound to send a PCN to the registered keeper of the vehicle, as recorded by the DVLA.

Other considerations

6.5.22. The Variation Order proposed the penalty charge be increased on 29 April 2013. TfL is recommending this is delayed slightly until 20 May 2013 to allow for the changes to be fully implemented.

TfL recommendation

TfL is recommending a minor modification to the Variation Order to delay the increase in the penalty charge to 20 May 2013, to allow for the full implementation of the proposal.

7 Conclusions and recommendations

7.1. TfL's conclusions

7.1.1. TfL considers that this Report to the Mayor on the outcomes of the consultation (alongside the Impact Assessment and Scheme Description and Supplementary Information that was provided for the consultation) provides the information and analysis needed for the Mayor to make an informed decision, taking into account the range of views expressed during the consultation, as to whether to confirm the Variation Order, with or without modifications. The Mayor has also been provided with copies of all the consultation responses. This report and the consultation responses will thus allow the Mayor to take into account the range of views expressed during the consultation.

7.1.2. In this report, TfL has analysed the consultation responses and set out its views on the representations received on the proposals. Overall, TfL considers that the proposed changes represent best practice in terms of using a Congestion Charging discount to incentivise drivers to switch to the cleanest ultra low emission vehicles and in providing value for money in operation of the scheme.

7.1.3. Overall, there was more opposition to the proposals from public respondents, with more support from stakeholders. It should be noted that TfL emailed the 15,000 customers who were registered for the GVD/ EVD or users of the retail payment channel alerting them to the consultation. Less than 20% of the 12,000 or so customers TfL contacted who were registered for the GVD responded to the consultation despite being asked about a proposal to remove the 100% discount they were registered for.

7.1.4. In addition to comments on the proposals being consulted on, stakeholders and the public also made general comments to the consultation relating to the Congestion Charging scheme itself. Issues raised included the level of the daily charge, discounts and exemptions to the scheme, simplifying administration for customers and the appeals process. TfL is not recommending any changes to the Variation Order in response to these issues..

Proposal to introduce a new Ultra Low Emission Discount to replace the Greener Vehicle Discount and the Electric Vehicle Discount

7.1.5. Of the public and business responses received to the proposal, 24% supported and 59% opposed. The most common issues raised by public and business respondents to the proposal were: not fair to change discount criteria when people had invested in low emission vehicles (31% of responses); proposal only to generate revenue for TfL (9%); reducing the number of eligible vehicles would discourage people buying greener models (5%); proposed ULED criteria too strict given availability of ultra low emission vehicles (5%); and suggest alternative methods to reduce congestion, such as a higher charge for 4x4s (4%).

7.1.6. Of the 35 stakeholders who commented on the proposal, 46% supported and 14% opposed. The most common issues raised by stakeholders were: suggest alternative criteria for ULED (29%); length of sunset period (17%); impact on businesses/ fleets (14%); need for long term planning (11%); air quality impacts (9%); including diesel cars in ULED (6%); including commercial vehicles over 3.5 tonnes in ULED (6%); availability of ultra low emission vehicles (6%); and discount for alternative fuels/ biofuels (6%).

7.1.7. TfL has always been clear that no Congestion Charging discount necessarily exists in perpetuity. At the time of the confirmation of the introduction of the GVD in October 2010, the Mayor committed to review the discount before 2013, recognising that as the low emission vehicle market grew, more cars qualifying for the GVD would be driving within the zone and potentially start eroding the traffic and congestion benefits of the scheme. However, in recognition that businesses and individuals have invested in low emission cars, a two year sunset period was proposed whereby drivers of cars registered for the GVD when it closes to new registrations on 28 June 2013 would continue to receive the discount. TfL is recommending that the proposed two year sunset period is increased by one year to 24 June 2016. TfL considers that a further three years worth of 100% discount from the Congestion Charge allows owners to significantly recoup much of the purchase cost of their vehicle.

7.1.8. TfL does not consider that it would be appropriate to include an additional discount band for the relatively cheap low emission cars that are currently eligible for the GVD. To do so would discourage drivers and fleets from investing in ultra low emissions vehicles, such as electric and plug-in hybrid vehicles. A further discount category would be expected to increase traffic volumes in the Congestion Charging zone and impact on congestion.

