

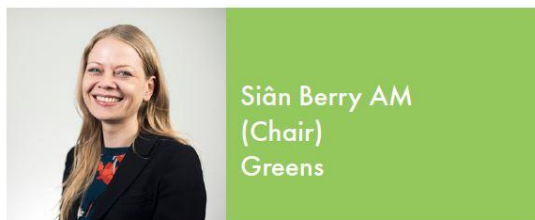


Future Road User Charging in London

Transport Committee

LONDONASSEMBLY

Transport Committee



This investigation was carried out by the Transport Committee in 2022-23, with Sian Berry AM as Chair, and the Assembly Members listed above.

The Transport Committee examines all aspects of the capital's transport system in order to press for improvements for Londoners. The Committee pays particular attention to how the Mayor's Transport Strategy is being implemented and looks closely at the work of Transport for London and other transport operators.

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Foreword



Siân Berry AM

Chair of the Transport Committee 2022-23

The original central London Congestion Charge is now over 20 years old and, ever since its introduction, there have been regular debates and discussions about how it might evolve and change, or what kind of scheme might replace it.

The Mayor of London has broad powers to introduce a range of new charging schemes if and when necessary, as does the national government. However, all current road charging schemes in London (including the Congestion Charge, the Low Emission Zone (LEZ) and the Ultra Low Emission Zone (ULEZ)) are simple and area-based, and smarter forms of road user charging have been periodically proposed, and opposed, by different groups of stakeholders. In these, higher or lower charges could relate to distances driven, pollution from vehicles, and times of higher or lower congestion on the roads.

To date, no genuinely distance-based road charging scheme has been implemented in any city or country worldwide. The current Mayor has also made statements moving from a broad intent to develop such a scheme in the future, to ruling it out in the near term.

In this investigation, the London Assembly Transport Committee did not set out to come to a view on whether or not any new road charging scheme should be developed. Instead, our members sought to start a conversation with Londoners on what any new scheme of this kind might mean for them, and how they would like to be involved in any future decisions.

Our public Call for Evidence took place during the period when the Londonwide Ultra Low Emission Zone (ULEZ) was being implemented amidst large scale press attention. Even taking this into account, the response to our call was by far the largest for any London Assembly investigation this term, demonstrating huge public interest in this topic.

The volume of responses has delayed our ability to publish findings but, after detailed and diligent work by our scrutiny team, we can now reveal what Londoners have told us.

There is no expectation that any new scheme is imminent, from any authority with these powers. However, with an election approaching, candidates for Mayor and the Assembly will need to set out their intentions so the electorate can express their views. There is much that

any future Mayor or government can learn from our recommendations should they wish to consider exploring this idea.

Executive summary

The Transport Committee held an investigation into the future of road user charging in London, which focused on examining the practical issues around the potential introduction of a future road user charging scheme in London.

As part of its investigation the Committee held two formal meetings. The first was held on 14 December 2022 with experts, campaigners and road user groups.¹ The Committee's second meeting was held on 28 February 2023 with policymakers and advisers.²

Given the importance of this topic to Londoners, the Committee also published a Call for Evidence as part of its investigation, which was open to anyone who wished to respond and submit evidence. The Call for Evidence received over 3,300 responses: by far the largest number for a London Assembly Call for Evidence in this term. Responses were received from both individuals and organisations.

Experts, and most organisations, the Committee heard from were supportive of a future road user charging scheme in London. Some organisations, and a majority of responses from individuals, did not support a future road user charging scheme. The Committee received evidence on what a future scheme might look like, and the issues regarding various different proposals for road user charging, that was difficult to reconcile into recommendations.

This report does not seek to find consensus on whether or not a smarter road user charging scheme should be introduced in London, or what any scheme might look like. It seeks to present the issues that need to be considered as part of the development of any future scheme alongside recommendations to a future Mayor, or government, considering introducing a new scheme.

The key findings from the Committee's investigation are:

- Several different objectives and design options for a future road user charging scheme are possible, and while new developments may simplify payment of charges the risk is a scheme becomes too complex. Any future Mayor or government considering a new scheme needs to be clear in what they are setting out to achieve and should aim to make the use of the scheme and payments simple for users to understand.
- Several key factors need to be considered ahead of the introduction of any future road user charging scheme – including the provision of alternatives to driving, such as public transport and active travel measures. Access to public transport varies across different parts of London, and improvements are needed to the provision, reliability and frequency of these services. Another key factor is consideration of individual privacy.
- Discussion around a future road user charging scheme in London has resulted in substantial public concern, as well as public interest. Anyone considering developing a future scheme would need to conduct early, wide and open public engagement to ensure the voices of individuals and stakeholders are heard; and that they are able to help shape any future scheme.
- A future road user charging scheme in London would have a significant impact on travel in the city. Any future Mayor, or government, considering a new scheme would need to

¹ London Assembly Transport Committee, [Agenda and minutes](#), 14 December 2022

² London Assembly Transport Committee, [Agenda and minutes](#), 28 February 2023

consult with Londoners and stakeholders regarding the design of any scheme and what mitigation measures might be needed; and consider the impact on the most affected.

Recommendations

Recommendation 1

A key principle any future Mayor or government who wished to introduce a new, smart road user charging scheme needs to consider is that using it should be as simple as possible.

Recommendation 2

A key principle any future Mayor or government who wished to introduce a new, smart road user charging scheme needs to consider is that any pricing strategy should be more equitable in the way people are charged for the length and number of journeys they make by car compared with other modes of transport and take into account economic and social concerns (and see further recommendations on equalities considerations and mitigations needed).

Recommendation 3

Any future Mayor or government who wished to introduce a new road user charging scheme would need to be clear, from the outset, about key aims and objectives of any future scheme; and what that scheme hopes to achieve; and its relationship to any future national scheme.

Recommendation 4

If any future Mayor or government wants to further develop a possible future road user charging scheme in London, they should at a very early stage ensure there is a working group that includes representatives from all relevant stakeholders that will demographically and geographically represent Londoners.

Recommendation 5

Should any future Mayor or government decide to introduce a future road user charging scheme in London, all potential revenue generated must be assigned to a programme of early improvements to public transport in London, with a significant proportion delivered ahead of introduction. These improvements could be financed by a loan based on anticipated income from a scheme.

Recommendation 6

Any future Mayor who wished to introduce a future road user charging scheme should include the development of associated public transport improvements in all stakeholder and public engagement from the earlier stages of development of any new scheme. They should ensure that detailed, budgeted plans are drawn up and consulted upon alongside any statutory consultation.

Recommendation 7

A key principle any future Mayor or government who wished to introduce a future road user charging scheme needs to consider is the importance of protecting individual privacy in the way the system is designed.

Recommendation 8

A high level of concern from members of the public in response to our Call for Evidence demonstrated that, before any future road user charging scheme is considered by any future Mayor or government, there should be an open, early, wide and well-publicised public engagement exercise, allowing people to give their views on next steps and shape any scheme design from the very start.

Recommendation 9

The design of any future road user charging scheme needs to be created in collaboration with a wide range of stakeholder groups, including:

- small and large business groups
 - groups representing Disabled people in London
 - groups representing older Londoners
 - unions and employer associations
 - groups representing local communities
 - campaigners and researchers looking at poverty and low incomes.
-

Recommendation 10

The Committee recommends that any future development in road user charging must be tested at an early stage for potential equalities impacts; and that appropriate mitigations are put in place for these. This could potentially be done through discounts and exemptions. All proposed mitigations should be consulted upon in detail with representatives of all relevant stakeholders.

Recommendation 11

The Committee also recommends that this process of equalities impact testing and consultation should apply immediately to any changes to modify or simplify the current road user charging schemes in London.

Background to road user charging

Terminology

Road user charging, also known as congestion charging, road pricing or smart road charging, describes the process whereby motorists are required to pay for driving on public roads. It is the *“levying of a fee or charge for road use that aims to use price as a means to influence a proportion of the road users to change their driving behaviour and/or travel behaviour to manage the demand for the use of road space.”*³

Transport for London (TfL) defines road user charging as *“the collective term we use to describe the following schemes that operate in London:*

- *The Congestion Charge*
- *The Low Emission Zone (LEZ)*
- *The Ultra Low Emission Zone (ULEZ)*
- *The van and minibus scrappage scheme*
- *The ULEZ car and motorcycle scrappage schemes.”*⁴

A future form of road user charging may be set up in various different ways for example, as another area-based flat charge; or by varying the charge by usage in some way. There are several possible factors charging may be based on for example distance, emissions or time of day travelled, which will be explored further in this report. In terms of terminology, the phrase ‘pay-per-mile’ is used by some to refer to a distance-based charging scheme.

History of road user charging in London

Various road user charging schemes have been introduced, and subsequently amended or extended, in London since the creation of the Greater London Authority (GLA) under the 1999 GLA Act. An overview of road user charging in London is provided in the timeline on the following page.

³ The Institute of Engineering and Technology, [Road user charging](#), 2010

⁴ TfL, [Road User Charging](#)

1999		The <u>GLA Act</u> gave the Mayor of London powers to introduce various forms of road user charging.
February 2003		Introduction of the <u>central London Congestion Charge</u> .
February 2007		The <u>central London Congestion Charge Zone</u> was <u>extended</u> to include the Western Extension, which covered most of the boroughs of Kensington and Chelsea and Westminster.
February 2008		Introduction of the <u>Low Emission Zone (LEZ)</u> . In addition, after a public consultation, a <u>£25 increased congestion charge for the most polluting cars and vans was announced by the Mayor to start in October 2008</u> , but this was cancelled after the 2008 election.
December 2010		The Western Extension of the central London Congestion Charge was <u>removed</u> following public consultation.
23 October 2017		A <u>T-Charge (Toxicity Charge) of £10 per day</u> was introduced, on top of the Congestion Charge, for vehicles that did not meet the air quality requirements.
March 2018		The <u>Mayor’s Transport Strategy</u> set out the current Mayor’s policy on future road user charging.
8 April 2019		London’s <u>Ultra Low Emission Zone (ULEZ)</u> was introduced, covering the same area as the central London Congestion Charge. This replaced the T-Charge.
25 October 2021		The <u>ULEZ</u> was <u>expanded</u> to cover all areas within the North and South Circular roads.
20 May – 29 July 2022		<u>TfL consultation</u> on expanding the ULEZ Londonwide.
25 November 2022		The Mayor <u>updated the Mayor’s Transport Strategy</u> to include an additional policy proposal.
4 – 5 July 2023		The Mayor announced the <u>ULEZ will be expanded</u> to cover almost the whole of Greater London from August 2023.
28 July 2023		A <u>judicial review</u> hearing was held. It was brought by five local authorities including the London boroughs of Bexley, Bromley, Harrow and Hillingdon and Surrey County Council.
29 August 2023		The <u>outcome of the judicial review</u> was announced. The judge ruled that the expansion of the ULEZ to cover the whole of Greater London was within the Mayor’s powers and that the consultation conducted by TfL was lawful.
14 September 2023		The <u>Ultra Low Emission Zone</u> was <u>expanded</u> to cover Greater London.
14 September 2023		The <u>Mayor says</u> pay-per-mile road charging will not be introduced during his next term as Mayor but that his working group will look at simplifying existing schemes.

