

# **Supplementary information for the proposed changes to the central London Congestion Charge**

July 2021

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# 1.Introduction

## Purpose

This document provides information on the Congestion Charge scheme, the proposed changes to the scheme including why we are proposing them and how they have been developed, the expected traffic impacts of the proposals as well as the potential wider impacts as identified in the Integrated Impact Assessment.

## Overview of proposed changes

The Congestion Charge was introduced in central London in February 2003. The primary objective of the scheme is to reduce traffic and congestion in central London.

Since its introduction, there have been a number of changes to the scheme, including the level of daily charge and penalty charge for non-payment, the charging zone, the operating days and hours, payment methods and discounts and exemptions to the charge. The recent temporary changes to the scheme are set out in Section 2.

The current Mayor's Transport Strategy<sup>1</sup> (MTS) contains proposal 20, which states:

*The Mayor, through TfL, will keep existing and planned road user charging schemes, including the Congestion Charge, Low Emission Zone, Ultra Low Emission Zone and the Silvertown Tunnel schemes, under review to ensure they prove effective in furthering or delivering the policies and proposals of this strategy.*

Prior to 22 June 2020, the main Congestion Charge operating conditions were:

- £11.50 charge level for each charging day on which a vehicle enters the Congestion Charge zone (CCZ)
- £1 discount if using Auto Pay or Fleet Auto Pay
- £14 pay next day charge (if paid by one day after travel in the CCZ, to avoid a penalty charge notice (PCN))
- The charging hours were Monday to Friday 07:00 – 18:00, no charge at weekends
- No charging on Bank Holidays or the days between Christmas Day and New Year's Day
- 90 per cent residents' discount for eligible residents
- NHS staff and patient reimbursement schemes

The full details of the Congestion Charge before the pandemic were set out in the consolidated Charging Scheme order dated May 2019<sup>2</sup>.

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<sup>1</sup> Mayor's Transport Strategy, 2018 ([www.london.gov.uk/sites/default/files/mayors-transport-strategy-2018.pdf](http://www.london.gov.uk/sites/default/files/mayors-transport-strategy-2018.pdf))

<sup>2</sup> The consolidated Charging Scheme order dated May 2019 can be found here: [www.tfl.gov.uk/cdn/static/cms/documents/consolidated-scheme-order-may2019.pdf](http://www.tfl.gov.uk/cdn/static/cms/documents/consolidated-scheme-order-may2019.pdf)

In response to the emergency situation arising from the COVID-19 pandemic and in accordance with the Government's request for TfL to urgently bring forward proposals to widen the scope and levels of road user charging schemes, temporary changes were introduced to the Congestion Charge on 22 June 2020 and remain in place. These temporary changes were intended to support the Mayor's Streetspace plan and facilitate the flow of essential traffic (including for key workers) in central London during the pandemic. The temporary changes are:

- £15 charge level for each charging day on which a vehicle enters or is kept in the CCZ
- No Auto Pay or Fleet Auto Pay discount
- £17.50 charge level to pay after the day of travel and deadline for payment extended to three days after travel
- The charging hours are Monday to Sunday 07:00 – 22:00 except Christmas Day
- The 90 per cent residents' discount was closed to new applicants from 1 August 2020 (residents registered for the discount by this date continued to receive a 90 per cent discount)
- NHS staff and patient reimbursement schemes were expanded to encompass more staff journeys and all patients most at risk from the coronavirus
- New reimbursement arrangements were introduced for:
  - workers working at care homes located in the CCZ;
  - workers and volunteers providing services on behalf of a local authority or charity in direct response to the pandemic or which supports the most vulnerable people.

[The full details of the Congestion Charge as it applied as from 22 June 2020 are set out in the consolidated Charging Scheme order dated July 2020<sup>3</sup>.]

TfL and the Mayor keep the Congestion Charge under review to ensure its continued effectiveness, as per the MTS.

We are now consulting on new proposed changes to the Congestion Charge which we consider will enable us to continue to achieve MTS objectives and ensure the Congestion Charge continues to be effective in reducing traffic and congestion in central London.

The proposals are:

- £15 charge level for each charging day on which a vehicle enters the CCZ
- No Auto Pay or Fleet Auto Pay discount
- £17.50 charge level to pay after the day of travel and deadline for payment extended to three days after travel
- The charging hours will be Monday to Friday 07:00 – 18:00 and Saturdays, Sundays and Bank Holidays 12:00 – 18:00
- No charge from Christmas Day to New Year's Day bank holiday (inclusive)
- 90 per cent residents' discount, re-opened to new applicants
- Reimbursement arrangements for NHS patients who are vulnerable to risk of infection, care home workers working at care homes in the CCZ, local authority or

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<sup>3</sup> The consolidated Charging Scheme order dated July 2020 can be found here:  
[www.tfl.gov.uk/cdn/static/cms/documents/consolidated-scheme-order-july-2020.pdf](http://www.tfl.gov.uk/cdn/static/cms/documents/consolidated-scheme-order-july-2020.pdf)

charity workers and volunteers providing certain services in relation to the COVID-19 pandemic are proposed to be updated so that they apply during epidemics or pandemics prevalent in Greater London (which includes the current COVID-19 pandemic). The expanded NHS staff reimbursement is also proposed to continue.

A summary comparison of the pre-pandemic scheme, temporary changes and new proposals can be seen in the below table.

	<b>Pre-pandemic scheme up to 22 June 2020</b>	<b>Temporary changes to the Congestion Charge from 22 June 2020</b>	<b>Proposed changes to / provisions in the Congestion Charge</b>
Charge level	£11.50	£15	£15
Auto Pay and Fleet Auto Pay	£1 discount	No discount	No discount
Pay 'next day' charge	£14 next day charge	£17.50 if paid up to three days after travel	£17.50 if paid up to three days after travel
Charging period	Mon – Fri, 07:00 – 18:00	Mon – Sun, 07:00 – 22:00	Mon – Fri, 07:00 – 18:00; Sat, Sun & bank holidays, 12:00 – 18:00
Non- charging days	Bank holidays and the days between Christmas Day and New Year's Day	Christmas Day	Christmas Day to New Year's Day bank holiday (inclusive)
Residents' discount	90% for all residents following registration for discount	90% residents' discount closed to new applicants from 1 August 2020	90% for all residents following registration for discount (reopened to new applicants)

Reimbursements	NHS staff and patient reimbursement arrangements	NHS staff and patient reimbursement arrangements extended, and new reimbursement arrangements for care home workers working at care homes in the Congestion Charging Zone and charities and local authorities' workers/volunteers providing certain services.	<p>Extended NHS staff reimbursement arrangement.</p> <p>NHS patient reimbursement arrangement expanded to patients vulnerable to risk of infection during any future pandemic or epidemic prevalent in Greater London (this includes the COVID-19 pandemic).</p> <p>Reimbursement arrangements for care home workers working at care homes in the CCZ and charities and local authorities' workers/volunteers providing certain services during the COVID-19 pandemic expanded to any future pandemic or epidemic prevalent in Greater London.</p>
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*Table 1: Comparison of pre-pandemic Congestion Charge, temporary changes and new proposals for consultation*

Each of the proposals is discussed in detail in section five. In addition to the proposals described above, we are also proposing to make an administrative change to how residents pay for multiple consecutive charging days.

