



From the Secretary of State

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10 January 2011

FOI Request: Case Reference Number F0007131

I am writing to confirm that the Department has now completed its search for the information which you requested on November 23rd. I apologise for the delay in replying to you.

A copy of the information is enclosed. The table below summarises the information.

	Date	Summary of information
1	24/11/2009	Line from official level email from TfL to DfT with excerpt from accompanying table
2	8/12/2009	Line from official level email from DfT to TfL (refers to table 6 of the TfL Business Plan 2009/10 – 2017/18)
3	12/1/2010	Excerpt from letter from the former Minister of State to the Mayor
4	13/7/2010	Excerpt of minute of meeting between the Secretary of State and the Mayor
5	17/9/2010	Excerpt from official level email exchange between DfT and TfL
6	20/10/2010	Transport for London press release copied to DfT on WEZ removal
7	20/10/2010	Transport for London stakeholder mailout copied to DfT on WEZ removal

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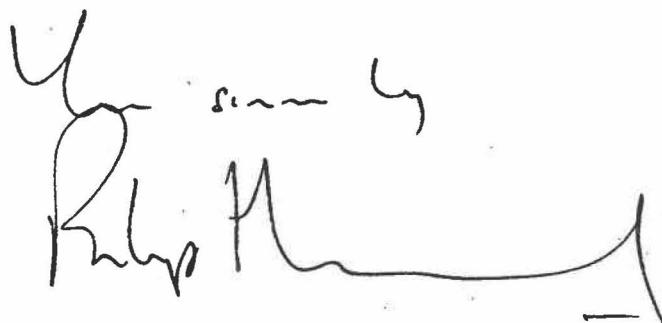
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In keeping with the spirit and effect of the Freedom of Information Act, all information is assumed to be releasable to the public unless exempt. My officials will, therefore, be simultaneously releasing to the public the information you requested, together with any related information that will provide a key to its wider context.

If you are unhappy with the way the Department has handled your request or with the decisions made in relation to your request you may complain within two calendar months of the date of this letter by writing to the Department's Information Rights Unit at:

Zone D/04
Ashdown House
Sedlescombe Road North
Hastings
East Sussex TN37 7GA
E-mail: FOI-Advice-Team-DFT@dft.gsi.gov.uk

Please see the attached details of DfT's complaints procedure and your right to complain to the Information Commissioner. If you have any queries about this letter, please contact me. Please remember to quote the reference number above in any future communications.

A handwritten signature in black ink, appearing to read "Philip Hammond". The signature is fluid and cursive, with a large, stylized 'P' at the beginning and a 'M' at the end.

PHILIP HAMMOND

Freedom of Information request F0007131 – [REDACTED]

Removal of Western Extension of Congestion

Charging Zone
1. 24/11/2009

As requested, I attach a breakdown of 'Congestion Charging and Enforcement Income' line, together with some explanatory notes to highlight the key drivers.

Congestion charging, LEZ and enforcement (£m)	2009 Business Plan Figures (£m)										Variance against 2008 Plan	Explanation	
	2010	2011	2012	2013	2014	2015	2016	2017	2018	9-year total			
Income													
Congestion Charging	322	281	226	236	238	236	233	255	270	2,297	2	(131)	(613)
													Reflects primarily the impact of WEZ abolition and declining volumes of enforcement PCNs, partially offset by bringing forward the £1 increase in charge

2. 8/12/2009

Table 6 shows C-Charge, LEZ and enforcement income as £342m in 10/11. This figure drops the following year with removal of the western extension then starts to increase slightly again as you would expect.

3. 12/1/2010

I would note that you have made decisions which have adversely impacted on the overall funding available, such as removing the extension of the congestion charging zone

4. 13/7/2010

The Secretary of State pointed out that the Mayor had foregone £50m by agreeing to scrap the Western extension to the congestion charge zone

5. 17/9/2010

DfT: I would appreciate a word to understand the netting effect on WEZ costs that you explained to the SofS earlier.