Mayoral and Government powers

Powers to introduce various forms of road charging were given to the Mayor of London as part of the GLA Act in 1999.⁵ These powers are also available to borough councils and the City of London.

Schedule 23 of the GLA Act 1999, as amended by the Local Transport Act 2008, sets out how road charges may be imposed or varied:⁶

“(4) The charges that may be imposed by a charging scheme include different charges (which may be no charge) for different cases, including (in particular) —

- (a) different days;*
- (b) different times of day;*
- (c) different parts of a charging area;*
- (d) different distances travelled;*
- (e) different classes of motor vehicles.*
- (f) different methods or means of recording, administering, collecting or paying the charge.”*

(5) In setting the rates of charge, regard may be had to the purposes for which the charging authority is to apply the net proceeds of the scheme.”

Charging schemes, imposed by the Mayor or boroughs, must also be in conformity with the Mayor’s Transport Strategy.⁷

Schedule 23 also requires that any proceeds made from a road user charging scheme are regularly reported on; and that net proceeds may only be paid from the GLA for spending for relevant transport purposes by the GLA, Transport for London or London borough councils. This requirement includes the need for a ten-year plan for the first ten years of a scheme; and a regular four-year programme as long as a scheme remains in force.^{8,9,10}

The Committee heard from Christina Calderato, Director of Transport Strategy and Policy at TfL, that TfL is at the very early stages of developing a future road user charging scheme. She told the Committee:

“This is something that has been in the MTS [Mayor’s Transport Strategy] since 2018. People have looked at it over the years. Where we are now is in the context of the 2030 net zero carbon ambition for 2030 and the work by Element Energy that has said that we might need a new kind of RUC [road user charging] by 2030.”¹¹

⁵ Legislation.gov.uk, [GLA Act, Chapter XV – New Charges and Levies](#)

⁶ Legislation.gov.uk, [GLA Act, Schedule 23 – Road User Charging](#)

⁷ Legislation.gov.uk, [GLA Act, Schedule 23 – Road User Charging](#)

⁸ Legislation.gov.uk, [GLA Act, Schedule 23 – Road User Charging](#)

⁹ TfL, [The Central London Congestion Charging Scheme: The Consolidated Scheme Order, Annex 4](#), April 2013

¹⁰ TfL, [Low Emission Zones Charging Scheme: Four-Year General Programme for Applying Net Proceeds](#), March 2023

¹¹ London Assembly Transport Committee, [Transcript of Agenda Item 5 – Road User Charging](#), 28 February 2023, p.14

In September 2023 the Mayor stated that it is usual for TfL to plan for different scenarios, including future mayoralities and government policies; but that a future road user charging scheme is not on his agenda.¹²

The 2000 Transport Act gives the Secretary of State powers to introduce road user charging schemes.¹³ The Government is responsible for national motoring taxation, which comes in the form of Fuel Duty and Vehicle Excise Duty (VED). Fuel Duty is levied on purchases of petrol, diesel and other fuel; and VED is a tax levied on every vehicle using public roads in the UK. Fuel Duty and VED are both a significant source of revenue for the Government.¹⁴¹⁵

The Committee heard from Silviya Barrett, Director of Policy, Research and Projects at Campaign for Better Transport:

“We know that petrol and diesel vehicles will start to be phased out from 2030 and with that revenue from fuel duty and VED will decline. The Government has now introduced VED charges for electric vehicles from 2025. Fuel duty is the big chunk of revenue; it contributes around £28 billion every year and that pays for public services, it goes towards general taxation, as well as maintenance of roads and other public goods. It is a big chunk of money that the Government will need to replace.”¹⁶

She went on to say that local road user charging schemes can sit alongside government taxation:

“On the national level many countries are now thinking about the taxation revenue lost from electric vehicles and it is important not to conflate the two things. It is important to distinguish that the national system is for taxation and revenue-raising purposes, to replace fuel duty and potentially other excise duties lost to the transition to electric vehicles. Locally, it is about addressing the impacts of car use, congestion pollution and road danger and so on.”¹⁷

At a London Assembly Budget and Performance Committee meeting on 30 October 2023, Professor Tony Travers, Visiting Professor at LSE Department of Government and Director at LSE London, gave evidence that if the Mayor does not introduce road user charging in London with the revenue going directly to the Mayor and TfL, there is a risk that the government will set up a national scheme.¹⁸

¹² Mayor’s Question Time, [Pay-per-mile in London](#), 26 September 2023

¹³ Legislation.gov.uk, [Transport Act 2000, Part III, Chapter I – Road User Charging](#)

¹⁴ Office for Budget Responsibility, [Fuel duties](#)

¹⁵ Office for Budget Responsibility, [Vehicle excise duty](#)

¹⁶ London Assembly Transport Committee, [Transcript of Agenda Item 6 – Road User Charging](#), 14 December 2022, p.2

¹⁷ London Assembly Transport Committee, [Transcript of Agenda Item 6 – Road User Charging](#), 14 December 2022, p.13

¹⁸ London Assembly Budget and Performance Committee, [Transcript of Agenda Item 4 – The Mayor’s 2024-25 Budget – The External View](#), 30 October 2023, p.13

“It is a personal view, whatever one thinks about congestion charging in outer London, or indeed anywhere other than where it is today, there is always the risk to London - and any Mayor of any party - that if in the end London does not use the powers it has in this regard, then central Government will eventually come along and do it and take the money to national Government to the Exchequer. That is just something to bear in mind all the time that, eventually, a government will come along and could introduce a national system of road pricing that would take a lot of the revenue from London and the southeast.”

Professor Tony Travers

Visiting Professor, LSE Department of Government and Director, LSE London

The Committee does not seek to form a view on whether any new road charging schemes should be adopted, as the Committee members have differing points of view on this. This report sets out the Committee’s recommendations to any future Mayor, should they wish to develop a future road user charging scheme. It also sets out some general recommendations regarding any future road user charging scheme that would apply to any future Government considering developing a new scheme.

Overview of Committee activity and methodology

Committee activity

The Committee's investigation set out to examine the future of road user charging in London. This report does not seek to find consensus on whether or not a smarter road user charging scheme should be introduced in London, or what any scheme might look like. It seeks to present issues regarding various different proposals for road user charging that would need to be considered as part of the development of any future scheme.

The Committee held its first meeting on 14 December 2022, which focused on experts, campaigners and road user groups, to better understand their concerns and questions. The meeting was attended by the following guests:

- Adam Tyndall, then Programme Director of Transport at BusinessLDN
- Nick Bowes, then Chief Executive at Centre for London
- Matthew Hudson, Director, Rebel Group¹⁹
- Sarah King, Development Manager, Federation of Small Businesses
- Silviya Barrett, Director of Policy, Research and Projects, Campaign for Better Transport
- Carolyn Axtell, Car Free London Campaigner, Possible.²⁰

The Committee held its second meeting on 28 February 2023, which focused on policymakers and advisers and included questions based on the issues raised in the first meeting. The meeting was attended by the following guests:

- Christina Calderato, Director of Transport Strategy and Policy, TfL
- Michael Roberts, Chief Executive, London TravelWatch
- Sandeep Shingadia, Director of Strategic Partnerships and Delivery Integration, Transport for West Midlands
- Steve Gooding, Director, RAC Foundation.²¹

Further to the evidence given during the Committee's meetings, the Committee also received written correspondence from the following guests who had attended:

- Matthew Hudson, Director, Rebel Group; received 8 February 2023²²
- Sandeep Shingadia, Director of Strategic Partnerships and Delivery Integration, Transport for West Midlands; received 2 May 2023²³
- Christina Calderato, Director of Transport Strategy and Policy, TfL; received 9 June 2023²⁴

¹⁹ Rebel Group is a consultancy that works on advice, implementation and development of a range of policy issues including sustainability, transportation and urban development.

²⁰ London Assembly Transport Committee, [Agenda and minutes](#), 14 December 2022

²¹ London Assembly Transport Committee, [Agenda and minutes](#), 28 February 2023

²² London Assembly Transport Committee, [Agenda](#), 28 February 2023

²³ London Assembly Transport Committee, [Agenda](#), 15 June 2023

²⁴ London Assembly Transport Committee, [Agenda](#), 13 July 2023

- Silviya Barrett, Director of Policy, Research and Projects, Campaign for Better Transport; received 28 September 2023²⁵

The Committee also conducted a Call for Evidence as part of its investigation.

Call for Evidence: methodology

The Committee's Call for Evidence ran from 9 February 2023 to 10 March 2023. It was open to anyone who wished to respond and submit evidence, including organisations or individuals with knowledge or experience of considering the issues around smart road user charging; and those who regularly need to drive in any part of London. Questions were set out within the Call for Evidence, and respondents could choose to answer as many or as few as preferred. The Committee's Call for Evidence questions can be found in Appendix B.

The Committee received over 3,300 responses to its Call for Evidence from organisations and individuals. This was an unprecedented number of responses to a London Assembly Committee's Call for Evidence this term and therefore it has taken a significant length of time for the research team to process. While the investigation focused on the future of smart road user charging in London, and was separate from TfL's consultation on the ULEZ expansion, which ran from May to July 2022, a high number of responses from the public made reference to the Mayor's decision in 2022 to expand the Ultra Low Emission Zone to cover Greater London. Of these, the majority were negative towards the expansion.

Responses were given a reference number and classified as being from organisations or from individuals. Quotations from individual responses included in this report are referred to via the response's reference number.

All responses to the Committee's Call for Evidence that can be categorised as 'Evidence' will be published alongside this report. This constitutes the large majority of responses. Responses that were not relevant to the subject of the investigation, or were deemed abusive, offensive or defamatory, were all read and taken into account in putting together this report; but will not be published as evidence. All evidence from individuals has been anonymised, and identifying details have been removed. Aside from these personal detail redactions, written evidence from emails is published and quoted in this report in unedited form, exactly as it has been received.