Subject to the consultation and if confirmed by the Mayor, the proposed changes would come into immediate effect the day after a decision is made for them to be implemented, expected to be later this year. The exception would be the introduction of new charging days and hours, which involve changes to signage and technology systems. The changes to days and hours would come into effect on 28 February 2022.



Roadside recovery vehicles
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Table 2: Discounts to the Congestion Charge

<b>Exemptions</b>
Two-wheeled motorcycles and mopeds
Emergency service vehicles (police, ambulance, lifeboat and fire service vehicles exempt from Vehicle Excise Duty)
NHS vehicles that are exempt from vehicle tax
Vehicles used by disabled people that are exempt from vehicle tax
Vehicles for more than one disabled person that are exempt from vehicle tax
Designated wheelchair accessible PHVs licensed with TfL (when fulfilling a booking)
Taxis licensed by TfL
HM Coastguard and Port Authorities vehicles
Certain borough and TfL operational vehicles
Armed forces vehicles
Royal Parks Agency and Crown Estate Paving Commission vehicles

Table 3: Exemptions to the Congestion Charge

There are also reimbursement arrangements for NHS staff and patients, care home workers and certain charity and local authority workers or volunteers. More information on these rules can be found here: <https://tfl.gov.uk/modes/driving/reimbursements-of-the-congestion-charge-and-ulez-charge>. The full details of the existing exemptions as from 22 June 2020 are set out in the consolidated Charging Scheme order dated July 2020<sup>4</sup>.

## Initial impacts

Following its introduction, the Congestion Charge was very effective in reducing traffic and congestion in the CCZ. There was a 30 per cent reduction in congestion within the CCZ, and a 15 per cent reduction in circulating traffic. In addition, by reducing the overall volumes of traffic within the CCZ and increasing the efficiency of circulating traffic, the

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<sup>4</sup> The consolidated Charging Scheme order dated July 2020 can be found here: [www.tfl.gov.uk/cdn/static/cms/documents/consolidated-scheme-order-july-2020.pdf](http://www.tfl.gov.uk/cdn/static/cms/documents/consolidated-scheme-order-july-2020.pdf)



Congestion Charge was responsible for a reduction in emissions. This equated to approximately a 12 per cent emissions reduction of both NO<sub>x</sub> and PM<sub>10</sub> from road traffic and 20 per cent reduction in emission of CO<sub>2</sub> from road traffic, based on a 24-hour annual average day.

## Congestion Charge in recent years

The MTS highlighted that 15 years after the introduction of the Congestion Charge, while it remained an integral part of managing road space, the challenge facing central London had changed. It emphasised the changing composition of vehicles in the CCZ and the times in which they entered.

One of the elements discussed was the growth in uncharged vehicles in the CCZ, in particular the rise in the number of private hire vehicles (PHVs). It stated that the number of PHVs entering the CCZ had grown from the 4,000 predicted in 2003 to more than 18,000 daily.

In April 2019, the PHV exemption was removed, except for those designated as wheelchair accessible, following public consultation. This had the effect of reducing the number of unique PHVs entering the CCZ in line with expectations when compared to before the exemption was removed.

The MTS also set out that weekend traffic levels in the CCZ had become similar to levels on weekdays. The graphs below, taken from the MTS, showed traffic levels in the CCZ on weekdays and at the weekend (Saturday and Sunday average) by half hour period. This demonstrated the high levels of traffic at the weekend in comparison to weekday traffic levels.

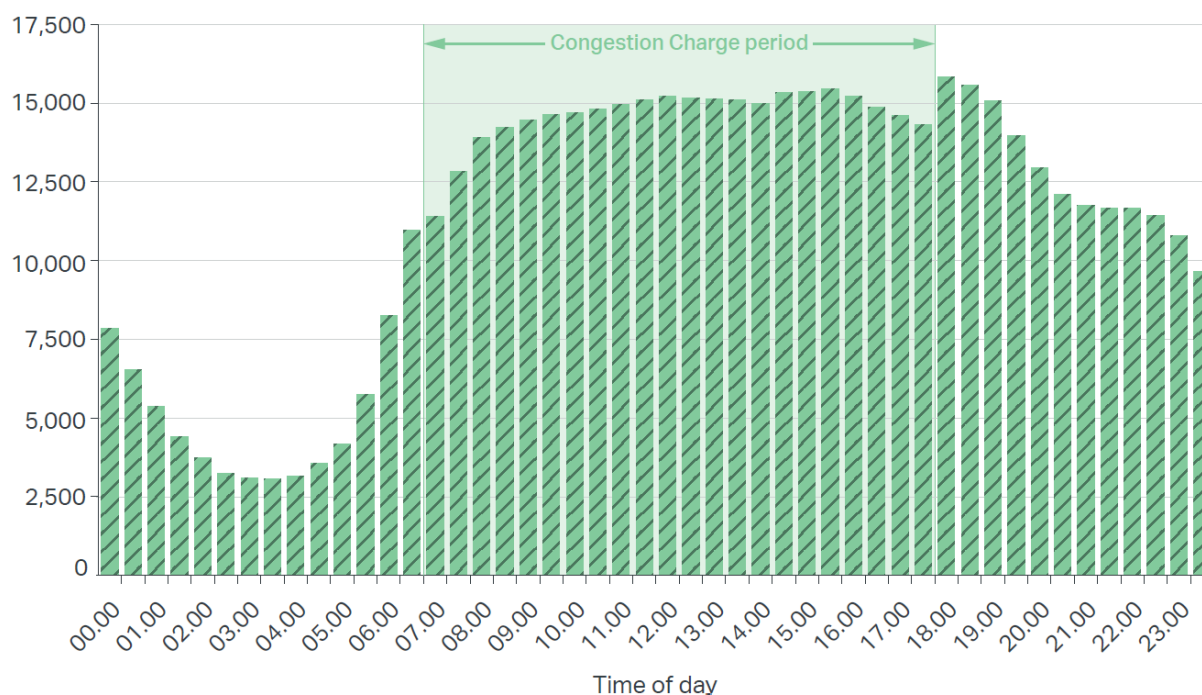


Figure 2: Traffic levels in CCZ by half hour, Monday to Friday average (Source: Mayor's Transport Strategy, 2018)