TfL: The gross revenue when we introduced WEZ was about £70m a year. However, removing it would mean we get some additional revenue from WEZ residents who drive into the central zone; they currently get a 90% discount but would then have to pay the full charge so that reduces the net impact. The £70m also includes enforcement income which has been declining due to better compliance. Thus in the public consultation on WEZ removal we quoted £55m as our best estimate of the net financial impact. Clearly there's always going to be some uncertainty in the numbers as there are behavioural impacts of any change.

6. 20/10/2010

Press release



PN-328
20 October 2010

Mayor confirms removal of Congestion Charge Western Extension Zone by Christmas and introduction of CC Auto Pay in New Year

- **62 per cent of consultation responses back removal of Western Extension**
- **Last day of charging in Western Extension will be Christmas Eve**
- **CC Auto Pay will offer £1 discount and easier, simpler payments**

The Mayor of London, Boris Johnson, today confirmed his decision to remove the Western Extension Zone of the Congestion Charge scheme by Christmas and to make a number of improvements to the scheme, including the introduction of an automatic payment system (called 'CC Auto Pay') that will mean no one need ever be fined again.

Sixty two per cent of respondents to Transport for London's (TfL) public consultation on the Western Extension backed its removal. The last charging day in the Western Extension will be on Christmas Eve, 24 December 2010.

On 4 January 2011 a number of other changes to the scheme will come into effect. They include the introduction of CC Auto Pay accounts that will offer a simpler, easier way to pay and a new Greener Vehicle Discount to encourage a switch to much cleaner and greener cars. The Congestion Charge will also increase from £8 to £9 if paid using CC Auto Pay; or £10 if paid in advance (or on the day) using conventional means and £12 if paid the next charging day.

The Mayor of London, Boris Johnson, said: "The people of west London had the Western Extension unfairly foisted upon them and they have now voiced their antipathy for it loud and clear on several occasions. After negotiating a testing course of several legal hurdles, I am delighted to be able to confirm that it will now be removed by Christmas. It will be vanquished, annihilated and obliterated, with road markings literally blasted from the earth over the festive period.

"It is essential that the Congestion Charge is made fairer and more effective, but also that it continues to do what it says on the tin and remains a deterrent to all but essential journeys into the heart of the capital. I have therefore taken the difficult, but nevertheless crucial decision to increase the daily charge to £10. However, motorists can take comfort in the new CC Auto Pay accounts that will mean a £1 discount and the peace of mind that never again will they get clobbered for forgetting to pay the charge."

The Congestion Charge will remain under review in future years to ensure that it remains an effective measure to control traffic levels in central London. Efforts to smooth traffic flow in the capital will also continue, to ensure essential journeys can take place, but not at the expense of air quality. All net revenues from the central London Congestion Charge will be invested in delivering improvements to London's transport infrastructure and to protect frontline transport services.

TfL will be contacting registered customers in the Western Extension area of the Congestion Charge zone after 22 November to inform them of the removal of their discount and to issue any appropriate refund.

Ahead of CC Auto Pay going live in January, motorists can pre-register on the TfL website for a CC Auto Pay account from 22 November. This will make paying the congestion charge easier, more convenient and will ensure that no Penalty Charge Notices (PCNs) are issued to registered vehicles, so drivers will no longer be penalised for forgetting to pay the charge. To register you will need a credit or debit card and will have to pay a £10 registration charge for each vehicle on the account. CC Auto Pay customers will also be eligible for a reduced daily charge of £9. Drivers will only be charged for the days they travel within the zone and will be billed each month.

The Mayor has confirmed that the Alternative Fuel Discount will be discontinued and in its place a Greener Vehicle Discount will be created to encourage a switch to much cleaner and more CO₂ efficient cars.

The current alternative fuel discount provides a 100 per cent discount to some vehicles that are powered by an alternative fuel. However, some benefits of the alternative fuels have been outpaced by technological developments in other vehicles. This means some new vehicles that do not qualify for the alternative fuel discount have better environmental performance than some vehicles that do qualify.

The new Greener Vehicle Discount will provide a 100 per cent discount to cars that emit 100g/km of CO₂ or less and meet the Euro 5 standard for air quality. Over the course of the next 12 to 18 months it is anticipated that new electric and hybrid electric plug-in vehicles will be brought to market with significantly lower emission levels. TfL will monitor developments in the market and keep discount criteria under review, with the intention of reducing the discount levels to 80g/km or lower when the time is right. The review of exemption criteria will be carried out in 2012.

