



The Association of British Drivers

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Emissions Related Congestion Charge Consultation, J31210
Ipsos MORI House
79-91 Borough Road
London
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Submission to the Public Consultation on Emissions Related Congestion Charging

Dear Sirs,

On behalf of the Association of British Drivers (ABD) I wish to make the following comments on the above mentioned proposals.

1. The justification for this proposal appears to be (although nowhere is it clearly spelled out), that the measure will reduce CO2 emissions in London and hence have an impact on climate change. Although we accept that the reduction of CO2 emissions, and air pollutants, is part of the Transport and Environmental Strategies of the Mayor of London, and indeed of central Government also, our main concern with this proposal is that it will in practice have very little impact, if any, on such emissions. Indeed they may actually rise as a result. Justification for those comments is given below.

2. In addition there is clearly a substantial cost attached to implementing these proposals, and a net overall financial disbenefit, even after taking into account the environmental benefits and their attached financial benefits. In reality all the scheme seems to be doing is potentially raising taxes from a small minority of motorists.

3. Neither do we see any fairness or logic behind the construction of the details of the scheme.

Each of these above points is covered in more detail below.

4. No Likely CO2 Reduction.

As the report on the proposal makes clear in para 4.1.2 (Scheme Description and Supplementary Information available at: <http://www.tfl.gov.uk/assets/downloads/ERCC-supplementary.pdf>), the likely benefit in terms of CO2 reduction is going to be minimal.

To quote from the report: *"Overall, the direct effects of the proposals on car use in the short term are expected to have a small positive impact on CO2 emissions. The short term impact on air quality is expected to be very small; and the whole life impacts is expected to be minimal."* Or refer to para 4.4.19 where it suggests the financial benefit of CO2 reductions is likely to be in the range of £0m to £0.2m.

It's very simple to calculate the likely impact. As the Mayor has pointed out, only 8% of cars registered in London will be affected. But only about 10% of the CO2 emissions in London are created by private cars (see Figure 2.1 of the report for that evidence). So even if all those car owners instantly stopped using them, the benefit might be only 1% (ie. 8% of 10%, allowing for the fact that most vehicles in Band G are only slightly higher than the 225 gm/km limit).

In practice, a third might stop driving into London, a third might pay the charge, and a third might switch to a lower emissions vehicle – in the last case they are very unlikely to save more than 50% of emissions as most vehicles in Band G only slightly exceed 225 gm/km and they are likely to switch to vehicles that are just under the limit. So adding all this up, the likely benefit is about 0.5%. Who will notice the difference? Nobody!

Offsetting this benefit will be the fact that Band A and B vehicles will now be allowed to enter the Congestion Charge zone without paying so they will be likely to increase in numbers. Even if they are producing only 100 gm/km each, if the number of vehicles rises substantially then the net benefit seen from reduced numbers of larger vehicles may be wiped out altogether. It could even go negative.

Also some of the luxury car drivers might simply switch to using taxis which again will not provide any benefit because they are some of the most polluting vehicles in London with high levels of CO2 emissions. In addition if some of the drivers switched to more economical diesel vehicles, emissions from diesel vehicles might rise substantially when these are known to be more dangerous to health and create more total emissions (other than CO2) than those from petrol engined vehicles.

5. No financial benefit.

The financial impacts of the scheme are well summarized in paragraphs 4.4.19 to 4.4.21 of the TfL report. It shows no financial benefits of significance from CO2 reduction, no probable benefit from congestion reduction (which might actually get worse as low emission vehicles are now free), and up to £13m per year of losses to individual drivers.

But we would question whether the latter figure is correct. Para 4.4.21 says that charge revenues to TfL may increase by as much as £36m so where are the extra revenues coming from if not from the drivers of larger vehicles. These numbers are therefore inconsistent.

In any case, it is clear that TfL estimate that setting up this complex new system will cost an initial £6.5 million with on-going costs of between £1.5m and £2.5m. These are simply unproductive extra costs, and clearly there is no benefit from the comments given above. Why introduce such a scheme when there is obviously no significant environmental or financial benefit? It suggests that the sole motivation for doing so is to penalize a minority of motorists who drive larger vehicles, and raise more tax revenue for TfL.

6. Other Unfair and Illogical Aspects of the Scheme.

The charge will be £25 instead of £8 for vehicles emitting more than 225 gm/km. That's more than 3 times the cost, when in reality the additional CO2 emitted might only be a few percent more. Most Band G vehicles emit less than 300 gm/km, with many very near the 225 gm/km limit. There is no fairness or consistency in having to pay 3 times as much when you are emitting only a few percent more. Any such scheme should have a graduated scale which is related to the amount of emissions. Otherwise it creates perverse incentives – for example, it will be cheaper to have two cars and use them within the zone, even though you are emitting more CO2 than one larger car.

We see no real need for an additional tax incentive for people to purchase and use lower emitting cars as central Government is already providing that incentive from the vehicle license system. Indeed with this incentive and the actions of motor manufacturers, total CO2 emissions in the UK from cars have actually fallen since 1997 (they fell by 3.2 per cent from 72.2 million to 69.9 million tonnes in 2005 – source the SMMT). Similarly the TfL report entitled "Environment Report 2006" suggests that emissions from cars in London have stabilised and have probably even fallen in recent years.

One particularly unjust aspect of this scheme is the impact on the owners of larger vehicles, many of which are of luxury models and hence would typically normally last for many years. Owners of these vehicles do not normally change them frequently, and the residual second-hand values may drop substantially as a result of this proposal. Why should such vehicle owners suffer in a way they could not have anticipated when they purchased their vehicles a year or two ago?

7. In conclusion, we suggest that this scheme has been proposed without a sensible justification being put forward. There are minimal environmental benefits and it just seems to be a way to tax a small group of drivers, who may require to use a larger vehicle or who otherwise may have purchased them when CO2 emissions were not on the political agenda – and they are already paying a higher road licence tax as a penalty.

If there is a need and desire to reduce CO2 emissions and air pollutants then more intelligent steps should be taken to reduce them. Wasting time, effort and financial resources on this scheme would be simply misconceived.

Yours sincerely

Roger Lawson
London Co-Ordinator

About The Association of British Drivers (ABD)

The ABD is the leading independent organisation which represents the interests of private motorists in the United Kingdom. We campaign to protect the rights of individual road users and believe that road transport is a beneficial and essential element in the UK transport infrastructure. We oppose excessive taxation of motorists and are against tolls and road usage charging. We also campaign for more enlightened road safety policies. The Association is a "not for profit" voluntary organisation which is financially supported primarily by its individual members. More information on the ABD is available from our web site at www.freedomfordrivers.org