Organisation responses

The Committee received 35 responses from a range of organisations including boroughs and councils, think tanks, charities, membership organisations and environmental groups. These organisations were:

- Alliance of British Drivers
- British Vehicle Rental and Leasing Association (BVRLA)
- BusinessLDN
- By Miles
- Campaign for Better Transport
- Caura
- Confederation of British Industry (CBI)
- Centre for London
- Centre for Policy Studies
- City of London Corporation
- Clean Air Fund
- Collaborative Mobility UK (CoMoUK)

²⁵ London Assembly Transport Committee, [Agenda](#), 7 November 2023

- Construction Plant-hire Association
- Elmbridge Borough Council
- Federation of Small Businesses
- Friends of the Earth London Network
- Muswell Hill and Hornsey Friends of the Earth
- GMB Trade Union
- Hillingdon Friends of the Earth
- Intelligent Transport Systems UK (ITS UK)
- Islington Council
- Jacobs
- London Borough of Bexley
- London Borough of Hackney
- London Chamber of Commerce and Industry
- London Cycling Campaign
- Motorcycle Action Group
- Possible
- Ringway Infrastructure Services
- Surrey County Council
- Inclusion London and Transport for All*
- Unite the Union
- United Cabbies Group
- White Willow Consulting
- Zipcar

* Joint evidence

Responses from organisations highlighted a spectrum of opinion, with some organisations opposing any form of road user charging and others supportive of changing or reforming road user charging systems in London.

Individual responses

The Committee received a high number of responses from individuals. Within this, a number of responses followed a similar template in their response. Template responses were categorised as ‘Evidence’ and analysed alongside responses from individuals. Responses were received via email and the format of the Call for Evidence did not seek to quantify this through closed questions, but instead took a qualitative approach where people could share their views more generally. Because of this, in analysing responses the Committee has not sought to categorise each response as ‘positive’ or ‘negative’, because these categories were not chosen by respondents. That said, through reading all of the responses received, it is clear that the majority held a negative view in relation to road user charging in London.

We are grateful to all of those who submitted evidence to this investigation. The views and information in both written and oral evidence has informed the Committee’s report throughout.

Practicalities of developing any future road user charging scheme

Potential objectives

The current road user charging schemes in London, the Congestion Charge and the ULEZ, are each focused on achieving one specific objective, reducing congestion and improving air quality.

However, many individual responses to the Committee's Call for Evidence rejected the potential benefits of road user charging entirely, and on various grounds.

"Educating people and offering safe alternatives is the way forward and let people decide for themselves if they wish to use a train, bus or private vehicle." **RUC2707**

"The current vehicle excise duty system is in place and works. The only issue is the way it's currently being used as an environmental lever. Currently the more efficient the vehicle, the less tax to pay. Why not just use the system that's in place and come up with a fair charge for all vehicles rather than waste money, time and resources re-inventing the wheel with over complicated road charging." **RUC1136**

"Yes, but by reform, I suggest 'removal' would be better. The greater focus should be on enhancing public transport to make it both affordable and practical to use." **RUC131**

"It is different, as the charge would be based on distance covered, instead of a flat rate, even if only for a short distance. However neither is fair, the scheme would be very complicated, difficult and costly to manage." **Template response 3**

Road user charging schemes can be designed using price as a mechanism to influence driver behaviour to meet certain objectives. Experts and organisations told the Committee that there are a broad range of objectives a future road user charging scheme could aim to achieve, including reducing traffic, congestion and air pollution; promoting active travel; reducing road danger; and generating income.

Nick Bowes told the Committee that *"done properly, the pay-per-mile scheme could deliver on all of those objectives, tackling congestion, improving air quality, promoting active travel, as well as generating income."*²⁶

Several organisations told the Committee that a future road user charging scheme could, in particular, support Mayoral and government environmental strategies and objectives.

²⁶ London Assembly Transport Committee, [Transcript of Agenda Item 6 – Road User Charging](#), 14 December 2022, p.3

“Smart road user charging can support our strategies and targets including reducing congestion and air pollution and encouraging mode shift and more active travel, helping to create a cleaner, greener, healthier Islington.” **Islington Council**

“The aims of a new road user charging scheme in London should focus on improving air quality for Londoners, reducing congestion, and tackling the climate emergency. These aims align the Mayor’s, and the Government’s, ambitions for reaching net zero both in London (by 2030) and the UK (by 2050).” **London Chamber of Commerce and Industry**

Across the evidence gathered by the Committee, fairness was a key theme that emerged, although there was a lack of consensus over what this might look like.

Experts gave evidence that a future road user charging scheme may provide a much fairer alternative to existing schemes.

“There is absolutely enormous scope to make the scheme much fairer with a smarter system. That is because, if you charge by distance, you are not penalising people that are making shorter journeys. In lots of people’s eyes, it is not fair to pay a set daily amount for making a journey that is much shorter than someone else that is driving a much longer distance. That is the first sort of premise of fairness.”

**Silviya Barrett, Director of Policy, Research and Projects
Campaign for Better Transport**

The Committee also heard from some individuals that a future road user charging scheme may be fairer. One correspondent to the investigation gave the following evidence:

“In order to ensure that road user charging remains a viable and effective tool in managing the demand for roads, it is essential that strategies are implemented which are fair and equitable. This involves considering a range of factors such as the amount of money being charged, the already expensive costs of maintaining a vehicle, the distribution of charges amongst users, and whether different rates should be applied based on vehicle type. Equitable road user charging strategies should seek to provide ALL drivers with an efficient way to pay for the use of roads, while also ensuring that all road users benefit from the revenue generated from charges. It is important that any pricing strategy implemented takes account of societal and economic concerns so that access to roads remains affordable for all users. Ultimately, fairer and more equitable strategies and targets for road user charging will help to ensure that the system benefits society as a whole while also providing an effective tool in managing congestion on the roads.”²⁷

The view given by experts, and some organisations, was that a future road user charging scheme may increase fairness for a majority of users by charging directly for use of the road,

²⁷ RUC2955

rather than a flat daily charge, as well as by ensuring there are plenty of alternative options available.

However, this was not recognised among individual responses and the above quote does not represent the majority view held among responses from individuals. Many individuals gave evidence that road user charging schemes are inherently unjust, based on the premise that encouraging certain types of travel over others and charging people to use public roads is unfair.

“Prioritising some types of travel over the others would be unfair and unjust.” **RUC3143**

“This is yet another unfair and unnecessary form of control over people’s freedoms.” **RUC2964**

“It is unfair and unjust to assume that just because a journey does not fall into one of the ‘essential’ categories it is not essential to the health or mental health of the person involved.”
RUC2961

Encouraging behaviour change towards more sustainable travel behaviour was identified by several organisations as a potential objective for a future road user charging scheme. This may be achieved by pricing road use at a higher level to incentivise Londoners to use alternative, more sustainable, modes of travel, such as public transport or active travel.

“Road user charging must be a driver of behaviour change and mode shift as well as a source of potential funding for transport improvements. In other words, SFRUC [smart and fair road user charging] must be priced at a level to actively reduce motor vehicle journeys that could be done by other modes and the money from it must be used to enable those alternatives.”
London Cycling Campaign

However, the Committee received conflicting evidence regarding encouraging behaviour change. While there was general agreement on the importance of good public transport, some individuals told the Committee that public transport cannot replace all journey types. One individual submission summarised this as: *“Good public transport is vital but it cannot replace all private journeys. I have a car which I do not use very much – I prefer to use public transport where this is possible. But when I need the car it is essential.”*²⁸

The London Borough of Bexley agreed with the objective of encouraging behaviour change but stated that a future road user charging scheme would not be the best way of delivering this. It gave details of other strategies it felt would be more effective for delivering change.

²⁸ RUC1812

“In that context, the Council considers that efforts should be concentrated on more deliverable methods of encouraging behavioural change to reduce congestion, tackle air quality and drive down emissions including proper investment in public transport for outer London, locally led initiatives around the promotion of active travel and investment in electric charging infrastructure.” **London Borough of Bexley**

Designing any scheme

A future road user charging system may be designed in a number of different ways, depending on which objectives those designing the scheme wanted to achieve. Different variations for charging may include varying price by vehicle type and emissions, by distance travelled, by location or time of day, or by varying several of these factors at once.

The Committee heard evidence that these different variations in charging may be used to create more targeted price signals and a fairer scheme for users by replacing the current flat daily charge in London.

“Therefore, rather than a simple flat daily charge, any new smarter road user charging system should take into account other factors such as for example, time of day, road being used, type of vehicle used, emissions status of the vehicles, whether the vehicle is private or shared and the distance travelled in that vehicle.” **Zipcar**

“Smarter charging should not be a flat charge instead it should differ depending on the size, weight, fuel type of the vehicle, occupancy level, time of travel etc.” **Surrey County Council**

“Rather than a single daily charge, charges could vary based on location and time of day, enabling far more targeted measures and more efficient usage of the roads.” **Centre for Policy Studies**

Varying the charge by several different factors would result in journeys costing different amounts, depending on a number of different circumstances relating to the trip, some of which might not be fully under the control of the users. Ringway Infrastructure Services gave evidence that in practical terms this would mean if the charge was based on time of day, distance travelled, vehicle occupancy and vehicle type, motorists driving at peak times on more congested roads and in more polluting vehicles may be charged at a higher rate. Those in low-occupancy vehicles may also be charged a premium.

Given this potential complexity, experts told the Committee that it would be important to make the cost predictable for users, so that they would know the cost of each journey in advance. This may help to make any future road user charging scheme fairer, and also simpler, for users.

“For all that the Congestion Charge and ULEZ have failings, people know in advance what the cost is. You would really want to try to have a scheme where you could tell vehicle users what the cost is going to be for the journey that they are going to make.”

**Nick Bowes, Chief Executive
Centre for London**

Distance-based charging

The Committee received conflicting evidence regarding distance-based charging. Some individuals and organisations were against any kind of distance-based, or pay-per-mile, charge. Some felt motorists should be paying more per mile than under the current systems, and other felt motorists should be paying less.

The Committee heard that the nature of distance-based charging would result in some Londoners paying more to drive and others paying less.

“Distance-based charging will change the amount paid by road users in total for their road use. Instead of all users paying a fixed time-based charge, those that use the roads more than others will pay more than those that use the roads less. So this means some road users will pay more than they do currently, whereas others will pay less.” **ITS UK**

Strong views were held on both sides that Londoners should either be paying more or be paying less per mile under a future scheme. The quotes below demonstrate these two differing views.