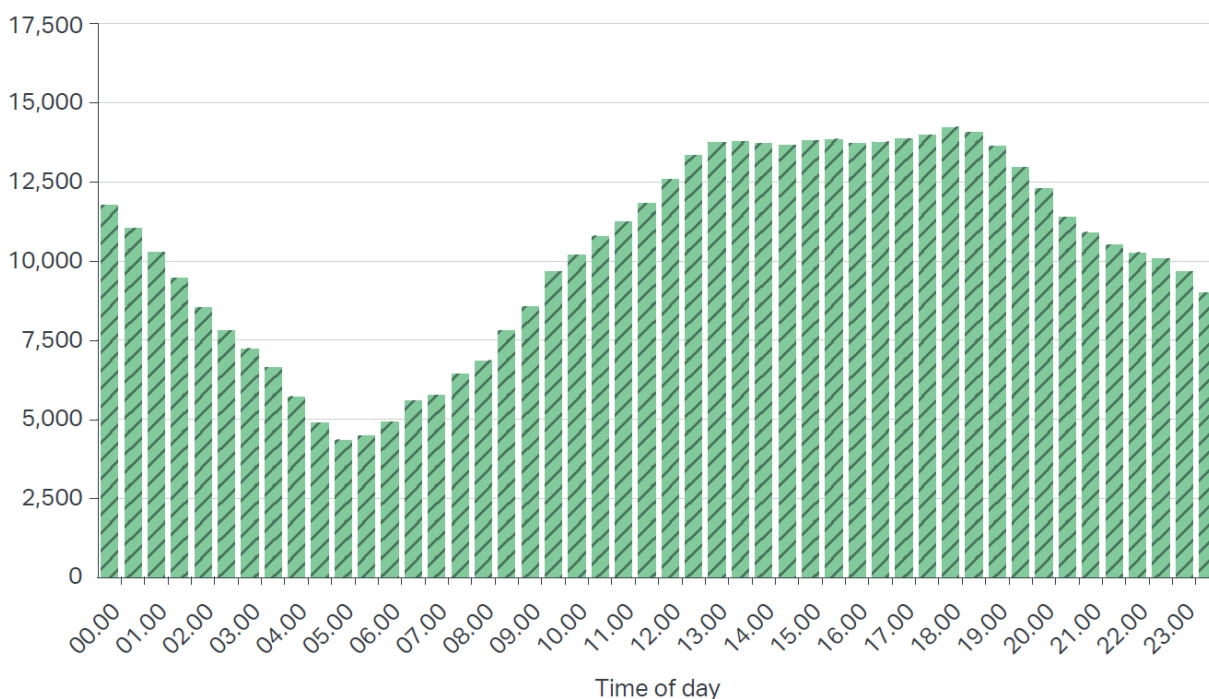


Figure 3: Traffic levels in the CCZ by half hour, Saturday and Sunday average (Source: Mayor's Transport Strategy, 2018)

## Temporary changes to the Congestion Charge

To address the transport challenges arising from the COVID-19 pandemic, a package of temporary changes to the Congestion Charge came into effect on 22 June 2020. The temporary changes were introduced following a funding package being agreed with the Department for Transport, with one aspect being to urgently bring forward proposals to widen the scope and levels of road user charging schemes. These changes are intended to support the enhanced provision of space for walking and cycling as implemented by the Mayor's Streetspace plan and facilitate the free flow of essential traffic including buses and freight. The Mayor has committed TfL to keeping these temporary changes under review having regard to the transport challenges created by the pandemic and taking account of important milestones in the response to the pandemic or significant changes in circumstances.

Following the Government's announcement of the progression to Step 4 of the 'Roadmap out of lockdown' on 19 July 2021, we reviewed the transport challenges arising from the pandemic and identified that the following are likely to persist beyond Step 4:

- a slow return of users to public transport and a general reluctance for people to currently return to using it as they did pre-pandemic;
- temporary road space changes to roads in the CCZ reducing capacity for motorised traffic, with no immediate plans to return to the pre-pandemic situation; and
- the return of traffic at a faster rate than public transport use, bringing with it the potential risk of a car-based recovery, with its associated impacts on health, the environment and road danger, as well as and the inability of central London's limited road capacity to cope.

The temporary changes to the Congestion Charge scheme remain a necessary response to these persistent challenges. They will remain in place and will continue to be kept under review. If the temporary changes are still in place at the time of the proposed implementation of any proposed changes or provisions (as per this consultation), the intention is that they will be replaced by these proposals.

### **3.The case for new proposals**

#### **The Mayor's Transport Strategy (MTS)**

The Mayor's Transport Strategy (MTS) sets out the healthy streets approach, which puts people at the centre of transport planning. The MTS recognises that the success of London's transport system relies on reducing Londoners' dependency on cars in favour of increased walking, cycling and public transport use. As such, the central aim of the MTS is for 80 per cent of all trips in London to be made on foot, cycle or public transport by 2041.

An increase in the number of journeys being made by people walking, cycling and using public transport, and a reduction in car use across London, will not only deliver the vision and central aim of the MTS, but will also help address poor air quality and the climate emergency, deliver the Mayor's ambition for Vision Zero and provide vibrant, attractive and inclusive public spaces. In addition, a shift from car use to more space-efficient means of travel also provides the only long-term solution to the congestion challenges that, as outlined in the MTS, threaten London's status as an efficient, well-functioning city.

Reliable deliveries and servicing, high-quality public services and easy access to workplaces and cultural and leisure attractions are all dependent on the development of an increasingly efficient transport network. Reducing car dependency and increasing the share of sustainable modes of transport (sustainable mode share) is a critical component to keeping London moving.

#### **Sustainable mode share**

Delivering the mode share aim of the MTS requires that London's public transport provides a reliable and practical alternative to car use, and that people feel safe and confident to walk and cycle. Achieving this requires that the negative impacts of traffic and congestion caused by motorised vehicles are reduced.

Prior to the pandemic, across Greater London, we were making steady progress towards the MTS aim for 80 per cent sustainable mode share. In 2019, 63.2 per cent of all trips were made by sustainable modes. The latest mode share estimates are for Q3 2020, which found sustainable mode share had reduced to 54.9 per cent as a result of the significant change in travel behaviour due to the pandemic. Although trips by public transport have decreased, there has been an increase in walking and cycling, though there continues to be a significant risk of increasing car travel.

The 80 per cent mode share aim is a London wide ambition. For trips being made within, to and from central London, the expected mode share in 2041 is:

Travel between central area and	MTS 2041 expected walk/cycle/bus mode share
Central	95%
Inner	99%
Outer	99%

*Table 4: Mode share (expected) in 2041 (Source: Mayor's Transport Strategy, 2018)*

The central London 2041 mode share ambitions in Table 4 reflect the already higher sustainable mode share of these trips and the very high levels of public transport connectivity. Prior to the pandemic, a 90 per cent sustainable mode share for trips made by London residents within central London had been achieved, with almost all remaining car trips potentially switchable to sustainable modes.

Despite this high sustainable mode share, congestion was still evident within the CCZ especially outside charging hours. High levels of traffic and congestion in the CCZ add delay to journey times for businesses and individuals, reduce the reliability of buses, worsen air pollution and make streets less safe for those walking and cycling. Reducing traffic improves conditions for those sustainable modes, which is required to meet MTS objectives.

