

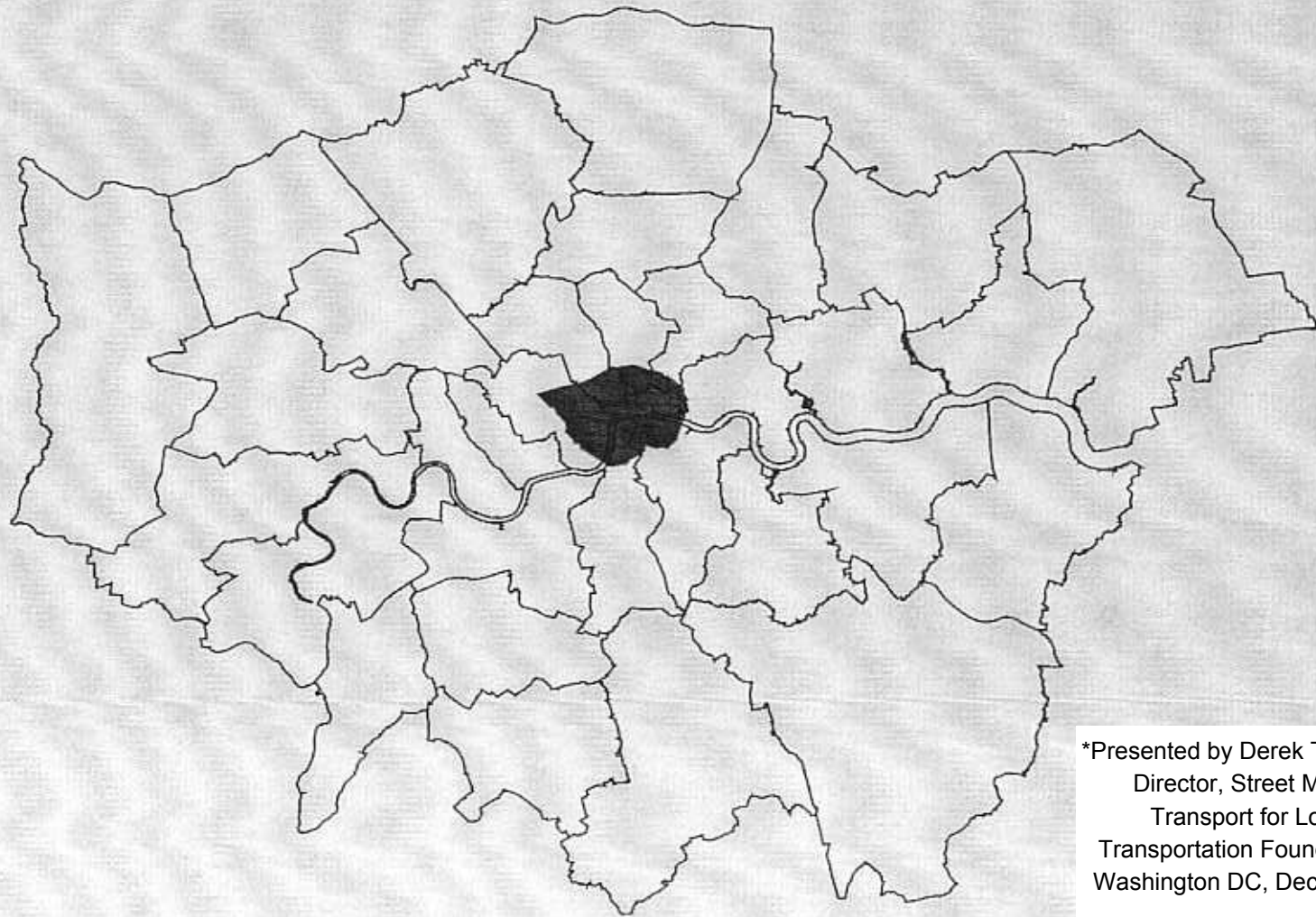
# **Cordon Area Charges in London**

- Recent history
- Brief description
- Results
- Gainers
- Losers
- Conclusions
- Possible reforms

## Brief description

- Area of pricing
- Scheme operation
- Charges
- Methods of payment
- Discounts and exemptions
- Enforcement
- Revenues to support public transport

# Congestion charging zone in the context of London as a whole\*



\*Presented by Derek Turner, Managing Director, Street Management, Transport for London, Eno Transportation Foundation Seminar, Washington DC, December 5, 2002."

# Scheme Operation\*

- Pay the charge daily, weekly, monthly or annually for individual vehicle registration number

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- Flat charge of £5 per day (Monday - Friday 7am-6.30pm) for all vehicles
- Payment by post, telephone, retail, internet, sms
- Late payment until midnight, but charge rises to £10 after 10pm