“Because it is so urgent to cut greenhouse gas emissions, it is vital that drivers should pay substantially more per mile than at present. The scheme should include predictable incremental increases in the per mile charge.” **Friends of the Earth**

“British drivers already pay £50 billion in various forms of tax yet only £10 billion is assigned to roads, meaning that there is a significant subsidy to other government spending streams. To extract further taxes from drivers to overcome the GLA’s shortfall in income is inequitable and unjustifiable.” **Alliance of British Drivers**

Key issue emerging: complexity

The risk with any future road user charging scheme having several objectives and being designed with several different charging factors is that it becomes too complex, potentially resulting in confusion for users. Experts told the Committee that while a future road user charging scheme has the potential to deliver on several different objectives, this makes it more challenging to communicate potential benefits to Londoners.

To reduce the risk of complexity any future scheme will need to be clear on what its key objectives are. Silviya Barrett said that communication around any future road user charging scheme needs to be clear about why it is being implemented; what is it replacing; and what the purpose of the scheme is.²⁹

Experts agreed that a new scheme may provide the opportunity to integrate the current road user charging schemes in London into one single scheme, and by doing so simplify road user charging in London.

“This should be, if we pursue this route, an opportunity to simplify and integrate those things into something that is an easier user experience for Londoners and businesses alike.”

Adam Tyndall, Programme Director of Transport BusinessLDN

However, to achieve this in London any future Mayor considering introducing a new road user charging scheme would need to be clear in setting out what the scheme aims to achieve. The same principle applies to any government considering a national scheme.

“The key to success would be to keep any new scheme simple with a clear rationale that is easy to communicate and understandable by different groups of road users.” ITS UK

Christina Calderato told the Committee that TfL’s aim for any future road user charging scheme would be to develop a single integrated scheme. She said:

“What we would like to look at in terms of the future of road user charging is not having all those layered-up, different schemes pointing in different directions, but integrating them so that you can have a single scheme, which is designed to take account of all those objectives.”³⁰

Christina Calderato gave evidence that even if the scheme design was complex, it would be important to make it simple for people to use.³¹

²⁹ London Assembly Transport Committee, [Transcript of Agenda Item 6 – Road User Charging](#), 14 December 2022, p.14

³⁰ London Assembly Transport Committee, [Transcript of Agenda Item 5 – Road User Charging](#), 28 February 2023, p.4

³¹ London Assembly Transport Committee, [Transcript of Agenda Item 5 – Road User Charging](#), 28 February 2023, p.5

“It is going to have to be flexible and it will be complicated. The trick for us is making sure that that complex scheme design sits in the back but that it is really simple for people to interact with.”

**Christina Calderato, Director of Transport Strategy and Policy
Transport for London**

A single integrated road user charging scheme in London would clearly be preferable to multiple overlapping schemes. However, a single integrated scheme may have multiple objectives and a complex design. It would be vital to ensure that any integrated scheme could be simple for users to understand and engage with.

Any scheme with a complex design would require a complex ‘back end’ (technical administration system), meaning it would be complicated for the administrator to facilitate and deliver. The difficulty would be ensuring that the user-facing ‘front end’, the side of the scheme that users interact and engage with, is simple and easy to understand.

This balance had been achieved on TfL’s current Oyster and contactless payment system. The ticketing system is complex, but simple for users who just tap in and tap out via Oyster or contactless. Nick Bowes told the Committee that user trust in this system is important:

“No, in fact a cap is one of the reasons why people trust the contactless pay-as-you-go, because they know that if you tap in and out six seven eight times, beyond a certain limit you are not going to get charged anymore; we trust that. The ticketing system is still very complex in London. We look at ticketing outside of London and think it is complicated, but London is not simple with zonal systems and things like that; we still trust it, and that is one of the reasons why it was so successful. I am sure we may come on to the privacy point in a bit. We are all being tracked in our movements through that system too, in terms of touching in and out, through contactless, just as we were with Oyster cards too. We broadly accept that. I wonder whether that is related to the trust in the brand. We do not think that that information is going to be abused or mislaid. Again, that is a really critical factor.”³²

Ensuring any future road user charging scheme is simpler for road users would require clear communication, and an easy-to-understand user-facing front end.

Recommendation 1

A key principle any future Mayor or government who wished to introduce a new, smart road user charging scheme needs to consider is that using it should be as simple as possible.

Recommendation 2

A key principle any future Mayor or government who wished to introduce a new, smart road user charging scheme needs to consider is that any pricing strategy should be more equitable in

³² London Assembly Transport Committee, [Transcript of Agenda Item 6 – Road User Charging](#), 14 December 2022, p.23

the way people are charged for the length and number of journeys they make by car compared with other modes of transport and take into account economic and social concerns (and see further recommendations on equalities considerations and mitigations needed).

Recommendation 3

Any future Mayor or government who wished to introduce a new road user charging scheme would need to be clear, from the outset, about key aims and objectives of any future scheme; and what that scheme hopes to achieve; and its relationship to any future national scheme.

Steps required ahead of any future road user charging scheme

Key areas that will require consideration in any future road user charging scheme include collaboration and communication with stakeholders; the importance of providing an alternative to driving, particularly via public transport; and concerns about privacy and technology. These were raised by experts, and some organisations and individuals, who considered the next steps for road user charging in their evidence and will be explored in more detail in this section.

However, among responses to the Committee’s Call for Evidence a majority of comments were against road user charging as a whole, and against the idea of any future road user charging scheme. This was particularly the case among responses from individual Londoners, but was also reflected in responses from some organisations. Some responses were also against the current schemes in place in London, including ULEZ and the expansion of ULEZ Londonwide. These responses and views must also be considered carefully and seriously when contemplating the steps to take ahead of any future scheme.

Collaboration with stakeholders

Experts and organisations gave evidence about the importance of collaboration with stakeholders in the development of any future road user charging scheme. The Committee heard that supporting Londoners to shift travel behaviour towards more sustainable modes will require close collaboration with a range of partners to develop an innovative approach.

Michael Roberts, Chief Executive at London TravelWatch, told the Committee that any future road user charging scheme should be co-created with TfL, the Mayor and wider stakeholders.³³

“There is a reference to the fact there is a Steering Group at the moment, I think, within TfL. Wouldn’t it be great to have a few stakeholders either within that Steering Group or as a sounding board or a stakeholder board alongside it, which captures the breadth of interest groups, without making it unwieldy, and is representative of the demographics of London and the geographical diversity of London, which has come out in spades in this conversation? Co-creation and content.”

**Michael Roberts, Chief Executive
London TravelWatch**

Christina Calderato, in her written evidence, told the Committee that TfL has a Road User Charging Steering Group that oversees direction of all of TfL’s current road user charging schemes and explores the development of a future road user charging scheme. However, it is

³³ London Assembly Transport Committee, [Transcript of Agenda Item 5 – Road User Charging](#), 28 February 2023, p.41

TfL's Stakeholder Advocacy and Engagement team that manages TfL's relationships with stakeholders:

*"We have a Stakeholder Advocacy and Engagement team that manage our relationships with business groups and ensure a consistent two-way dialogue with our stakeholders on all areas of our work. We are aware that if a future scheme were to be proposed, we need stakeholder input from the beginning. That is why we have already consulted the public and stakeholders at such an early stage in our thinking on any potential future scheme. Other teams involved in stakeholder engagement include our Government Relations, Local Community and Partnerships, and Consultation teams."*³⁴

The Committee heard from business representatives that engagement with businesses, particularly regarding the amount of time before implementation, would be important to enable businesses to prepare for a future road user charging scheme. The Federation of Small Businesses and the London Chamber of Commerce and Industry both gave evidence that businesses require a long lead-in time, with the London Chamber of Commerce and Industry stating that businesses have planned investment cycles that cannot be easily shifted.

Importance of providing alternatives to driving

A key theme that emerged from the evidence gathered by the Committee was the importance of providing, and improving, alternatives to driving. This was particularly referenced with regard to public transport, but also active travel.

Some individuals told the Committee that the focus should be on improving public transport instead of road user charging. These individuals stated that if public transport was more reliable, safer, less crowded and less expensive this would encourage more road users to use public transport as an alternative to driving.

"Please do not charge for any journey. Instead public transport needs to be improved. More frequent trains, TFL buses needs to run on hydrogen/electricity. Need to roll out more charging points, transition to hydrogen fuel rather than restricting and changing people from moving." **RUC1115**

"If the current transport system in London especially trains and tubes were paid by a nominal charge to use there would be less people trying to get into London by car." **RUC2095**

"If you want to actually improve car culture the you should make public transport accessible, affordable and improve links in many areas you have already acknowledged are lacking good public transport. Provision also need to be made to improve active travel and make this more appealing to people but this should not be done by charging the average person getting on with their life, going to work, carrying out essential services or visiting friends and family." **RUC928**

³⁴ London Assembly Transport Committee, [Agenda](#), 13 July 2023

However, some did give evidence that, despite the importance of having reliable public transport options, public transport will not always be a suitable option or alternative to car travel.

“Smarter road user charging should not be introduced at all. People should be able to afford and have the freedom to use their cars as suits their needs. Whilst public transport is an important way of reducing carbon emissions, it often is not fit for the purpose of the journey required. For example: people may need to transport multiple, heavy or unwieldy items, from one area to another, where there is no transport or where multiple changes of bus, tube or train are required. Further, how will it work for people who live outside London.” RUC2813

Despite conflicting evidence over the level to which public transport can be used as an alternative to private cars, there was general agreement over the importance of having reliable public transport in London. Investment in public transport will be needed as part of any future road user charging scheme.

Nick Bowes told the Committee that improvements to public transport should be made in advance of the implementation of any future road user charging scheme.³⁵ Carolyn Axtell agreed that improving public transport, particularly in outer London boroughs, in advance of bringing in any future road user charging scheme would be beneficial.³⁶

“if you really want to try to minimise the disruption, you have to give a really long lead-in time, and you have to front up the improvements to public transport in advance, but that is very costly.”

**Nick Bowes, Chief Executive
Centre for London**

While experts agreed that it would be beneficial to have improvements to public transport come in advance of any future scheme, discussion did not extend to how this could be funded.

TfL’s Christina Calderato told the Committee that, in order for any future road user charging scheme to be fairer for users, alternatives to driving would need to be put in place alongside any scheme:

“Again, going back to this core fairness for customers, you need to be able to see that there is an alternative there. Part of that is about the package of measures that could accompany a charge. That would be about investment in public transport and sustainable alternatives, so putting those alternatives in place.”³⁷

³⁵ London Assembly Transport Committee, [Transcript of Agenda Item 6 – Road User Charging](#), 14 December 2022, p.6

³⁶ London Assembly Transport Committee, [Transcript of Agenda Item 6 – Road User Charging](#), 14 December 2022, p.19

³⁷ London Assembly Transport Committee, [Transcript of Agenda Item 5 – Road User Charging](#), 28 February 2023, p.32

Crucially, this investment would need to come in advance of any scheme that could generate the funding to pay for it.