## Efficient movement in central London

A shift from car use to sustainable modes also makes more efficient use of London's streets. Compared to buses and people walking and cycling, cars take up considerably more road space per person. The MTS sets a clear total traffic reduction target of 10-15 per cent by 2041 to tackle congestion and improve the efficiency of streets for the movement of people and goods.

The tightly constrained road network in central London means efficient movement is fundamental to the continued success of such a limited geographical area. Reducing car use provides economic benefits by freeing up space and reducing journey times for essential trips that keep London's businesses and key services functioning.

Around 50 temporary or experimental street space schemes have been implemented by TfL and the boroughs in central London since May 2020. These include schemes to increase footway space, timed road closures and cycleways. All schemes focus on reallocating road space from general traffic to support the increased levels of travel by sustainable modes in central London.

These measures supported increased levels of sustainable travel during the pandemic (due to social distancing, reduced public transport capacity and Government advice) and are likely to remain in place beyond Step 4 of the Government's roadmap out of lockdown. These temporary measures may be considered for permanency, subject to consultation, engagement and assessment of their impacts.

In developing new proposals for the Congestion Charge, we have considered the pre-pandemic situation with regards to traffic and congestion with the road network capacity

available at that time, as well as the existing capacity of the road network given there are number of temporary and experimental schemes in place and it is possible that some or all may remain in place (but this is uncertain).

The Congestion Charge plays an important role in helping to manage traffic and congestion. The MTS highlighted that the scheme may need to be reviewed in light of increased traffic before the temporary Streetspace changes were introduced. If any Streetspace schemes in central London are made permanent in the future after due process is followed, the case for reducing traffic levels would be even stronger.

## **4. Development of proposals**

Prior to the pandemic, the MTS highlighted the traffic challenge in central London with high levels of traffic outside charging hours.

Section 2 outlined previous changes to the Congestion Charge scheme as a result of ongoing review of the traffic conditions and relevant external factors in central London.

Looking forward, it is clear that some of the transport challenges that have arisen as a result of the pandemic may be longer-term features of the transport landscape in central London.

New proposals have been developed to ensure the Congestion Charge scheme remains effective in managing traffic and congestion in central London in support of long term MTS objectives as well as effectively addressing persistent transport challenges arising from the pandemic.

## **Transport scenarios and forecasts**

We have undertaken a scenario planning exercise to help inform future decision making, given the need to understand the impact of the pandemic on the economy and travel demand in the future. We have developed five post-pandemic scenarios to account for the increased uncertainty. To allow for detailed assessment, we have also created two fully modelled forecasts which combine assumptions from the five scenarios. This includes a Reference Case - which assumes a close return to pre-pandemic travel behaviours and updated economic forecasts - and the Hybrid forecast - which assumes slightly slower population growth, more working from home and online shopping and a slower recovery in public transport usage.

In both the current Reference Case and Hybrid forecast, traffic levels in central London could increase, as shown in Figure 4. In the Hybrid forecast - in part due to the impact from the slower recovery in public transport usage - we could effectively lose the last 10 to 15 years of traffic reduction without intervention. Further information can be found in the Integrated Impact Assessment (IIA), within the Consultation Materials.

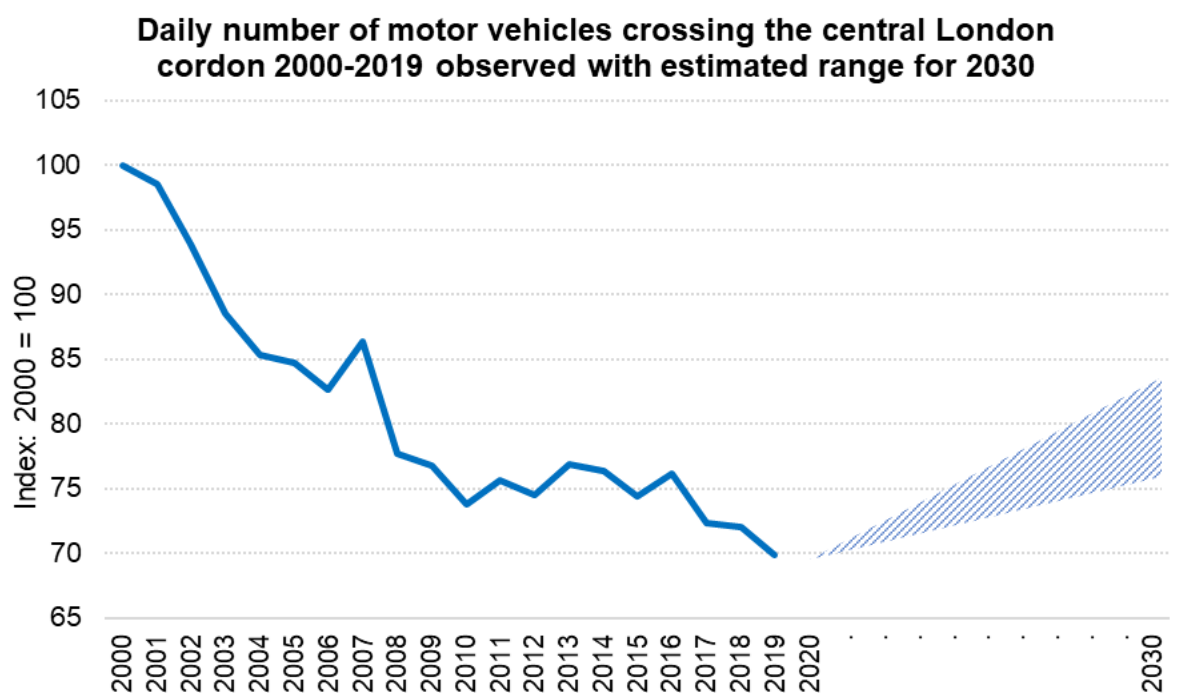


Figure 4: Daily number of motor vehicles crossing the central London cordon 2000-2019 with 2030 estimate (Source: TfL modelling)

In November 2020, the GLA commissioned Arup to produce a report on the future of the Central Activities Zone. The ‘Central Activities Zone (CAZ) Economic Futures Research’ report was published in March 2021<sup>5</sup> and recommends an ambitious step change in creating inclusive and accessible public realm with increased space for pedestrians and active travel. Complementing this, the report says, is: the need to remove vehicles from some areas of the CAZ to create large ‘car free’ areas; and a review of the congestion charge to prevent a car led recovery and ensure traffic levels are kept low.

## Option development

We have assessed several potential changes to the Congestion Charge for their effectiveness in achieving its primary objective of traffic and congestion reduction in support of the policies and proposals of the MTS.

A summary of options considered including why they were or were not taken forward to consultation is included in the below table.