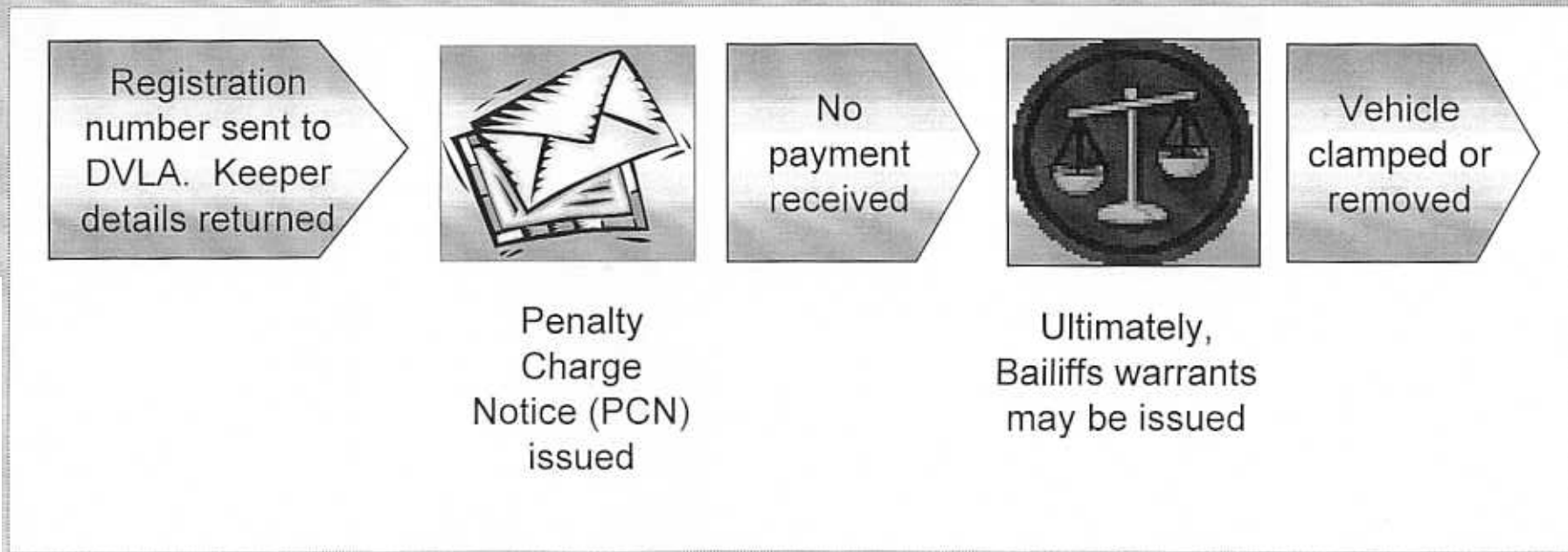
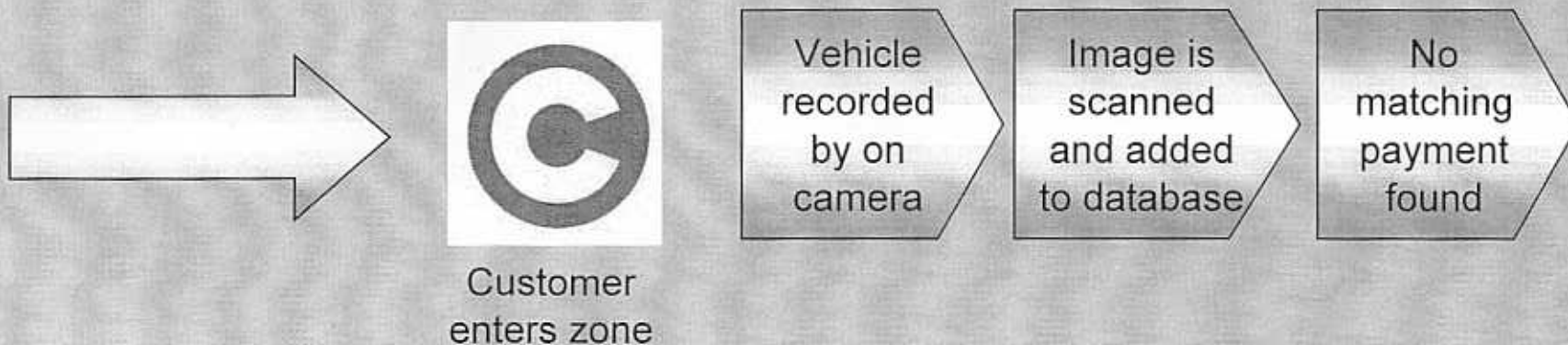
\*Presented by Derek Turner, □  
Managing Director, Street □  
Management, Transport for London, □  
Eno Transportation Foundation □  
Seminar, Washington DC, December □  
5, 2002."

# Discounts and exemptions\*

- Emergency services
- Black Cabs and licensed minicabs
- Disabled people
- Buses, coaches and community minibuses
- Alternatively fuelled vehicles
- 90% discount for residents inside the zone
- Breakdown vehicles
- On-call NHS staff and certain patients

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Managing Director, Street   
Management, Transport for London,   
Eno Transportation Foundation   
Seminar, Washington DC, December  
5, 2002."

# If non-payment\*



\*Presented by Derek Turner, Managing Director, Street Management, Transport for London, Eno Transportation Foundation Seminar, Washington DC, December 5, 2002."

# Results

- Traffic in charging zone down by 20%
- Traffic speeds up by 15%
- Bus speeds up in and outside the zone
- Public transport usage up by 20,000
- Street parking spaces available
- Conditions outside zone generally tolerable

# Gainers

- Road users who place high value on time
- Public transport users and providers
- Many who live and work within cordon
- Ken Livingstone
- Transport economists who explained that

**PRICES MATTER**

# **Losers**

- Car users who place low value on time
- Especially those “priced off”
- Some retailers near boundaries
- Other businesses within zone
- Some road users outside zone

# Conclusions

- A promising start to an interesting project
- Results better than expected
- Political boldness can pay
- Some reforms seem necessary

## **Reforms for consideration**

- Introduce electronic system [in 2006?]
- Avoid fixed boundaries
- Flexible charges should reflect costs
- To compensate losers, surpluses could be dedicated to roads