7.1.9. TfL recognises that air quality is an important consideration in the Congestion Charging zone and has incorporated an air quality emissions standard, Euro 5, into the ULED. While TfL acknowledges that the Euro 4 and Euro 5 standards have not cut NO_2 emissions as expected, a tighter Euro 6 standard for the ULED is not considered necessary because conventional diesel and petrol engines are still a way off being able to achieve 75g/km of CO_2 and would be unlikely to do so before Euro 6 becomes mandatory in 2014 for cars and 2015 for vans.

7.1.10. TfL considers that it is not practical to include HGVs that are not electric in the proposed ULED because the CO_2 performance is not recorded by the DVLA and is difficult to determine as it can vary significantly depending on the load being carried by the vehicle. TfL acknowledges that alternative fuels and biofuels may have a role to play in reducing transport emissions and is developing a Low Emission Vehicle Strategy on behalf of the Mayor which will set out options for alternative fuels and biofuels across all vehicle types.

7.1.11. The ULED criteria has been designed to provide certainty for manufacturers and customers. It is a technology neutral discount which would allow any car or van, regardless of its fuel type, that meets the emissions criteria to qualify for the discount. In addition, TfL does not consider that there will be traffic or congestion impacts from the ULED because cheap conventional diesel or petrol cars that can meet the emissions criteria are unlikely to materialise in the short to medium term.

7.1.12. TfL is recommending a minor modification to the Variation Order to extend the proposed two year sunset period for the GVD by one year from 26 June 2015 to 24 June 2016 to better align with typical fleet purchasing patterns and in recognition of the investment that fleets, businesses and individuals have made in low emission cars.

Proposal to remove the retail payment channel

7.1.13. Of the public and business responses on this proposal, 17% supported and 53% opposed. The most common issues raised by public and business respondents to the proposal were: should be a variety of payment options (17% of responses); removing the retail payment channel would make it more difficult to pay the charge (15%); shouldn't have to be reliant on technology (14%); concerned about impact on socially excluded groups (7%); and concerned about the impact on tourists/ visitors (7%).

7.1.14. Of the 35 stakeholders who commented on the proposal, 17% supported and 17% opposed. The most common issues raised by stakeholders were: support/ opposition to the proposal (34% of responses); social impacts (11%); and impact on businesses (6%).

7.1.15. The retail payment channel currently accounts for just 6% of all charge transactions, having declined from 37% of all charge transactions when the scheme was introduced. The proportion of transactions made using this channel is expected to decline further as customers continue to move to CC Auto Pay and the declining number of transactions means the payment channel is no longer cost effective for TfL to operate. Furthermore, the Barclays Cycle Hire scheme sets a precedent for requiring a payment card to use its service.

7.1.16. The Impact Assessment undertaken to support the consultation found that only a very small number of Congestion Charge users would not have access to a debit or credit card given that such households are more likely to be low income households. These households are less likely to own a car and are more likely to be put off driving in the Congestion Charging zone because of the high cost of parking and the daily charge. The accessibility and quality of public transport in the central London also mitigates against these households driving in the zone.

7.1.17. The Impact Assessment also found that the impact on businesses is likely to be marginal given that Congestion Charge transactions make up only a small proportion of their business.

7.1.18. Should the Mayor confirm the proposal to remove the option to pay the charge in retail outlets using cash, TfL would undertake a public information campaign to inform customers that the payment channel is closing and that alternative payment methods to pay the charge are available. Customers would be able to pay the charge on the day or by midnight of the day after travelling in the zone by phone or internet using a debit, credit or prepaid payment card, including currency cards and cards registered outside the UK. Customers would also be able to pay the charge by cash using a postal order/ bank draft or cheque by post in advance of travel. In addition, CC Auto Pay allows drivers to register their vehicle and be automatically billed for trips into the zone with the assurance they will not receive a penalty charge if they are correctly registered.

7.1.19. TfL is recommending a minor modification to the Variation Order to delay the removal of the retail payment channel to 26 July 2013, to allow for the full implementation of the proposal.

Proposal to increase the penalty charge

7.1.20. Of the public and business responses on this proposal, 23% supported and 50% opposed. The most common issues raised by public and business respondents to the proposal were: penalty charge is already expensive (16% of responses); increase is an unjustifiable way of TfL raising revenue (13%); bringing in line with other penalty charges is not a justifiable reason for increase (4%); not fair to increase the penalty charge in an economic downturn (3%); and penalty charge should be reduced (3%).