Parameter	Option	Taken forward / Rejected	Justification
Charging level	Increase charge to £13	Rejected	<ul style="list-style-type: none"> <li>Modelling analysis indicates that the charge would have a lesser impact on traffic in the CCZ,</li> </ul>

<sup>5</sup> <https://www.london.gov.uk/business-and-economy-publications/central-activities-zone-caz-economic-futures-research>.

			reducing car kms in the CCZ in pre-pandemic charging hours by around 1.5%
	Increase charge to £15	Taken forward	<ul style="list-style-type: none"> <li>Modelling indicates a £15 charge would be expected to reduce car kms in the CCZ in pre-pandemic charging hours by around 4%</li> </ul>
<b>Weekday Charging hours</b>	Extend charging hours in the evening	Rejected	<ul style="list-style-type: none"> <li>Not being taken forward while future weekday travel patterns remain uncertain and due to potential impacts on the recovery of the evening economy</li> </ul>
	End charging at 6pm	Taken forward	<ul style="list-style-type: none"> <li>In combination with a £15 charge level, there is a traffic reduction in pre-pandemic charging hours. The profile of traffic in the evening will be kept under review</li> </ul>
<b>Weekend charging hours</b>	Charging hours 12 noon – 6pm	Taken forward	<ul style="list-style-type: none"> <li>Traffic levels at weekends are similar to weekdays, with car and PHV traffic even higher than on an average weekday, pre-pandemic, causing delay to essential traffic including buses and freight.</li> <li>Highest levels of traffic seen on weekends from midday.</li> <li>In combination with a £15 charge, there is a reduction in car traffic of around 15%.</li> </ul>
	Extend charging hours beyond 12 noon – 6pm	Rejected	<ul style="list-style-type: none"> <li><b>Although entries to the zone have been higher on Saturday and Sunday compared to an average weekday, overall traffic levels are lower on weekend mornings.</b></li> <li><b>Longer charging hours at the weekend, given the different activity profile compared to weekdays, may adversely impact some individuals.</b></li> </ul>
<b>Charging days</b>	Charge weekends	Taken forward	<ul style="list-style-type: none"> <li>Traffic levels at weekends are similar to weekdays, with car and PHV traffic having been even higher than on an average weekday, pre-pandemic</li> <li>Extends the benefits of reduced traffic and congestion (including freeing up road space for sustainable modes and essential traffic, as well as emissions reductions) to weekends, when</li> </ul>

			more people are travelling for leisure
	Charge bank holidays	Taken forward	<ul style="list-style-type: none"> <li>Car and PHV traffic were higher on bank holidays than on an average weekday pre-pandemic</li> <li>Extends the benefits of reduced traffic and congestion to bank holidays when there are likely to be higher proportions of visitors and leisure trips</li> </ul>
	Charge-free weekends	Rejected	<ul style="list-style-type: none"> <li>Traffic levels at weekends are very similar to weekdays, with car and PHV traffic even higher than on an average weekday pre-pandemic, causing delay to essential traffic including buses and freight</li> </ul>
	Charge-free period from Christmas Day to New Year's Day Bank Holiday inclusive	Taken forward	<ul style="list-style-type: none"> <li>Fewer alternative travel options on Christmas day</li> <li>Changes to travel patterns throughout period, for example through the closure of some businesses throughout the period, reducing traffic and the impact of journeys for those who are travelling on those days</li> </ul>
<b>Discounts, charges and exemptions</b>	Maintain residents 90% discount	Taken forward	<ul style="list-style-type: none"> <li>Residents receive a 90% discount in recognition of the fact they are unable to avoid the charge if they need to drive</li> <li>Removing the discount would have greater impacts for residents whose opportunity to avoid the charge would be even more constrained by the proposed higher charge level and introduction of weekend charging</li> </ul>
	Remove residents' discount	Rejected	<ul style="list-style-type: none"> <li>At this time, it remains appropriate to provide a reduced level of charge for residents who may have less option to avoid the charge</li> </ul>
	Reduce residents' discount	Rejected	<ul style="list-style-type: none"> <li>The higher charge level and extension of charging hours to weekends may further influence some residents' mode choice. The impact of the new proposals, if confirmed, on residents' car trips would be kept under review</li> </ul>
	Longer-time period to pay	Taken forward	<ul style="list-style-type: none"> <li>To provide drivers with more time to pay the charge (at a higher rate</li> </ul>



	'next day' following travel into the CCZ		than the ordinary charging level) before being issued with a PCN
	Increase charge level for 'next day' payment to £17.50	Taken forward	<ul style="list-style-type: none"> <li>• Increase to charge required to continue incentive to pay in advance of travel into the CCZ. The £2.50 price differential between the ordinary charging level and deferred charge is retained</li> </ul>
	Remove Auto Pay and Fleet Auto Pay discount	Taken forward	<ul style="list-style-type: none"> <li>• The rationale for introducing Auto Pay discounts was to encourage people to switch to paying by account. As the majority of people now pay by Auto Pay, this incentive is no longer required</li> <li>• Removing the discount reinforces that access to road space in central London should not be discounted for those who are liable to pay the full charge</li> <li>• An incentive remains to continue using Auto Pay as it reduces the risk of having to pay a higher charge in the days following travel in the zone or incurring a PCN for non-payment</li> </ul>
	Introduce wider reimbursements or make changes to existing reimbursement schemes	Taken forward	<ul style="list-style-type: none"> <li>• The extension of the NHS staff reimbursement is proposed to be retained</li> <li>• The other reimbursement arrangements introduced as part of the temporary changes will be retained and extended to ensure they can be used in future pandemic and epidemics in Greater London, recognising the positive impacts this has had for those in response roles and vulnerable people they support</li> </ul>

## 5. The proposals and their impact on traffic and congestion

The new Congestion Charge proposals have been developed to support the long term aims of the MTS whilst also helping to address short to medium term transport challenges. The Congestion Charge is one of the key tools to manage road space and demand in central London but relies upon continual review to ensure its ongoing effectiveness in changing circumstances.

## **£15 charge level**

### **Background and context**

The charge level was previously increased in 2014, when it increased from £10 to £11.50. Previous changes included an increase in 2011 from £8 to £10 and an increase in 2005 from £5 to £8. The period since 2014 is the longest time in which a permanent increase to the charge level has not been made, gradually eroding the deterrent effect of the charge.

In June 2020, the charge level was temporarily increased to £15 as part of the temporary measures introduced in response to the transport challenges created by the pandemic.

### **What is proposed?**

We are proposing to set the charge level at £15 to help reduce traffic and congestion in central London and support the other aims of the MTS. The increase in charge level reflects the high value of road space in central London and has been assessed and forecast to have a positive impact on (that is, to reduce) traffic in the CCZ. Road space in central London is tightly constrained and as far as possible, motorised traffic should be disincentivised from entering the CCZ.

High levels of motorised traffic in such a small area have significant negative impacts on those who work, visit and live in central London, increasing costs for businesses, slowing down essential journeys and negatively impacting air quality.