Experts also noted the difference in provision of public transport across London, and that reliance on private cars is higher in areas of outer London which has much less dense public transport provision. A significant concern raised by some individuals is the difference in public transport provision between central, inner and outer London. This will be explored in further detail later in this report, however any improvements to public transport would need to take this into consideration.

Although the majority of responses from individuals to the Committee’s Call for Evidence were against any form of road user charging, some did say if it were to be implemented, improvements to public transport must come first. Others said that any revenue generated should be reinvested into public transport (note that investing revenues back into transport services is legally required for road user charging schemes under the GLA Act – see page 12). It is worth noting that both quotes below represent a minority view among individual responses.

“No road user charging should be implemented until there is practical, affordable and accessible public transport and active travel alternative for the whole of Greater London and neighbouring home counties. You cannot expect to charge people to drive when there is little to no other choice in many areas of Greater London.” RUC928

“Ultimately I would like to see road user charging replacing the current congestion and ULEZ charges as it would allow proportionate charging for those who drive most. I would like to see the funds generated from this model to be ring-fenced and directed towards maintaining and subsidising public transport, improving public transport with a rolling programme of projects and maintaining the current road infrastructure.” RUC823

A majority of organisations also agreed that revenue generated by road user charging should be reinvested in the transport system for example, for improvements to public transport or additional active travel measures.

“The total revenue generated by distance-based road user charging should be directed to achieve a specific set of objectives such as improving the public transport system or encouraging active travel.” **Centre for London**

“Any income derived from charging should be retained to improve and develop walking, cycling and public transport, to provide convenient and affordable alternatives to driving.” **London Cycling Campaign**

“The City Corporation recommends that income from a future road user charging scheme be ringfenced or channelled towards improvements to the Capital’s transport network, including within the City of London.” **City of London Corporation**

“For pay-as-you-drive to effectively encourage modal shift away from driving and bring down emission, pollution and congestion levels, there needs to be an improvement in the provision of sustainable transport options. It is essential therefore that any revenue generated from the scheme is invested in expanding public transport provision in underserved areas and walking and cycling infrastructure, as well as expanding car club options for any residual journeys that require a motor vehicle.” **Campaign for Better Transport**

As noted earlier, legally, the Mayor must allocate any revenue generated through road user charging to the transport network in London. The 1999 GLA Act states that any net proceeds from a road user charging scheme must *“be available only for application for relevant transport purposes”*.³⁸

Concerns about privacy and technology

Privacy

A key theme from the Committee’s evidence gathering was concern over individual privacy. This was raised by experts, organisations and individuals.

There was significant concern expressed over invasion of privacy as part of the enforcement of any future road user charging scheme, through measures such as automatic number plate recognition (ANPR) cameras; in-vehicle GPS tracking; or via a smartphone app.

³⁸ [Legislation.gov.uk, GLA Act, Schedule 23 – Road User Charging](https://legislation.gov.uk/ukpga/1999/25/schedule/23)

“One of the major concerns raised by motorcyclists with respect to road charging is privacy. [...] The additional concern with road user charging is that the tracking is now to be linked to the individual’s bank account for automatic payment. This goes beyond invasion of privacy to potential for economic control of the individual by government. We believe that the potential for accidental error or even intentional economic control is not something that should be imposed on an unwilling electorate.” **Motorcycle Action Group**

“The intrusiveness and invasion of privacy that is a key component of the scheme, further renders the proposals as being unjustified and disproportionate.” **Alliance of British Drivers**

“Clearly fairness and equality is an issue that would need to be considered and which would be impossible to get right without undue private data submission.” **RUC3096**

“I consider the proposal, if adopted, would be discriminatory to those who do not have access to mobile phones, and an invasion of privacy to everyone who does not wish to share their lives with local, or national, government.” **RUC485**

Sandeep Shingadia told the Committee that, in the West Midlands, consideration of privacy was also identified as an important factor in discussions around any future road user charging scheme.³⁹

“There is a very clear framework, a regulatory framework, that needs to be followed around data privacy. The Oyster example; we have a similar system, a tap in tap out system, for using public transport across the West Midlands, in the same way you would observe and provide the privacy and provide the user with confidence around anonymization of personal data, etc. Those principles would continue to apply. Not that we are on the verge of introducing a road user charging scheme in the West Midlands, but again, it would be an area of concern for residents, businesses and users of a scheme and therefore providing confidence around data privacy would be a key principle of any scheme design.”

**Sandeep Shingadia, Director of Strategic Partnerships and Delivery Integration
Transport for West Midlands**

Privacy was one of the few areas the Committee did not receive directly contradictory evidence, with experts, organisations and individuals all acknowledging that protecting individual privacy needs to be a key consideration.

Some organisations did propose ways to overcome privacy concerns, such as via strict data anonymisation and protection or providing the choice to opt-out of data collection, and instead pay a fixed monthly fee.

³⁹ London Assembly Transport Committee, [Transcript of Agenda Item 5 – Road User Charging](#), 28 February 2023, p.34

“it is important to provide an alternative for people objecting to distance-based charging on privacy or other grounds. One option is having the opportunity to opt out of a variable per-mile charge and instead pay a fixed monthly charge.” **Campaign for Better Transport**

“While privacy has historically been a key concern of many voters, this could potentially be overcome with data anonymisation and strict data protection, and of course the more general shift in attitudes given the smartphone revolution.” **Centre for Policy Studies**

Any future Mayor, or government, considering a future road user charging scheme would need to carefully consider individual privacy; and make it clear what steps it is taking to address individual concerns.

Technology

The Committee heard from experts and some organisations that there are various technologies that already exist that may be used to support a future road user charging scheme, including Automatic Number Plate Recognition (ANPR) cameras, smartphone apps and GPS technology.

Adam Tyndall told the Committee that technology should not be seen as a barrier to creating a smarter road user charging scheme in the future; and that the technology will be available.⁴⁰

“We should not allow the technology to be a blocker to answering the fundamental question, which is: what do we want to achieve with this? The technology will be available, and we will be able to find it.”

Adam Tyndall, Programme Director of Transport BusinessLDN

However, others gave evidence to the Committee that the technology does not currently exist to create a smarter scheme.

“The Council is aware that modern technology offers the opportunity to potentially mitigate some of these impacts. However, it does not consider that the means currently exists or are likely to exist in the foreseeable future to effectively address the complex and interrelated issues at play.” **London Borough of Bexley**

Recommendation 4

If any future Mayor or government wants to further develop a possible future road user charging scheme in London, they should at a very early stage ensure there is a working group

⁴⁰ London Assembly Transport Committee, [Transcript of Agenda Item 6 – Road User Charging](#), 14 December 2022, p.33

that includes representatives from all relevant stakeholders that will demographically and geographically represent Londoners.

Recommendation 5

Should any future Mayor or government decide to introduce a future road user charging scheme in London, all potential revenue generated must be assigned to a programme of early improvements to public transport in London, with a significant proportion delivered ahead of introduction. These improvements could be financed by a loan based on anticipated income from a scheme.

Recommendation 6

Any future Mayor who wished to introduce a future road user charging scheme should include the development of associated public transport improvements in all stakeholder and public engagement from the earlier stages of development of any new scheme. They should ensure that detailed, budgeted plans are drawn up and consulted upon alongside any statutory consultation.

Recommendation 7

A key principle any future Mayor or government who wished to introduce a future road user charging scheme needs to consider is the importance of protecting individual privacy in the way the system is designed.

Consultation and engagement with the public on any future road user charging scheme

It is evident that any discussion around a future road user charging scheme in London has resulted in substantial public concern, as well as public interest. Even the act of the Committee conducting this investigation has created notable and widespread concern among some Londoners, as demonstrated by the number of responses received to our Call for Evidence. It has also created concern among some organisations. It is clear from this that any future Mayor considering a future road user charging scheme would need to conduct widespread engagement with Londoners.

Experts also raised the importance of early and open public engagement in developing any new scheme to replace current schemes.

Early engagement

The Committee heard from Adam Tyndall that early engagement and enabling Londoners to help shape any future road user charging scheme would be important with any new scheme.⁴¹

“Getting people thinking about this, engaging with it and helping to shape it from an early stage is really important. It also needs to be said that changes of this magnitude have only worked when there has been really strong political leadership as well.”

Adam Tyndall, Programme Director of Transport Business LDN

Sarah King, Development Manager for the Federation of Small Businesses, told the Committee that this was also important from a business perspective. She said: *“It is absolutely essential that from a business perspective, businesses do have an opportunity to be very much involved in the pre-proposals, the pre-scheme planning and what works really well for businesses.”*⁴²

Christina Calderato told the Committee that TfL understands the importance of early engagement with Londoners regarding the development of a new scheme.⁴³

⁴¹ London Assembly Transport Committee, [Transcript of Agenda Item 6 – Road User Charging](#), 14 December 2022, p.29

⁴² London Assembly Transport Committee, [Transcript of Agenda Item 6 – Road User Charging](#), 14 December 2022, p.30

⁴³ London Assembly Transport Committee, [Transcript of Agenda Item 5 – Road User Charging](#), 28 February 2023, p.10

“In order for us to develop that, to co-create it with Londoners, make sure that we are doing this in dialogue with people and engaging with people, it was important for us to ask these questions at an early stage, because we do not have a fully-formed scheme, and we are not coming out with proposals. What we want to understand from the very outset of our thinking, to inform how a future scheme might develop, is what people think about.”

**Christina Calderato, Director of Transport Strategy and Policy
Transport for London**

Type of engagement

TfL is legally required to consult the public on some of the proposals that it puts forward although it does not have a statutory obligation to conduct a consultation on proposals to introduce a future road user charging scheme. The 1999 GLA Act states that the GLA “may consult, or require an authority making a charging scheme to consult, other persons.”⁴⁴ However, in the past TfL has run consultations prior to the introduction of, and regarding any changes to, the current road user charging schemes in London.

There was a general consensus in the evidence gathered by the Committee that engagement with Londoners would be important ahead of any future road user charging scheme. ITS UK told the Committee: *“The biggest barriers are political; road user charging can often be seen as another road tax, so any implementation would need careful consultation with the public and explanation of why the policy was being implemented.”*⁴⁵

The Committee heard from Silviya Barrett that, while formal consultations are a good way of raising concerns, and demonstrating how you are addressing them, they are not representative and so different types of engagement are also needed.⁴⁶

“That is why it is important to use those in addition to other tools of engagement; for example, representative surveys; citizen assemblies; grassroots campaigning and engagements at the local level.”