As with the current Alternative Fuel Discount, owners of cars eligible for the Greener Vehicle Discount will have to pay a £10 annual registration charge. The eligibility criteria for the electric vehicle discount has also been widened to include plug-in hybrid electric vehicles.

The changes to the Congestion Charge Scheme Order follow a 10-week statutory public consultation that ran between 24 May and 2 August 2010. The consultation received more than 13,000 responses. A report summarising the responses was provided to the Mayor who then made a decision to implement the changes to the scheme. The report can be viewed at:
www.tfl.gov.uk/congestioncharging

Ends

Notes to Editors

- The central London Congestion Charging zone was introduced in February 2003.

- On 19 February 2007 it was extended westwards, creating a single enlarged zone in which the same charges, discounts and exemptions apply.
- The scheme has helped reduce emissions of climate change gases and environmental pollutants from vehicles and encouraged people travelling in the area to use public transport, to walk or cycle.
- The Mayor and TfL have listened to the concerns about the impact of the Western Extension on the local economy and on people living in the zone. The Mayor has decided to confirm the Greater London (Central Zone) Congestion Charging (Variation and Transitional Provisions) Order 2010, made by TfL on 20 May 2010, without modification.
- TfL's analysis suggests that the removal of the Western Extension will lead to an increase in traffic and congestion in the area, however a number of measures will help to mitigate this, including the London (roadworks) Permit Scheme and work to smooth traffic flow.
- A reduction in congestion in the central London Congestion Charging zone is expected as a result of the removal of the Western Extension.
- The removal of the Western Extension will result in an estimated £55m reduction in net annual revenue for TfL, as a result of people no longer having to pay a charge to drive in the area.
- Emissions of air quality pollutants from road transport in the zone are predicted to increase slightly as a result of the removal of the Western Extension, but it is not predicted that this would prevent London from meeting PM10 legal limits by 2011.
- The Mayor and Transport for London are committed to introducing sustainable long-term measures to tackle air quality, including NOX levels, such as converting the bus fleet to hybrid, increasing the use of zero-polluting electric vehicles, introducing the New Bus for London, which will be 40 per cent less polluting than a traditional diesel model and investing record levels into cycling.

- The Low Emission Zone will include emissions standards for light goods vehicles and minibuses from January 2012. Also underway are plans to implement targeted interventions at the few locations in central London (not in the WEZ area) at risk of not meeting PM10 targets, for example applying dust suppressants to road surfaces and deploying the cleanest buses along routes in these locations. Work on these hotspots expected to start in November this year.
- The Congestion Charge Scheme Order will also be amended by the Mayor's confirmation of the Greater London (Central Zone) Congestion Charging (Variation and Transitional Provisions) (No 2) Order 2010, also made by TfL on 20 May 2010, with minor modifications. This Variation Order implements a number of changes to the Scheme. Amongst others, it implements an exemption under recent legislation given to HM Forces' vehicles from the Congestion Charge; currently, only vehicles that are being used for naval, military or air force purposes are exempt.
- The vast majority of vehicles that are eligible for a Congestion Charge discount must pay an initial £10 registration charge and then an annual £10 charge to maintain the discount. Currently vehicles with 9 or more seats do not have to pay these charges. To ensure a consistent approach these vehicles will now have to pay this fee.
- Fleet Auto Pay will continue to operate as it currently does, but with two differences: the minimum number of vehicles an operator can register to qualify for a fleet account reduces to six (currently it is 10). The discount will be changed so it is in line with all other Auto Pay charge payers (i.e. £9 per day).
- Residents registered for the Resident's Discount will be able to register for CC Auto Pay and will then be entitled to a 90% discount of the £9 daily charge. Under this system, a resident's account will be charged £0.90 for every day that their vehicle is used within the Congestion Charging Zone. This works out cheaper and more flexible than the current payment method which requires residents to purchase weekly, monthly or annual charges at set prices.
- The current Alternative Fuel Discount provides a 100 per cent discount to some vehicles that are powered by an alternative fuel (TfL uses the DVLA definition of alternative fuel vehicles – which includes LPG, natural gas and petrol-electric hybrids). However, some of the benefits of the Alternative Fuel Discount have been outpaced by technological developments in other vehicles. This means that some new vehicles that do not qualify for the Alternative Fuel Discount have better environmental performance than some vehicles that do qualify.