7.1.21. Of the 12 stakeholders who commented on the proposal, 24% supported and 24% opposed. The most common issues raised by stakeholders were: support/ opposition to the proposal (47% of responses); impact on businesses (17%); level of increase (12%) and impact on car rental companies (6%).

7.1.22. TfL considers that the evasion of the Congestion Charge in central London constitutes a serious contravention and should therefore be in line with those imposed for other serious contraventions such as moving traffic, bus lane and parking offences which disrupt the free flow of traffic. TfL is required to consult on changes to the penalty charge level and, in order to best provide value for money, TfL waited to consult on a number of changes to the scheme at the same time.

7.1.23. TfL acknowledges that it is not always possible to plan journeys in advance and that there will be occasions where drivers forget to pay for the Congestion Charge. TfL considers that Pay Next Day, CC Auto Pay and Fleet Auto Pay provide sufficient opportunities for drivers to avoid receiving a PCN.

7.1.24. In relation to car hire companies, TfL is bound to send a PCN to the registered keeper of the vehicle, as recorded by the DVLA.

7.1.25. TfL is recommending a minor modification to the Variation Order to delay the introduction of the penalty charge increase to 20 May 2013, to allow for the full implementation of the proposal.

7.2. Recommendations

7.2.1. TfL recommends that the Mayor should:

- Consider the whole of this report and other relevant information available to him, including advice from GLA officers and the contents of the Impact Assessment
- Consider the responses to the consultation, together with the considerations of TfL, particularly with relation to Chapter 6 of this report
- Consider whether further consultation, further information or the holding of some form of inquiry is necessary or appropriate prior to his decision whether or not to confirm the Variation Order, and
- If the Mayor considers that no further consultation is necessary or appropriate and that the holding of a public inquiry is not necessary or appropriate, to confirm the Variation Order with the minor modifications as described.

7.3. Public inquiry

7.3.1. This section examines the issue of whether the Mayor should hold some form of inquiry as part of a process of determining whether or not to confirm the Variation Order. The GLA Act provides that the Mayor may ‘hold an inquiry, or cause an inquiry to be held, for the purposes of any order containing a charging scheme’. Whether an inquiry should be held (and if so its scope) to consider the proposed changes to the Congestion Charging scheme is a matter for the Mayor to decide.

7.3.2. None of the respondents to the consultation asked for a public inquiry.

7.3.3. An inquiry could take a number of forms, including a public inquiry. Whilst the Mayor has a broad discretion he must approach the matter with an open mind. He needs to ask himself whether he has sufficient information available without holding an inquiry; and whether the issues raised, by objectors in particular, are sufficiently clear to him so that he can properly assess this information and weigh conflicting views (including taking account of representations and objections) without the benefit of an independent report following an inquiry.

7.3.4. A Congestion Charging case, R (Westminster City Council) v Mayor of London [2003] LGR 612, held at common law that the Mayor had to apply his mind genuinely and rationally to the issue of whether to hold an inquiry, taking into account all relevant considerations, and that, save perhaps exceptionally, Article 6 of the European Convention did not require an inquiry to be held.

7.3.5. TfL does not consider that any significant quantitative evidence beyond that already supplied by TfL and GLA officers would emerge in an inquiry which would assist the Mayor's decision. An inquiry would also delay the confirmation of the Variation Order. TfL does not consider there are any issues which point strongly to the holding of an inquiry and does not recommend that an inquiry be held. However, the Mayor is advised that these issues should not be the prime focus in determining whether to hold an inquiry.