### **Impact of the proposal**

A £15 charge level is expected to reduce car kms in the CCZ by around four per cent between 07:00 – 18:00 on weekdays, compared to a situation where no changes were made to the pre-pandemic scheme. This is a significant reduction in an area where road space is heavily constrained and demand is high. The reduction in car usage is expected to result in an increase in sustainable travel to, within and from the CCZ with around 6,000 new trips made by public transport and 2,000 new walking and cycling trips made into each weekday.

## **Monday to Friday charging hours 07:00-18:00**

### **Background and context**

Prior to the pandemic, the Congestion Charge operated on weekdays from 07:00 – 18:00.

The hours of operation were temporarily extended in June 2020 to 07:00 – 22:00 on weekdays and weekends as part of the temporary measures introduced in response to the transport challenges created by the pandemic.

## **What is proposed**

We are proposing that the Congestion Charge will operate on weekdays from 07:00 – 18:00, the same weekday charging hours as the pre-pandemic scheme.

As highlighted in the MTS, traffic was at its highest in the evening after charging hours end. An increase in traffic after charging hours end is, to some extent, to be expected as traffic is no longer disincentivised from driving in the CCZ. When determining the right time to end the Congestion Charge operating hours on weekdays, we have considered the changing and uncertain nature of weekday travel patterns, the impact on the evening economy in central London and on those who need to carry large or heavy loads to participate in it or drive in for shift work.

It is also recognised that there may be cumulative impacts of the proposed package of changes which could impact overall weekday traffic and congestion levels. A higher charge level during the week (and removal of the Auto Pay discount) will result in some mode shift. Charging at weekends will also influence mode choice for a new cohort of drivers, which could extend benefits to journeys made on other days.

If the proposed new weekday charging hours are implemented, they will be kept under review to understand their impact on evening traffic.

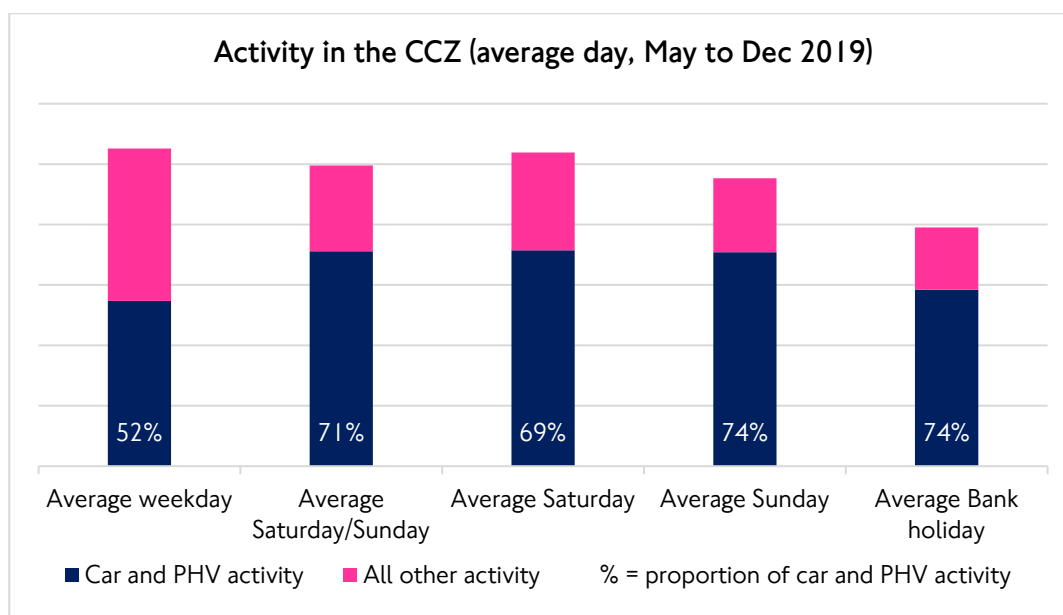
## **Impact of proposal**

This proposal is not expected to impact traffic and congestion as compared to the pre-pandemic scheme. However, wider changes to the Congestion Charge, weekday travel patterns and the road network in central London could lead to changes in behaviour which could have knock-on impacts for traffic levels in the CCZ in the evenings.

## **Saturday and Sunday charging hours from 12:00 – 18:00**

### **Background and context**

Prior to the pandemic, car (including PHV) traffic was higher on Saturdays and Sundays than on an average weekday. Car and PHV traffic also made up over 70 per cent of traffic in the CCZ at the weekend, compared to 50 per cent in the week.



*Figure 5: Activity in CCZ comparing average weekday, average weekend and average bank holiday*

As highlighted in the MTS, the challenge facing central London has changed. With higher levels of car and PHV traffic seen at the weekend, the pre-pandemic charging days did not reflect the days of the week with the highest number of entries to the CCZ. It is necessary to take steps to help reduce levels of traffic and congestion seen at the weekend to ensure we meet the aims of the MTS, with the proposed charging hours reflecting this.

High traffic levels at the weekends contribute to congestion and delay, including for bus passengers, as well as a less pleasant street environment, higher levels of emissions and increased road danger.

Charging on Saturday and Sunday from 07:00 – 22:00 was temporarily introduced in June 2020 as part of the temporary measures introduced in response to the transport challenges created by the pandemic.

## **What is proposed?**

We are proposing that weekend charging hours will be from 12:00 – 18:00 on Saturdays and Sundays, when traffic is at its highest.

Although entries to the CCZ have been higher on Saturday and Sunday compared to an average weekday, overall traffic levels are lower on weekend mornings. Given the different activity profile at the weekends compared to weekdays, we are proposing shorter hours at the weekend which will help to mitigate the impact on some individuals.

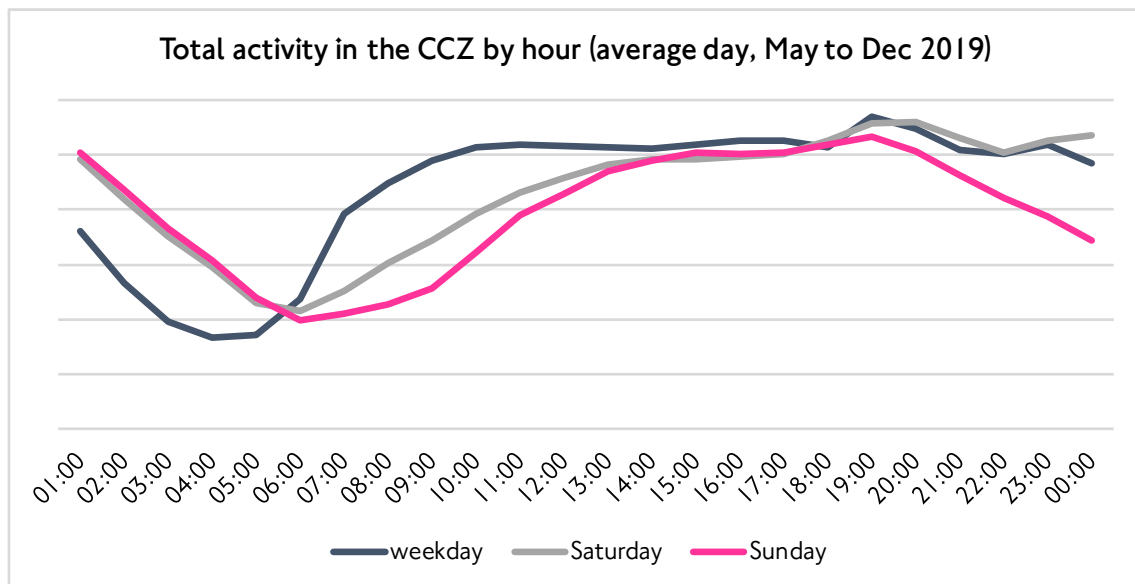


Figure 6: Total activity by hour on Saturdays, Sundays and average weekday in CCZ

Shorter hours of operation at the weekend could help to support freight trips that have a positive impact on London's weekend economy. Starting the hours later also accounts for later availability of public transport on the weekend.