**Silviya Barrett, Director of Policy, Research and Projects
Campaign for Better Transport**

The organisation Possible also gave evidence on the importance of using different types of engagement to *“deliver deliberative engagement of all sections of the public around: the balance of road pricing versus other measures; how best to design a road pricing scheme, and how exemptions and discounts should operate fairly.”*⁴⁷

In response to its Call for Evidence, the Committee heard from some that a referendum would be preferential to a consultation. A minority of organisations put forward this view, but those

⁴⁴ Legislation.gov.uk, [GLA Act, Schedule 23 – Road User Charging](#)

⁴⁵ Written submission to the Committee’s Call for Evidence from ITS UK

⁴⁶ London Assembly Transport Committee, [Transcript of Agenda Item 6 – Road User Charging](#), 14 December 2022, p.31

⁴⁷ Written submission to the Committee’s Call for Evidence from Possible

that did feel strongly about this issue. GMB said: “GMB believe that many consultations are skewed, and local referendum would have a more democratic benefit but should include business as well as residents.”⁴⁸ There were also some individual responses that stated that any new scheme should be put to a referendum.

“Major changes such as those currently planned (ULEZ extension/Road charging) should be only considered after a local referendum which is conducted in an open and fair manner run by an independent body. An electoral mandate is not sufficient for these type of changes to be implemented.” RUC695

“Schemes that affect so many people need to be put to a referendum vote – this is democracy. In addition, if a scheme were just for London (for example) everybody who will be affected by it need to have a vote – not just the residents of London but the people who travel to London, even occasionally, and must include businesses that will be affected by changes in their economic outlooks.” RUC1418

“It is important that any decision to implement such a system is made through a fair and transparent process, which includes a referendum where all individuals, including those living in surrounding areas that may also be impacted, have the opportunity to vote.” RUC1997

“A referendum should be required for any new road charging schemes to be introduced. This would ensure that the community has a say in the decision-making process and that the views and concerns of the people are taken into account. Furthermore, the referendum should be broader in scope than just a local one, as road charging schemes can affect not only the immediate area, but also the surrounding areas. This would provide a more accurate representation of public opinion and ensure that the decision-making process is fair and transparent.” RUC080

Several individual responses to the Committee’s Call for Evidence read as responses to a consultation on a proposed new road user charging scheme for London rather than an Assembly scrutiny Call for Evidence on something that might happen in the future. Of these, some raised concerns about how well publicised the Call for Evidence was and about the timeframe for response.

“Well promoted, highly visible opportunities for public engagement are vital in order to get a wide base of opinion. This very public consultation has been poorly publicised with an extremely short period of consultation for the public to participate.” RUC1899

This demonstrates the need for open, wide and well-publicised engagement with Londoners to ensure they are aware of the opportunity to, and able to, engage with the process.

Recommendation 8

⁴⁸ Written submission to the Committee’s Call for Evidence from GMB

A high level of concern from members of the public in response to our Call for Evidence demonstrated that, before any future road user charging scheme is considered, by any future Mayor or government, there should be an open, early, wide and well-publicised public engagement exercise, allowing people to give their views on next steps and shape any scheme design from the very start.

Mitigating impacts on affected groups of Londoners

Impacts on affected groups of Londoners

The groups of people who would be affected by a future road user charging scheme would depend on how the scheme is designed. If the design of a new scheme resulted in a particular group being disproportionately affected, mitigations and/or exemptions may be used to limit any impact. Any future Mayor or government considering the design of a new scheme would need to conduct a full equalities impact assessment to understand the impact on different groups of Londoners.

Across the evidence collected by the Committee certain key groups were identified as those that may be affected by a future road user charging scheme, depending on how it is designed, with a significant amount of overlap between these groups. The Committee's Call for Evidence was published shortly after the Mayor's decision in November 2022 to expand the Ultra Low Emission Zone Londonwide, and a high number of responses made reference to the expansion and the impact this might have on Londoners. There is some cross-over between the groups identified in the Committee's Call for Evidence responses and those identified in the Ultra Low Emission Zone expansion Impact Assessment.⁴⁹

The groups identified through our Call for Evidence so far included:

- Disabled Londoners
- low-income Londoners
- those who need to drive for work
- carers
- some key workers
- businesses
- people who live in areas with low levels of public transport.

Experts and organisations, some representing the different groups, gave evidence that any groups who may be affected by a future road user charging scheme would require exemptions or other mitigations to limit the impact.

Many individuals that responded to the Committee's Call for Evidence gave evidence on how a future road user charging scheme might impact certain groups. Some individuals gave direct personal experience of how they thought a new scheme might affect them. One individual summarised the potential impact as follows:

"Road charging would have a great impact on the ability for people and businesses to function within London. This road charging would do great harm to low income family's, Nurses, care worker, emergency services workers." **RUC097**

⁴⁹ Jacobs, [London-wide ULEZ Integrated Impact Assessment \(ULEZ Scheme IIA\)](#), 17 May 2022

Disabled Londoners

The Committee heard that Disabled Londoners may be disproportionately affected by a future road user charging scheme as they are more likely than non-disabled people to be living in poverty, be more reliant on private car or require a modified vehicle, or cannot easily switch to alternative modes of transport. Depending on how the scheme was designed, if it was based around a smartphone app it may also disproportionately impact the digitally excluded.

Inclusion London and Transport for All submitted joint evidence to the Committee saying that mitigations should be put in place via any future scheme to support Disabled Londoners: *“We are of the view that charges for driving should be varied for different individuals according to their ability to walk, wheel, cycle or use public transport rather than for different types of journeys.”*⁵⁰

A selection of individual quotes regarding the potential impact on Disabled Londoners are set out below.

“This scheme seems to require members of the public to own a smartphone, to download an app to access mobility credits. This would discriminate against those, like me, who do not own or cannot use a smartphone. This discrimination would affect disproportionately those with protected characteristics of age (young or old), disability and those without the financial or technical means, those already marginalised by society.” **RUC3096**

“This is absolutely unacceptable, disgusting behaviour, I have a disability and need my car this will disproportionately affect my mental health my life and my well being.” **RUC3161**

“Any disabled person or parents caring for a disabled child of any kind ie with a physical disability or EHCP [Education, Health and Care Plan] should be exempt.” **RUC2091**

“As an older female, and in remission from cancer, and a carer for elderly relatives who cannot easily travel on public transport, I rely on my car to travel safely after dark, and take elderly and disabled relatives out for a cuppa - often the only time in the week they get to leave the house. I can't carry heavy shopping because of operations on my arms, so need the car to move shopping. I try to keep fit by going swimming, but I cannot access the local pool easily by bus, without spending a whole morning getting there and back, which is impossible around my work commitments. I have tried to cut my car usage right down to a minimum, but Charging me for every car journey would be an additional expense that I cannot afford, and would feel hugely discriminatory in terms of my protected characteristics.” **RUC3364**

Low-income Londoners

Evidence around the impact of a future road user charging scheme on low-income Londoners who drive in London mainly centred around the cost of living, which is also affecting other Londoners who are having difficulty managing with rising costs. Many expressed concern that any new scheme which resulted in increased costs for driving in London would place an additional burden on those on low incomes who have already been affected more directly by the rising cost of living.

⁵⁰ Written submission to the Committee’s Call for Evidence from Inclusion London and Transport for All

However, if any new road user charging scheme replaced the existing road user charges, as well as vehicle excise duty and fuel duty, the cost of driving in London may be reduced for some Londoners.

The Centre for Policy Studies told the Committee that with any new charging scheme the charge would disproportionately impact those on low incomes, as a proportion of their income, compared to those on higher incomes, but that the scheme could be designed in a way so as to mitigate this impact:

“While the Congestion Charge does not currently differentiate based on income, there is certainly a principled argument for doing so. Namely that the current £15 charge will affect higher earners quite differently than lower earners, and the point is not revenue raising but behavioural change. Thus the charge could be varied with income levels in order to deliver the same deterrent effect without disproportionately (as a share of their income) burdening poorer drivers.”⁵¹

Several individuals gave evidence around how a new scheme may directly impact them.

“It will impact me as I currently don't pay any extra charges since I replaced a 2006 diesel MPV used for a family of 6 and work with a PHEV 7 seater that is ULEZ compliant. This is at my own expense and I had to take out a 5 year loan to pay for it. Any extra charges will impact my whole family especially in this cost of living crisis why on earth are more charges being considered.” **RUC285**

“London already has a number of road user charging schemes in place, including the Congestion Charge, the Low Emission Zone and now the imposition of the Ultra-low Emission Zone which are causing considerable stress and worry to myself and many of my neighbours and businesses at a time of rising cost of living with increases in energy charges, utility prices, food, fuel mortgages and transport costs.” **RUC2208**

“If people were charged a percentage of their income then it would be fairer. People in outer London should be charged less as its more residential and less polluted. Its pointless just saying people on benefits get a discount because there are loads of people who are not deemed as being on a low income but all the same do not earn that much, single parents for example like myself!!!” **RUC104**

Those who need to drive for work

The Committee heard from some organisations that a future road user charging scheme may disproportionately impact those who need to drive for work, and that discounts and / or exemptions could be a way to mitigate this. Campaign for Better Transport told the Committee that their research found 57 per cent of Londoners believe people whose jobs rely on driving, such as delivery and taxi drivers, should have reduced rates or higher allowance.⁵²

⁵¹ Written submission to the Committee’s Call for Evidence from Centre for Policy Studies

⁵² Written submission to the Committee’s Call for Evidence from Campaign for Better Transport

The Committee heard from Centre for London that those driving for work is a group that needs to be considered in any future road user charging scheme: *“The road user charging should encompass similar discounts, however there is also a need to consider the groups that would be the most impacted by the introduction of a road user charging, such as people who drive for their livelihood.”*⁵³

The Committee heard from individuals that public transport is not always a viable alternative for those travelling for work for various reasons, including those commuting to and from work, those carrying tools for work purposes and those travelling around for work.