Annex A: Greater London (Central Zone) Congestion Charging (Variation and Transitional Provisions) Order 2012

Annex B: Full list of stakeholder organisations, businesses and community organisations who responded to the consultation

Stakeholder organisations who responded to the consultation

Alliance of British Drivers

Anaerobic Digestion and Biogas Association

Automobile Association (AA)

British Vehicle Rental and Leasing Association

Cancer Research UK

Carplus

Clean Air London

Confederation of British Industry (CBI)

Energy Saving Trust

Federation of Small Businesses

Freight Transport Association

Friends of the Earth

Guide Dogs for the Blind

Hertfordshire County Council

London Assembly Health and Environment Committee

London Assembly Liberal Democrats Group

London Borough of Bromley

London Borough of Camden

London Borough of Ealing

London Borough of Hammersmith and Fulham

London Borough of Harrow

London Borough of Hillingdon

London Borough of Islington

London Borough of Redbridge

London Borough of Waltham Forest

London Borough of Wandsworth

London Chamber of Commerce and Industry

London Forum of Amenity and Civic Societies

London TravelWatch

RAC Foundation

Royal Borough of Kensington and Chelsea

Royal Norwegian Embassy

Salvation Army

Singapore High Commission

Society of Motor Manufacturers and Traders

We are Future Proof

Westminster City Council

Businesses who responded to the consultation

10 ant group

1921 Couriers

1st Choice Maintenance ltd

ABA Engineering Limited

abp chartered architects

AK IT, Media and business consulting LTD

Aktiva Systems Ltd

Amigo Integration Limited

Another Planet AV Ltd

anotherplanet av Ltd

APEX (Acclaim Pallet Express Ltd)

Apollo Lighting Ltd

Aqua Global Solutions Ltd

Asian Media and Marketing Group

Aviation Charter Limited

BarronMcCann Ltd

base property specialists ltd

Beetroot Interiors Ltd

Bentons haulage ltd

Berkmann Wine Cellars

BeStrategic

BMW Group UK

Bright a Blind Ltd

Bullit Courier Company Ltd

Capital audiology

Car2Go

carmend

Chambers of Lewis Marks QC

Chaudigital Ltd

CIR Transport

City Car Club Limited

Clean Linen Services Ltd

Clear Channel

CLSA (UK)

Colet Estates

Commercial Group

Core Technical Solutions Ltd

Crosswater Limited

d&h transport services

Darrell Couriers

Dbm design ltd

Dorset Orthopaedic

Drax UK Ltd

Easons Groups

Easton media

EDF Energy Fleet Services

Eskimo Ice

Esteem Systems

Etech Security Installations Ltd

Eurostride

Evergreen Shipping Agency (UK) Ltd

Exact Office Ltd

Excel Group Services LTD

Executive Hotel Services

Express Moves

fabric life ltd

Fafalios Ltd

Fenner Paper Co Ltd

Frazer Nash Research Ltd

free play

Function Business Services Ltd

Future Pro USA

General Motors UK Limited

GID ltd

Gledhill Building Products Ltd

Green Island

Green Room Productions

Green window cleaning

Hanson Cement

Holmes & Sons

Horizon Specialist Contracting

House Network Ltd

I Am Consultancy

IBI Group

Ideal Rooms

Impulse Engineering Limited

Innovation Audio Visual

Interior Design Services Ltd

IST Co Ltd

IT Support Bay

John French Consultancy

jps IT ltd

Kashrus

Kendall Cars/YKF Ltd

Key Patrol Limited

Kumon Educational UK LTD

Laing Gale & Associates

Leisure Repair Ltd

Leonard leese

Liberty Electric Cars Limited

M.B's Cafe

Marc ONe

MBAS

MBC TECOMS UK

MediaPaedia Ltd.

Mercedes-Benz Colindale

MILES & MILES LTD

MJ Quinn Integrated Services Ltd

MMI Ltd

MW Event Services

Newbery Smith Photography Ltd

Nissan Motor (GB)

NOC Sameday

Nolan Glass ltd

palfrey and davies ltd

Partition Dismantling Services

Pasadena Records Ltd

PayPoint Plc

Peverel Cirrus & Instant Fire Protection

Prenax

PRG UK Ltd

Project Movements Ltd

Protean Electric

Proton Environmental Ltd

RAM Estate Agent

Revolve Technologies Ltd

RHA Print Ltd

Rodensaw Ltd

Roder UK Ltd

Roger Oates Design

Roscolab Ltd

RS Optical Ltd

RTS Waste Management

S Ward & Co Ltd

Sangers (Maidstone) Ltd

securaclean

Select Drinks Limited

Selwood Ltd

Service Print Ltd

Silverman Sherliker LLP

Simon Vinall Photography Ltd

Skelair Int Ltd

Soapy Joe

Software Integrators Ltd

Strain Keville

Strategic Revenue Services Limited

sun ice air

Sun&Moon Corporation UK

Sunglass Optics Ltd

tajo LTD

Tata Limited

TBS

Telco Lifts

Tesla Motors

thairama limited

Thames Digital Reprographics

The effectiveness partnership

The joint ltd

The Magic Touch (GB) Limited

The Refurb Department Ltd

The Shield Guarding Company Ltd.