### Impact of the proposal

A £15 charge between 12:00 and 18:00 on Saturdays and Sundays is expected to reduce car kms in newly charged hours by around 15 per cent compared to a situation where no changes were made to the pre-pandemic scheme. As a result, sustainable travel to the CCZ is expected to increase. It is estimated that there will be around 8,000 new public transport trips and 3,000 walking and cycling trips each day on the weekend.

## Bank Holiday charging hours from 12:00 – 18:00

### Background and context

Prior to the pandemic, car and PHV traffic was higher on Bank Holidays than on an average weekday.

All days except Christmas Day were charged as part of the temporary measures introduced in response to the transport challenges created by the pandemic.

### What is proposed?

We are proposing to introduce Bank Holiday charging hours from 12:00 – 18:00. This will help to encourage the use of sustainable modes of travel and reinforce that central London road space is tightly constrained across all days. Charging the majority of Bank Holidays also means that for most of the year the Congestion Charge will operate seven days a week.

## **Impact of the proposal**

The impact of the proposal is likely to be similar to that expected at the weekends, with around 15 per cent reduction in car kms in the newly charged hours with a £15 charge.

## **No charge between Christmas Day and New Year's Day bank holiday (inclusive)**

### **Background and context**

Prior to the pandemic, the Congestion Charge operated Monday to Friday excluding Bank Holidays and the period between Christmas Day and New Year's Day.

The days of operation were extended to include every day except Christmas Day as part of the temporary measures introduced in response to the transport challenges created by the pandemic.

### **What is proposed?**

We are proposing that the period in between Christmas and the New Year's Day bank holiday inclusive (including where this falls later than 1 January due to New Year's Day falling on a weekend) will not be charged.

Traffic levels are normally around 20 per cent lower during this week. Public transport is not available on Christmas Day and, given the lower traffic levels, trips in the CCZ are likely to have less of an impact on congestion.

### **Impact of the proposal**

There is not expected to be a traffic impact from this proposal compared to the pre-pandemic scheme, as those days were not previously charged.

## **90 per cent residents' discount, open to new and existing residents**

### **Background and context**

In 2003, when the scheme was introduced, a 90 per cent residents' discount was provided in recognition that residents are unable to avoid the charge if they need to drive.

The residents' discount was closed to new applicants from 1 August 2020 as part of the temporary measures introduced in response to the transport challenges created by the pandemic.

## **What is proposed?**

In light of additional charging hours at weekends, there are fewer opportunities than previously for residents to avoid the charge. We are proposing to maintain the 90 per cent residents' discount and to re-open applications for all eligible residents to register for the discount.

## **Impact of the proposal**

There is not expected to be a noticeable traffic impact from this proposal as compared to the pre-pandemic scheme, as this re-opens applications for the residents' discount that was in place previously (and which continued for registered residents). There may be some small impact on residents' travel behaviour from the introduction of charges at the weekend and the higher charge level.

## **£17.50 pay 'next day' charge (up to three days after travel)**

### **Background and context**

The pay next day charge provides customers with an opportunity to pay the Congestion Charge at a slightly higher rate following their day of travel before they are issued with a PCN (penalty charge notice) for non-payment. The mechanism allows drivers to avoid a PCN if they remember to pay shortly after they have been in the CCZ. Prior to the pandemic, the pay next day charge was set at £14 (£2.50 above the usual charge) and customers only had one day to pay.

The pay 'next day' charge was temporarily increased to £17.50 (with three days to pay) in June 2020 as part of the temporary measures introduced in response to the transport challenges created by the pandemic.

## **What is proposed?**

We are proposing that the pay 'next day' charge is set at £17.50 and that the deadline for making a delayed payment is three days after the day of travel. Failure to pay after that deadline will result in a PCN being issued in the normal way. This proposal provides drivers with additional time to pay the Congestion Charge and the proposed increase is in line with the previous difference between the Congestion Charge and pay next day charge (£2.50 difference).

## **Impact of the proposal**

This proposal maintains the differential in the charge level for a delayed payment in line with the proposed charge level of £15. However, it is expected to benefit drivers as it provides them with additional days to pay the charge, albeit at a slightly increased level, before they are issued with a PCN.

# Removing the Auto Pay and Fleet Auto Pay discounts

## Background and context

Auto Pay was introduced in January 2011 and allows customers to be automatically billed monthly for the number of charging days on which their vehicle is used within the CCZ, providing they have an Auto Pay account. There are two forms of Auto Pay: Auto Pay and Fleet Auto Pay. Fleet Auto Pay is available for businesses with six or more vehicles, allowing them to add multiple vehicles to one account. It has the same benefits as standard Auto Pay and helps businesses to administer the Congestion Charge for larger fleets.

Auto Pay and Fleet Auto Pay were introduced to help make the process of paying the Congestion Charge simpler and to remove the risk of incurring a PCN for non-payment. To encourage people to adopt this form of payment, a £1 discount was given. This has been very successful, with more than three quarters<sup>6</sup> of customers now paying via Auto Pay.

Even without the discount, it is still beneficial for customers to use Auto Pay and Fleet Auto Pay as it removes any administrative burden of paying for the Congestion Charge on a daily basis as well as the risk of receiving a PCN for non-payment and it is simple to use.

Auto Pay and Fleet Auto Pay discounts were removed as part of the temporary measures introduced in response to the transport challenges created by the pandemic.

## What is proposed?

We are proposing that the £1 discount for both Auto Pay and Fleet Auto Pay is removed. It is evident that the original reason for introducing the discount to incentivise uptake of the payment method has been successful and, therefore, the discount is no longer required. In addition, removing the discount reinforces that access to road space in central London should not be discounted for those who are liable to pay the full charge.

## Impact of the proposal

This proposal continues to allow customers and businesses to benefit from the Auto Pay and Fleet Auto Pay systems. The original intention of the discount was to incentivise a new mechanism of charging, however, given high levels of use it is no longer considered necessary to provide a discount. It is not expected that this change alone will have a considerable impact on customers or businesses traveling into the CCZ, or traffic levels, though it will add an additional deterrent effect by eliminating what would otherwise be a reduction on the increased charge level.