“Whilst opinions on what might constitute “viable” will differ from one person to another, as an example from my own life, my journey to work by car (west London-north Maidenhead) takes 30 minutes each way, whereas by public transport it's 90 minutes. So whilst it is possible to do the journey by public transport, the extra 2 hours spent each day doing so - time I don't then get to spend at home with my family - makes it non-viable for me to do except on an as-needed basis (e.g. to be able to go to the occasional works evening out and have a few drinks).” **RUC3086**

“Everyone has a valid reason to make the journeys they make - whether its disabled people going to hospital appointments, people on low incomes running an older car to get to their job (often at unsocial hours), tradesmen who need a vehicle for their job to carry tools, etc and people who live in the vast areas of Greater London where there is no public transport.”
RUC800

“Varying charges for different types of journeys, such as work-related, caring responsibilities, or essential services, may also be problematic from an equality standpoint. It may result in discrimination against those who have to travel longer or more frequently, such as those residing in remote areas or those who need to travel for work.” **RUC2962**

Carers and key workers

Key Workers have several definitions, but the one the GLA uses identifies them as:⁵⁴

- occupations that are considered essential to the functioning of London in normal times.
- occupations where there is a requirement for an employee to be anchored at their workplace in London to carry out their role.

Carers are defined by the NHS as:⁵⁵

- A carer is anyone, including children and adults who looks after a family member, partner or friend who needs help because of their illness, frailty, disability, a mental health problem or an addiction and cannot cope without their support. The care they give is unpaid.

⁵³ Written submission to the Committee’s Call for Evidence from Centre for London

⁵⁴ Greater London Authority, [Allocating intermediate homes to London’s key workers](#), December 2021, p.6

⁵⁵ NHS England, [Who is considered a carer?](#)

The Committee heard that some key workers and carers frequently rely heavily on their car for travelling to and for work or for transporting items for work.⁵⁶ Key workers and carers are also often on lower incomes, and so fall into both groups. Campaign for Better Transport told the Committee: *“Our research found that 62% of Londoners believe that key workers like nurses, carers and teachers should have reduced rates or higher allowance.”*⁵⁷

The Committee also heard from individuals about the impact a future road user charging scheme may have on carers and key workers.

“Any scheme like this will automatically penalise lower income families far more greatly than anyone else. So many of our key workers are on very low salaries and are already struggling to survive without the addition of a further cost to basically just live their lives.” **RUC699**

“I am a Community Physiotherapist and depend on my car to visit patients who are housebound. If I have to check an app and input everywhere I go it would take time away from patients and may mean that it is more expensive for the NHS.” **RUC2238**

“It is an unfair charge on those who have no choice but to use a car. I look after my 91 year old father - there is no way I should have to pay from my pension to travel to him to help him. It is disgusting that anyone would even suggest it - particularly as I am saving the taxpayer money by doing this myself rather than requesting assistance from a taxpayer funded carer.” **RUC404**

“We are carers for 4 elderly and vulnerable. Recently one involved frequent trips into Kent to provide care. Others are more local, but need car transport support for the likes of food shopping, numerous medical appointments and getting to a place of worship. Limited designs of car are suitable. Our next door neighbour is bedbound and needs 4 carer visits per day, every day. It is not smart to bring in a scheme that does not link in with national priorities, like care in the community. Exemptions are needed for carers, often the poorest in our country.” **RUC3008**

Businesses

The Committee heard from many experts and organisations representing businesses that a future road user charging scheme may place a significant financial burden on small businesses, particularly for those businesses where use of a vehicle is necessary.

The Federation of Small Businesses gave the following evidence:

*“Noting the views of our London members, we believe certain small business sectors must be provided with exemptions from some/all charges, for example – tradespeople providing essential maintenance services plus those involved in the care sector. Then, a discounted scheme for those involved with sectors such as construction, property, food, health and wellbeing. Lower income businesses will need to be acknowledged in a future charging scheme – employers and employees alike.”*⁵⁸

⁵⁶ See, for example, RUC2238, RUC733, RUC3008, RUC1273

⁵⁷ Written submission to the Committee’s Call for Evidence from Campaign for Better Transport

⁵⁸ Written submission to the Committee’s Call for Evidence from Federation of Small Businesses

The London Borough of Bexley told the Committee that businesses may also be affected by individuals changing their travel behaviour as a result of a future road user charge: *“Those who travel into outer London to spend money in local centres will divert their trade to competing centres outside London which will avoid similar barriers to the movement of goods and customers.”*⁵⁹

However, Adam Tyndall from BusinessLDN, said that congestion is currently one of the biggest costs of doing business in London and that a future road user charging scheme may help to ease this pressure.⁶⁰

Fewer individuals gave evidence from a business perspective, but some told the Committee of their experience running a small business in London.

“I run as small antique furniture restoration business in North London and need to use my van to transfer goods and materials around the city most days. I feel compelled to comment on the idea of Smart Road User Charging. The existing system of ULEZ and Congestion Charging has already negatively affect my business and quality of life. It is now more expensive and difficult for me to manage my necessary deliveries. However the idea of using smart road pricing linked to increased use of technology takes things to a different level of concern. These systems do not work to the benefit of the people of London and will lead to a decrease in quality of life and well being for the majority of the population.” **RUC445**

People who live in areas with low levels of public transport

In its Call for Evidence the Committee asked for views on how a future road user charging scheme may impact people who live in areas with low levels of public transport. As a number of respondents were referencing the ULEZ expansion Londonwide, we found that the evidence the Committee received on this mainly focused on outer London, and outer Londoners. However, the Committee notes that any new Londonwide road user charging would have an impact across the whole of London, not just outer London. The Committee believes it is important that any future Mayor or government considering a future road user charging scheme would need to consider all areas with poor public transport accessibility, in central, inner and outer London.

Through its evidence gathering the Committee heard that outer London has less public transport compared to central and inner London and there is a higher reliance on private cars in outer London boroughs.

Unite the Union told the Committee that many workers rely on their car due to a lack of public transport options:

“In some cases communities in rural locations around London only have a bus service one day a week and no rail service. The workers live so far out that cycling, especially on the busy roads into the capital is both too far and too dangerous and the provision of a taxi

⁵⁹ Written submission to the Committee’s Call for Evidence from London Borough of Bexley

⁶⁰ London Assembly Transport Committee, [Transcript of Agenda Item 6 – Road User Charging](#), 14 December 2022, p.7

*into these locations would be prohibitively expensive, so they have no options other than driving.*⁶¹

In evidence submitted to the Committee some outer London boroughs expressed concerns over access to public transport and connectivity into and out of central London. The London Borough of Bexley described the public transport provision in its borough as follows: “Bexley relies solely on heavy rail and bus services for public transport provision. Services are often unreliable, lack resilience and are not flexible enough to enable multi locational trips to access dispersed services.”⁶²

Individuals also raised concerns about public transport in outer London, regarding access to, frequency and reliability of services.

“If you progress with this, which you seem intent on, you need to be very aware of the differences between central, inner and outer London. In central London there is little justification for the majority of people to be driving their cars, and there are plentiful of other public transport options open to them, a myriad of Tube and Bus Services, Cycle hire both TfL, and Lime and a whole host of other options. In Inner London this starts to thin out and the options become a little more limited but there remains still widespread tube and bus provision. In outer London the distances are larger and the public transport is a poor relation, in particular in South London there is minimal tube services and any train services are designed to go in/out to Zone 1 rather than across or around the boroughs. Furthermore, bus services are infrequent and don’t always take you where you need to be, especially in the evenings, and at weekends.” **RUC1211**

“First off you need to offer better public transport to even begin to suggest people should stop driving their cars, the transport infrastructure in many Outer London areas just isn’t good enough or reliable.” **RUC1713**

“And finally, the two current, and one proposed ULEZ zone are all fundamentally different in many different ways. Transportation links in the outer London areas are in many cases, non-existent; the Home counties equally bad. Car use is often the only way for many people to move around. Each zone in Greater London needs to be treated as a different area, with different needs and solutions. The impact on the Home Counties must be properly consulted and considered as part of this consultation” **RUC369**

Mitigations and exemptions

For the current schemes, including ULEZ, a key mitigation measure has been the provision of financial assistance to help people replace their cars with models that are exempt, retrofit vehicles and receive discounts on other forms of transport.⁶³ As of January 2024, in total the Mayor has distributed £158,155,900 via scrappage grants to 46,616 approved applications, including enhanced rates for disabled drivers.⁶⁴

⁶¹ Written submission to the Committee’s Call for Evidence from Unite the Union

⁶² Written submission to the Committee’s Call for Evidence from London Borough of Bexley

⁶³ TfL, [Scrappage scheme](#), accessed November 2023

⁶⁴ TfL, [Ultra Low Emission Zone \(ULEZ\) scrappage scheme key statistics](#), January 2024

It is unclear how scrappage schemes might help in any new smarter road charging scheme that charged at different rates, for different vehicles, based on distance travelled.

There are also exemptions granted to certain individuals and vehicles under the current ULEZ scheme. These include some permanent exemptions, and other temporary exemptions introduced following the expansion of the ULEZ Londonwide last year and are detailed in the text box below.⁶⁵

Current ULEZ discounts and exemptions

Some vehicles currently have an exemption from the ULEZ charge. These include:

- London-licenced taxis
- specialist agricultural vehicles
- military vehicles
- non-road going vehicles which are allowed to drive on the highway
- historic vehicles – all vehicles built before 1 January 1973 and vehicles over 40 years old that have successfully registered with the DVLA for a historic vehicle tax class
- certain types of mobile crane
- some showman’s vehicles – if they are registered to a person following the business of a travelling showman and have been modified or specially constructed.

The NHS patient reimbursement scheme allows those assessed as too ill to travel to an appointment on public transport to claim back the ULEZ charge.

As part of the proposals to extend the ULEZ Londonwide certain vehicles were granted a grace period, which is a temporary exemption, to provide additional time for those that do not currently meet the emissions standard to meet the standard without incurring a charge. These include:

- ‘Disabled’ and ‘Disabled Passenger Vehicle’ tax class vehicle grace period: until 24 October 2027
- Wheelchair accessible private hire vehicles grace period: until 24 October 2027
- Wheelchair accessible vehicles grace period (defined as cars and vans that have been converted by mobility experts to allow a disabled person to access the vehicle as driver or passenger): until 25 October 2027
- Disabled benefits grace period (which includes people receiving certain disability benefits or those that meet the outlined medical criteria): until 25 October 2027
- Minibuses used for community transport grace period: until 26 October 2025
- Business and charity short-term grace period (which is open to small businesses, micro businesses, charities and sole traders registered in London who have ordered a new light van or minibus that meets the ULEZ standards or booked their light van or minibus to be retrofitted): until 29 May 2024

⁶⁵ TfL, [Discounts and exemptions](#)

A majority of those giving evidence to the Committee agreed that discounts and/or exemptions would be needed to mitigate the impact on the key groups that have been identified.