The White House Design Ltd

Thomas Dudley

Three Colours Ltd

Tibra Trading

Titon Hardware

Tom Hixson & Co Ltd

Toyota Motor Europe

Trans City Car centre Limited

Traylen Enterprises Ltd

Trikki Ltd

TSC Events

TTS Ltd.

Universal Elevators

Urban Planters London West

Video-DVD Ltd

View Lettings

West London Security Ltd

Williams & Son

Wilson Hennessy ltd

WOCAB Associates

Woodcote Contractors

Z & H Distributions Ltd.

Zipcar UK

Community organisations who responded to the consultation

Barbican Association

Belgravia Residents' Association

Islington Living Streets

Annex C: Summary of stakeholder responses

Alliance of British Drivers (ABD)

The ABD opposes the Congestion Charging scheme in principle but states that if it is to be retained that all vehicles should be subject to it and therefore there shouldn't be any environmental discounts. It opposes the reduction in retail payment options as it considers this would obstruct payment by casual users. It also opposes the proposed penalty charge increase which it considers is too great and above inflation.

Anaerobic Digestion and Biogas Association (ADBA)

The ADBA considers biomethane and natural gas vehicles should qualify for the ULED, based on their significant air quality improvement and reduction in noise pollution and because the cost of purchasing a natural gas/ biomethane HGV is far greater than that for a car or van. It also considers that dual fuel vehicles should be supported under the ULED as the use of these vehicles will lead to the development of more refuelling infrastructure and a growth in this market.

Automobile Association (AA)

The AA opposes the proposed ULED. It considers that vehicles with CO_2 emissions below 100g/km should continue to receive a 100% discount as these vehicles meet Euro 5 standards and are below the average car CO_2 emissions. It suggests an implementation date of 2015. It understands the reasoning behind the proposal to remove the retail payment option but recognise that some people will be inconvenienced. The AA considers the current penalty charge is already too high and therefore opposes any increase.

British Vehicle Rental and Leasing Association (BVRLA)

The BVRLA supports the introduction of the proposed ULED and agrees it will encourage the operation of greener vehicles. It supports removing the option to pay the charge in retail outlets however it encourages TfL to consider a controlled and managed cessation of GVD to help ensure that there is stability and certainty for early adopters of new and expensive green technology. It suggests that the 'sunset period' is extended so that the current GVD is available to both existing registered discount holders, and to any new keepers until 26 June 2015. It does not support the proposed increase in penalty charge as it consdiers this will only continue the problems their members face in not being able to transfer liability where the hire or lease agreement is more than six months in duration. It calls on TfL to lend support to a legislative amendment to the road user charging regulations to allow members to transfer fines to a customer where the agreement is for more than six months.

Cancer Research UK

Cancer Research UK opposes the proposed ULED stating that more thought needs to be given to taking a discount away, especially from fleet operators who cannot rapidly change their vehicles. It also opposes the proposed increase to the penalty charge as it considers not everyone has instant funds to pay a fine.

Carplus

Carplus disagrees with the proposed ULED as it considers the proposal will create additional costs for car club operators, result in short term disruption of fleet rotation plans and hamper car club expansion. It proposes either a full exemption from the Congestion Charge or that users of car club cars located in the zone should be entitled to the residents' discount and that the sunset period is extended to allow operators a chance to phase out existing low emission fleet vehicles. It suggests its proposals only apply to back to base car clubs that use fixed parking bays.