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<sup>6</sup> Based on Congestion Charge payment activity for January–May 2021, on average around 76 per cent of customers paid via Auto Pay.



# **Retaining and adapting temporary reimbursement schemes**

## **Background and context**

Pre-pandemic, reimbursements were available for NHS staff and NHS patients in respect of certain journeys.

The eligibility criteria of the NHS staff and the NHS patient reimbursement schemes were expanded, and new arrangements introduced for care home workers, local authorities and charities as part of the temporary measures introduced in response to the transport challenges created by the pandemic.

## **What is proposed**

We are proposing to either retain or adapt the reimbursement arrangements that were introduced as part of the temporary changes to ensure that people most vulnerable to infection from epidemics and pandemics continue to be protected and to facilitate essential trips made by NHS staff in times of exceptional or extraordinary circumstances including for commuting purposes.

The NHS staff reimbursement arrangement would continue in its expanded form.

The NHS patient, care home workers and local authorities and charities reimbursement criteria would be modified to replace COVID-19 specific references with references to a pandemic or epidemic prevalent in Greater London. The existing reimbursement arrangements would continue seamlessly if the proposed changes are implemented so reimbursements would remain available for eligible journeys taken during the COVID-19 pandemic.

## **Impact of the proposal**

Continuation of the reimbursements is expected to have a positive impact on specific groups in exceptional circumstances, but is not expected to result in significant traffic impacts.

# **Removal of resident online and app payments for consecutive charging days**

## **Background and context**

Holders of the residents' discount can currently pay for multiple consecutive charging days by post, call centre, App or online, and may also pay for any number of charging days by Auto Pay.

## **What is proposed**

We are proposing to remove the ability for residents to pay by App or online for multiple consecutive charging days. Resident payments for multiple consecutive charging days will

still be able to be made by post or via the call centre and residents will still be able to pay for any number of individual charging days by Auto Pay.

### **Impact of the proposal**

The number of residents who do not use Auto Pay is relatively small, the frequency of purchases of multiple consecutive charging days is low and alternative payment channels will remain available, therefore, this proposal is not expected to have a significant impact on holders of the residents' discount.

## **6. Summary of the Integrated Impact Assessment**

A change to a scheme such as this will have multiple impacts. It is important that TfL, in developing the proposals, and the Mayor, as decision maker, understand and consider the potential impacts of the proposals.

The objective of an Integrated Impact Assessment (IIA) is to understand the impacts of proposals, both positive and negative, of the following assessment areas:

- Equality impacts;
- Business/economic impacts;
- Environmental impacts;
- Health impacts.

Each assessment includes a baseline, objectives, evidence of likely impacts of the proposals, assessment of these against the objectives, and a summary of potential positive and negative impacts. An IIA also identifies possible measures to enhance the positive impacts of proposals and mitigate against the negative impacts. They often include engagement with stakeholders to understand the impact of the proposals on relevant groups.

Following a competitive procurement process, we commissioned Jacobs to undertake an IIA on the proposed changes to the Congestion Charge. The full document can be found on the consultation website, with a summary provided below.

### **The wider impacts of the proposed package**

The objectives and assessment for the IIA undertaken by Jacobs were split into three themes: London's people (including health and equalities assessment), London's economy and London's environment. Each of the theme-focused assessments was undertaken to an agreed scope with relevant baseline.

The people category includes an assessment of 'protected characteristic' groups. This enabled Jacobs to understand how the proposals could impact all the protected characteristic groups (age, disability, sex, race, pregnancy or maternity, gender reassignment, religion or belief, and sexual orientation) and those from deprived areas / on low incomes. It also demonstrates how we have discharged the Public Sector Equality Duty when developing and deciding to put the proposed changes forward for consultation. Together with the consultation responses and any updates, the IIA will also be relied on by

the Mayor when making his decision whether to implement the proposed changes or not, including whether to make any modifications to them.

The IIA assessment compares the new proposals against the equivalent features of the pre-pandemic scheme, rather than comparing against temporary circumstances when many people would not have been travelling in the usual way. Overall impacts were determined according to their scale (extent of impact) and sensitivity (response to impact). Each impact identified was given an impact rating from -3 (major negative) to +3 (major positive). In the people section, protected characteristic groups that are particularly impacted by the proposals, either positively or negatively, are identified.

The full report is available to read as part of the supporting information for this consultation. Key findings are summarised below.

## Environment



Reduction (approximately 1.5 per cent) in annual emissions of NO<sub>x</sub>, PM<sub>10</sub> and PM<sub>2.5</sub> within central London.

Reduction (approximately 1.5 per cent) in annual emissions of CO<sub>2</sub> within central London.

## Economy



Neutral impacts overall on employment and businesses, with potential for minor impacts for some sectors (retail, accommodation and food services, arts and recreation)

Wider supply chains will be affected by the proposals but the overall impact on London's wider economy is expected to be neutral

## People (including health and equalities)



Reduction in pollutant emissions leading to positive health outcomes particularly for people living in the boroughs within the CCZ.

Increase in active travel in central London.

Improvement in bus and taxi journey times and reliability.



Increased cost of access to attend religious services during weekend charging hours in the CCZ for those unable to travel by public transport or attend at other times.

Increased costs to PHV drivers unable to spread additional costs across multiple trips.

Reduction in travel by individual with a fear for their safety on public transport, walking or cycling.

Potential increase in crowding on public transport.

Increased costs for disabled drivers – particularly at weekends – who do not qualify for blue badge.



Impact upon mental and physical health due to a reduction in traffic making the streets more attractive to socialise/walk/cycle on.

Improvements in road safety as a result of a reduction in congestion.



Potential reduction in noise levels likely to be imperceptible.

Mitigated or partly mitigated impacts

Financial impact for people in certain low income jobs and charities delivering mobile services using motorised transport during weekend charging hours. *Impacts on charities providing services in response to pandemics or epidemics would be mitigated by retaining the temporary charities reimbursement.*

Increased cost for those providing privately funded or voluntary care and those accessing healthcare who are unable use public transport or active travel. Particular impact on pregnant women travelling into the CCZ for medical appointments. *Partially mitigated by NHS patient reimbursement (including for pregnant women where they are vulnerable to infection during pandemics or epidemics).*

Short-term impact upon people with underlying health conditions vulnerable to coronavirus travelling by public transport if they are not eligible for reimbursements. *Mitigated by retaining the temporary NHS patient reimbursement criteria relating to those vulnerable to infection during a time of pandemic or epidemic.*

## 7. Next steps

We would like to hear your views on our proposals for changes to the Congestion Charge. You can access the questionnaire for these proposals [here](#).

In addition to this document you can read more about the expected impacts, both positive and negative, of these proposals in the [Integrated Impact Assessment](#).