Various measures that could provide mitigation for different groups were discussed as potential options, including those already in place for current road user charging schemes in London. Measures that may be considered by any future Mayor, or government, considering a new scheme include exemptions or discounts for certain groups or businesses, varying the charge according to income, location or availability of alternative transport options or providing concessionary rates for alternative transport options.

Adam Tyndall told the Committee that discounts are better than exemptions, as they provide more flexibility. He said:

“In order to have that longevity, you are going to need to be able to adapt it for different policy scenarios in the future. The blunter tools that we have at the moment do not offer that so much at the moment. Discounts are much better than exemptions, in terms of mitigation, because it is very hard to unexempt someone or a group of people for any of these schemes. It is easier to vary rates and vary discounts to reflect new policy scenarios.”⁶⁶

However, in direct contrast, some gave evidence that exemptions and discounts may dilute any new scheme and that in order for a future road user charging scheme to be effective it would need to be universal.

“While there will always be exceptions such as emergency vehicles, as a general principle congestion charging should not vary based on the type of journey. For the policy to be effective the coverage needs to be relatively universal, allowing those with the ability to shift their journeys to alternate time of day / week or onto public transport or active travel to do so. Preferential rates for specific journey types will undermine this rationale and make the system less effective.” **Centre for Policy Studies**

Silviya Barrett told the Committee that there are other ways of mitigating the impact than via discounts and exemptions, and that the main one of these is public transport:⁶⁷

“On the topic of mitigations, it is important to say that the number one and two mitigations of fairness were making public transport cheaper and improving the connectivity of public transport.”

**Silviya Barrett, Director of Policy, Research and Projects
Campaign for Better Transport**

⁶⁶ London Assembly Transport Committee, [Transcript of Agenda Item 6 – Road User Charging](#), 14 December 2022, p.27

⁶⁷ London Assembly Transport Committee, [Transcript of Agenda Item 6 – Road User Charging](#), 14 December 2022, pp.30-31

Any future Mayor, or government, considering a future road user charging scheme would need to engage with Londoners and stakeholders, including stakeholders representing those key groups identified, regarding what mitigations they think are needed as part of a new scheme.

Some organisations submitted evidence to the Committee about what specific exemptions they would like to see.

“Any scheme should allow for a range of discount or exemptions for disadvantaged groups with a suitable transition period to allow for any affordability issues to be contained. There should also be an accompanying package of mitigation measures put in place for those on low incomes including discounted public transport and further roll out of cycling and other forms of micro mobility. Discounts or exemptions should be considered for those currently living outside the GLA boundary, including Surrey and other adjacent local authorities whose residents either access services or are key workers in London.” **Surrey County Council**

“We also know our residents travel to hospitals, businesses and other services in Greater London. [...] Elmbridge would like to see the following before road charging is introduced: [...] Clarity on proposals regarding an exemption for Elmbridge residents attending healthcare appointments in road charging areas, e.g., Kingston hospital.” **Elmbridge Borough Council**

“Many of these workers cannot afford London housing costs and hence commute in and do so by car as there is no public transport solution at the times of day they need to travel in and out of the capital, if indeed they exist at all. Adding to their travel costs will therefore cause many to seek employment elsewhere or fall further into poverty. As a result hotels and restaurants, the NHS and outer London businesses will discover shortages of workers willing to take up a post on minimum wage. Even if the employer is generous enough to pay the London Living wage if they need to pay even £15 a day this could wipe out almost half of the take home wage of a part time worker, cleaning a doctors surgery for example. Unite, therefore, believes that an exemption should be given to low paid workers from paying the charge on the basis of affordability.” **Unite the Union**

Any scheme designed to be fairer for users would require mitigations in the form of plenty of alternatives to driving. Mitigations through discounts or exemptions may also help to make a scheme fairer for certain key groups affected. To ensure the scheme was simpler for road users any mitigation measures would need to be easy for users to understand and engage with.

Recommendation 9

The design of any future road user charging scheme needs to be created in collaboration with a wide range of stakeholder groups, including:

- small and large business groups
- groups representing Disabled people in London
- groups representing older Londoners
- unions and employer associations
- groups representing local communities
- campaigners and researchers looking at poverty and low incomes.

Recommendation 10

The Committee recommends that any future development in road user charging must be tested at an early stage for potential equalities impacts; and that appropriate mitigations are put in place for these. This could potentially be done through discounts and exemptions. All proposed mitigations should be consulted upon in detail with representatives of all relevant stakeholders.

Recommendation 11

The Committee also recommends that this process of equalities impact testing and consultation should apply immediately to any changes to modify or simplify the current road user charging schemes in London.

Conclusion

The Transport Committee set out to look at the future of road user charging in London and the practical issues around the introduction of any new scheme.

The Committee did not seek to determine whether or not a new scheme should be introduced, or to propose what this might look like. Rather, the Committee wanted to understand and present the key issues any future Mayor or government considering a future road user charging scheme would need to consider.

These issues include scheme design and objectives; fairness and simplicity; provision of alternatives to driving; individual privacy; collaboration with stakeholders; public engagement; and the impact on key groups. We present this report with the aim of bringing these issues to light, and to the attention of any future Mayor considering a new scheme.

Experts and many organisations gave evidence to the Committee about the benefits a new scheme could bring, and how it could be designed to achieve a broad range of different objectives.

However, a majority of individuals responding to the Committee’s Call for Evidence did not support a future road user charging scheme. Furthermore, even this level of discussion around a potential future road user charging scheme has resulted in substantial public concern. Any future Mayor or government considering the development of a future road user charging scheme must take this very seriously.

Appendix A - Minority report from the GLA Conservatives

The City Hall Conservatives were content to agree with the City Hall Green Group’s suggestion to investigate the issue of road user charging and how a future London Mayor might theoretically implement it. That investigation formed the basis of this report. However, to ensure there is no confusion, we wish to make it abundantly clear that the City Hall Conservatives’ firm and long-established position remains that neither the current London Mayor nor any future Mayor should introduce London-wide, per mile road user charging in our City.

Appendix B – Transport Committee Call for Evidence Questions

Transport Committee Call for Evidence: The future of smart road user charging⁶⁸

Key questions

1. Do the current road user charging systems in London require reform?
2. How might smarter road user charging differ from the current daily charges for driving applied in London?
3. How might charges for driving in London be varied for different types of journeys, such as travelling for work, caring responsibilities or essential services?
4. What strategies and targets could smarter road user charging support?
5. What technology could be used to support smarter road user charging?
6. How could smarter road user charging assist with tackling current challenges such as traffic, air pollution and climate change?
7. Are road user charging schemes best set up at a city or regional level, or as a national system, and what benefits or difficulties would you expect with either approach?
8. If smarter road user charging is introduced, which charges or taxes should it replace and how should the current taxes and charges be changed?
9. What discounts and exemptions would you like to see for any new smarter road charging scheme, for example to help disabled people, those on low incomes, those who need to drive for work, or people who live in areas with low levels of public transport?
10. If the Government were interested in a national distance-based road user charging scheme, would London be a sensible place for a trial?
11. If distance-based road user charging was introduced, do you think Londoners who drive should pay less in total for vehicle or driving-based charges, the same, or more than they currently do?
12. Mayors and local authorities currently have powers to introduce new road charging schemes. Do you think anything further is required beyond an electoral mandate for these bodies to use those powers (for example a local referendum)?
13. How are other cities and countries working on similar smarter road user charging ideas faring, and what alternatives are they looking at for achieving similar policy goals?

⁶⁸ London Assembly Transport Committee, [Call for Evidence: The future of smart road user charging](#), February 2023

Other formats and languages

If you, or someone you know needs this report in large print or braille, or a copy of the summary and main findings in another language, then please call us on: 020 7983 4100 or email assembly.translations@london.gov.uk

Chinese

如您需要这份文件的简介的翻译本，
请电话联系或按上面所提供的邮寄地址或
Email 与我们联系。

Vietnamese

Nếu ông (bà) muốn nội dung văn bản này được dịch sang tiếng Việt, xin vui lòng liên hệ với chúng tôi bằng điện thoại, thư hoặc thư điện tử theo địa chỉ ở trên.

Greek

Εάν επιθυμείτε περίληψη αυτού του κειμένου στην γλώσσα σας, παρακαλώ καλέστε τον αριθμό ή επικοινωνήστε μαζί μας στην ανωτέρω ταχυδρομική ή την ηλεκτρονική διεύθυνση.

Turkish

Bu belgenin kendi dilinize çevrilmiş bir özetini okumak isterseniz, lütfen yukarıdaki telefon numarasını arayın, veya posta ya da e-posta adresi aracılığıyla bizimle temasa geçin.

Punjabi

ਜੇ ਤੁਸੀਂ ਇਸ ਦਸਤਾਵੇਜ਼ ਦਾ ਸੰਖੇਪ ਆਪਣੀ ਭਾਸ਼ਾ ਵਿਚ ਲੈਣਾ ਚਾਹੋ, ਤਾਂ ਕਿਰਪਾ ਕਰਕੇ ਇਸ ਨੰਬਰ 'ਤੇ ਫੋਨ ਕਰੋ ਜਾਂ ਉਪਰ ਦਿੱਤੇ ਡਾਕ ਜਾਂ ਈਮੇਲ ਪਤੇ 'ਤੇ ਸਾਨੂੰ ਸੰਪਰਕ ਕਰੋ।

Hindi

यदि आपको इस दस्तावेज़ का सारांश अपनी भाषा में चाहिए तो उपर दिये हुए नंबर पर फोन करें या उपर दिये गये डाक पते या ई मेल पते पर हम से संपर्क करें।

Bengali

আপনি যদি এই দলিলের একটা সারাংশ নিজের ভাষায় পেতে চান, তাহলে দয়া করে ফো করবেন অথবা উল্লেখিত ডাক ঠিকানায় বা ই-মেইল ঠিকানায় আমাদের সাথে যোগাযোগ করবেন।

Urdu

اگر آپ کو اس دستاویز کا خلاصہ اپنی زبان میں درکار ہو تو، براہ کرم نمبر پر فون کریں یا منکورہ بالا ڈاک کے پتے یا ای میل پتے پر ہم سے رابطہ کریں۔

Arabic

الحصول على ملخص لهذا المستند بلغتك،
فارجاء الاتصال برقم الهاتف أو الاتصال على
العنوان البريدي العادي أو عنوان البريدي
الإلكتروني أعلاه.

Gujarati

જો તમારે આ દસ્તાવેજનો સાર તમારી ભાષામાં જોઈતો હોય તો ઉપર આપેલ નંબર પર ફોન કરો અથવા ઉપર આપેલ ટપાલ અથવા ઇ-મેઇલ સરનામા પર અમારો સંપર્ક કરો.

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