Clean Air in London (CAL)

CAL considers the current GVD hasn't been as successful as the Alternative Fuel Discount in accelerating the uptake of new, low emission vehicle technologies and that the inclusion of Euro 5 criteria which permits small diesel vehicles to drive in the area for free, is a huge backwards step for air quality. It considers that the suggested 75g/km CO_2 emissions criteria for the proposed ULED will result in small, cheap diesel vehicles that meet the criteria flooding the market. CAL recommends the GVD is reformed to set strict new limits for greenhouse gas and air pollution emissions and implemented in two stages: From 1 July 2013 GVD is restricted to vehicles that have maximum CO_2 emissions of 75g/km and are proven to beat Euro 6 standard in urban driving conditions and; from 31 December 2014, GVD is restricted to vehicles that have zero emissions at the point of use. It also suggests that, due to higher than expected NO_x emissions from Euro 5 vehicles, the proposed 'sunset period' is too long and should be limited to 31 March 2014.

Energy Saving Trust

The Energy Saving Trust supports the proposed ULED and increase to the penalty charge. It states that its research confirmed that an exemption for plug-in vehicles is a huge incentive for fleets to adopt electric vehicles, particularly as the number of plug-in vehicles on the market is growing monthly and there are many options available now and coming onto the market in the next few months that will suit the business needs of most organisations. It considers the penalty charge increase would give drivers a stronger incentive to shift to ultra low emission vehicles.

Federation of Small Businesses (FSB)

The FSB opposes the proposed ULED. It considers small businesses are disproportionately affected by changes to CC discounts as have to spend time and money on compliance when they can least afford it; moving goalposts will only stifle London small business economy; and that there should be no changes that burden small businesses at time of increasing economic pressures and when small businesses dependent on vehicles for essential business journeys. It opposes the removal of the retail payment channel and asks TfL to learn from the experience of the London Borough of Barnet when the borough reinstated parking meters, which it states caused disruption and expense for the small business community. It also opposes the proposal to increase the penalty charge as it considers this will disproportionately hit small businesses who are least able to pay. It asks TfL to investigate how the appeals process for fines could be less heavy handed.

Freight Transport Association (FTA)
The FTA agrees that a review of qualifying vehicle classes for discounts should be undertaken and welcomes the inclusion of vans within the proposed ULED. However it states that this introduction only offers hypothetical benefits as no vans meeting this standard are currently on the market and considers incentives should be reintroduced for cleaner HGVs. It states that increasing the penalty charge from £120 and £130 would match other parking and traffic penalty charges in London but considers a lenient approach should be taken for those who are fined after an administrative error such as transposing numbers or letters. The FTA does not have any objection to the removal of the option to pay the charge in shops and petrol stations.

Friends of the Earth
Friends of the Earth states that the emissions requirement for the proposed ULED should be Euro 6 because the Euro 5 emission standard had not reduced emissions of NO_x as much as expected and many manufacturers were already producing Euro 6 vehicles. It says that the Mayor must ensure, by putting in place whatever measures are required, that London meets its own targets for CO_2 reduction and EU legal limits by date required and considers action on air pollution is a key way to help reduce health inequalities. It suggests consideration is given to London-wide road user charging, together with land use planning to reduce the need to travel, further improving existing public transport and investment in new public transport for any new infrastructure needed. It stresses that traffic levels should not be added to by the building new road space such as the proposed new river crossings for vehicles.

Guide Dogs for the Blind
Guide Dogs for the Blind recognises the environmental benefits of hybrid and electric vehicles and their role in improving fuel economy and reducing carbon emissions. However, it opposes the new ULED due to concerns about the quiet operation of electric and hybrid vehicles at low speed which it considers puts blind and partially sighted people who are reliant on audible cues to assist with their mobility and orientation at risk. It suggests that the Department for Transport should continue research into the safety profile of electric and hybrid vehicles for blind and partially sighted people.

Hertfordshire County Council
Hertfordshire County Council has no specific comments on the issues being consulted on given the relevance to central London only.

London Assembly Health and Environment Committee (with exception of Conservative Members)
The London Assembly Health and Environment Committee welcomes the proposal to replace the GVD with the proposed ULED. It supports the principle that car models qualifying for a Congestion Charging scheme discount should have the lowest emissions on the market but considers this would be better represented by a Euro 6 qualifying standard instead of the proposed Euro 5.

London Assembly Liberal Democrat Group
The London Assembly Liberal Democrat Group agrees to the removal of the GVD but considers more could be done to reduce the impacts of vehicular traffic and urges the Mayor to consider increasing the Congestion Charge in line with fare rises each year in addition to converting all buses and taxis to electric. It raises concerns about proposals to remove the option the pay for the charge by cash and asks that customers who do not have access to a bank account be considered when finalising payment options.

London Borough of Bromley
The London Borough of Bromley states that it has no formal policy or opinion on the proposed changes to the congestion charge scheme as set out in the consultation.

London Borough of Camden
The London Borough of Camden supports the proposed ULED as it considers, with technological advances, that a number of vehicles could be eligible for current discounts which would erode the decongestion benefits of the scheme. The council raises concerns about the closure of the retail payment option and the impact this may have on customers who are unable to pay by credit card or other means. It asks TfL to look at the number of people affected and if needs be, reconsider the proposal. The council supports the penalty fare increase which it considers helps simplify penalty charges for traffic violations in inner London.

London Borough of Ealing
The London Borough of Ealing has no objections to the proposed ULED or the proposed penalty charge increase. The council states that it would like the ability to pay in retail outlets retained although acknowledges that this may have to be on a reduced scale, such as at petrol stations only.

London Borough of Hammersmith and Fulham
The London Borough of Hammersmith and Fulham considers that the proposed ULED should be refined to provide incentives to drivers to take account of CO_2 emissions when choosing their vehicles. It suggests a two-tier discount system that provides a significant discount to vehicles with CO_2 emissions under 100g/km as well as the full ULED discount. It recognises that removing the option to pay the charge at retail outlets is costly buts notes that this change could be difficult for some. It has concerns about any increase in the

penalty charge and the effect of an increase on people in difficult financial circumstances, however recognises the need for penalties to cover administration costs

London Borough of Harrow
The London Borough of Harrow supports the proposed ULED as it considers that the need for change shows the success of the scheme in encouraging ownership of less polluting vehicles. It opposes the removal of retail payment options, although sympathetic to the need to reduce operational costs, as it is concerned that the impact on low income families and the elderly is too high. Harrow supports the proposed penalty charge increase so that it is in line with other motoring penalties.

London Borough of Hillingdon
The London Borough of Hillingdon is disappointed that the option to pay the charge is being removed from local shops but understands the logic of the Mayor’s argument and has no objection to any of the three proposals.

London Borough of Islington
The London Borough of Islington supports the proposed ULED as it considers congestion will increase as the number of low emission vehicles increases. It also supports both the proposal to remove the retail payment option and the penalty charge increase.

London Borough of Redbridge
The London Borough of Redbridge supports the proposed changes to the Congestion Charge as outlined in the consultation.

London Borough of Waltham Forest
The London Borough of Waltham Forest supports the proposed ULED and penalty charge increase. It considers the ULED will encourage the use of vehicles with very low emission levels.

London Borough of Wandsworth
The London Borough of Wandsworth supports and welcomes the principle of increasing the eligibility threshold for ULED. It also supports efforts that seek to improve environmental performance of buses and taxis which are exempt but amongst some of the biggest polluters. The council has no objection to proposals for removal payment option at retail outlets or the proposal to increase penalty charge. However it suggests that justification for the increase could have been better expressed in terms of congestion benefits and the deterrent effect of a higher charge.

London Chamber of Commerce and Industry (LCCI)
The LCCI asks TfL to consider the economic impact of the proposed ULED on businesses that have purchased vehicles on the premise that they would receive a 100% discount and suggests TfL works to mitigate the costs and impacts on them, particularly delivery firms and taxi/ private hire companies. It states that it is aware of the need for many businesses

to travel through the congestion charge zone that cannot currently invest in low emission vehicles and would not support any increase in the charge for those vehicles. It asks that any increase in revenue the removal of the GVD is invested in infrastructure such as electric charging points for electric vehicles and retro-fitting vehicles for businesses to reduce their emissions. It would like to see the money saved from removing the retail payment channel used to reduce the penalty charge.

London Forum of Amenity and Civic Societies
The London Forum of Amenity and Civic Societies supports the proposed ULED as it considers that if the Congestion Charging scheme is to do its job of keeping congestion down, exemptions have to be limited. It opposes the removal of the option to pay the charge at retail outlets as this is a help to some motorists, especially those who do not gone into the zone often. It also considers that this option provides business for local shops who are struggling in the current economy. It supports the proposed penalty fare increase.

London TravelWatch
London TravelWatch supports the proposed ULED. It regrets the proposed removal of the retail payment channel but understands the reasoning and cost effectiveness. It supports the penalty charge increase as it considers a single level penalty for all traffic violations is appropriate.

RAC Foundation
The RAC accepts that the proposed ULED is appropriate but suggests the GVD sunset period is extended to four years, in line with the average vehicle ownership period. It considers that the removal of the option to pay the charge at retail outlets will unfairly penalise and inconvenience motorists who do not have a bank account or credit card and will create issues for visits to the UK. It considers this issue needs to be addressed in order to avoid motorists being disadvantaged. It accepts that the proposed penalty charge increase is fair and reasonable.

Royal Borough of Kensington and Chelsea
The Royal Borough of Kensington and Chelsea states that the primary aim of the Congestion Charge must be to reduce congestion and that any discounts of exemptions must be designed carefully to avoid undermining the congestion-reducing effect. It recognises that the proposed ULED could help the emerging electric vehicle market however is concerned that it will have no bearing on the majority of London drivers' vehicle purchasing decisions. It considers there is a risk that the new ULED could have the perverse effect of disincentivising drivers from trying to reduce their emission and suggests a two-tier discount system that provides a significant discount to vehicles with CO_2 emission under 100g/km. It suggests the GVD sunset period is increased to five years. It supports the proposal to remove the option to pay the charge at retail outlets as it considers those who are less likely to have bank accounts are also less likely to own a car and drive in the Congestion Charging zone. It has no objection to the proposed penalty charge increase.

Royal Norwegian Embassy
The Royal Norwegian Embassy supports the proposed ULED and the proposal to remove the retail payment option however it states that elderly customers should have a say as this group may be disadvantaged.

Salvation Army
The Salvation Army opposes the proposed ULED because businesses, fleets and individuals who had purchased vehicles to qualify for the GVD would no longer be eligible for a 100% discount. It opposes both the proposed penalty charge increase and removal of retail payment options as it is concerned that many of its drivers tend to pay in the shops as this is the most convenient option, particularly for those without internet access.

Singapore High Commission
The Singapore High Commission opposes the proposal to remove the option to pay the charge at retail outlets as not everyone, particularly tourists visiting London, has access to the internet or a telephone. It strong opposes the proposed penalty charge increase as it considers this to already be expensive. It neither supports nor opposes the proposed ULED but comments that some low emission vehicles would lose their discount allowance.

Society of Motor Manufacturers and Traders (SMMT)
The SMMT welcomes the use of discounts to support the development of the low emission vehicle market. It recommends that policies such as the proposed ULED are long-term and consistent, and raises concerns about the proposed withdrawal of the discount for vehicles with CO_2 emissions under 100g/km, suggesting a discount of 50% apply to vehicles between 76 to 95g/km of CO_2. It suggests the sunset period be extended to three years to take into consideration the cycle of fleet and domestic purchases. It welcomes the proposed extension of discount to vans but notes that there are currently no vans on the market that meet the criteria.

We Are Futureproof
We Are Futureproof supports the aim of the proposed new ULED. It is concerned that having a single, flat charge for vehicles outside the criteria for a 100% discount removes any incentive for buyers to choose lower emission conventional cars and, perversely, may encourage drivers who are unable to choose zero or very low emission cars to return to larger ‘gas guzzler’ vehicles. It suggests a lower charge for vehicles below the current GVD threshold of 100g/km of CO_2 and an additional higher charging level be introduced for the most polluting vehicles, stating that purchases of these types of vehicles have started to rise again. It recommends that future tightening of emission limits for discounts is consulted upon and built into any new plans.

Westminster City Council

The City of Westminster continues to oppose the Congestion Charging scheme in principle, all non inflationary or legislation related charge increases, and certain minor scheme order changes that have either disadvantaged residents, local businesses or visitor drivers, or all three together. At the same time it commits to undertake the duties necessary to ensure the scheme can operate. It agrees that it is timely that the scheme is reviewed and welcomes the ‘sunset period’ for GVD. The council does not have any objections to the proposed ULED or penalty charge increase. It asks for more information to be provided regarding the proposal to remove the option to pay the charge at retail outlets before it is able to offer support for the agreement. It suggests that a solution may be to allow payment at a Travel Information Centre or at a specified bank which could accept credit by cash and provide a payment reference number.