- The Alternative Fuel Discount will be closed to new registrations on 24 December 2010. However, owners of vehicles registered with TfL before that date will continue to receive a 100 per cent discount for a two year period.
- The Congestion Charge will be suspended as normal over the festive period; then from Tuesday 4 January the Congestion Charging zone will revert to substantially the same boundaries as existed prior to the Western Extension being added in 2007.
- Those people who receive the 90 per cent Resident's Discount because they reside within the Western Extension, or immediately adjacent to the Western Extension boundary, will no longer qualify for a 90 per cent discount from the charge, reverting to the position prior to the Western Extension.

TfL Press Office
0845 604 4141

7. 20/10/2010

Dear Stakeholder

Mayor confirms Variation Orders to remove the Western Extension to the Congestion Charging zone and implement a number of other changes to the remaining Congestion Charging zone

Earlier this year we contacted you about the public and stakeholder consultation on two Variation Orders to the Congestion Charging Scheme, which TfL was conducting on behalf of the Mayor. The consultation ran from 24 May to 2 August 2010 and I would like to thank you for your contribution to the consultation. Today the Mayor announced his confirmation of these Variation Orders. The Press Notice is attached.

TfL's Report to the Mayor on the consultation, which considers the issues raised in the consultation and sets out TfL's recommendations, is on our website: www.tfl.gov.uk/roadusers/congestioncharging

Further information and documents related to the Mayor's decision are on the GLA website: www.london.gov.uk

The remainder of this email summarises the changes that will be brought into effect from the two variation orders. Please refer to TfL's website for further information on these.

Removal of the Western Extension of the Congestion Charging Zone (Variation Order 1)

- The Western Extension of the central London Congestion Charging zone will be removed at the end of the charging day on 24 December 2010

Although this change comes into effect on 24 December 2010, because of the charge-free period from Christmas Day to New Year's Day inclusive, the first charging day after the removal of the WEZ would be 4 January 2011. From this date there would be no charge to drive in this area and residents of the WEZ area and its associated Residents' Discount zones would no longer be eligible for the 90 per cent Residents' discount.

No modifications have been made to the WEZ Removal Variation Order as consulted on.

Changes to the remaining Congestion Charging scheme (Variation Order 2)

A number of changes to the remaining scheme – the original Central London zone – have been confirmed. Some of these will take effect on 24 December 2010, however as described above, some will take effect on 4 January 2011. These are summarised below:

- The introduction of a new automated payment method: Congestion

Charging Auto Pay (CC Auto Pay) to allow account holders to be billed automatically for days travelled each month

- An increase in the level of the daily charge to £10 per day if paid in advance or on the day of travel and £12 if paid the charging day after driving within the zone. For drivers registered for CC Auto Pay, the daily charge will be £9

- Removal of the Alternative Fuel Discount (AFD). New registrations for this discount will close on 24 December 2010: anyone registered with TfL for the AFD at this time will continue to receive this discount for 2 years
- Introduction of a new Greener Vehicle Discount for Euro 5 cars that emit 100g/km of CO₂ or less. The Mayor has also confirmed that TfL will review this discount by 2013, or sooner if necessary
- A change to the vehicles eligible for the electric vehicle discount to include both pure electric vehicles and plug-in hybrid electric vehicles
- Alteration to the process for registering for the discount for vehicles with 9 or more seats. To ensure a consistent approach for all discount categories, owners of these vehicles will now need to pay a £10 annual registration fee
- A change to the exemption for Ministry of Defence vehicles to exclude all vehicles belonging to the MoD, in conformity with new legislation

Two minor modifications have been made to the CCZ Changes Variation Order as consulted on:

- Text has been added to clarify that payments made via CC Auto Pay cannot be refunded via this channel from the NHS Reimbursement scheme. To take advantage of this scheme, payment needs to be made by another payment channel
- Introduction of pre-registration for CC Auto Pay in advance of the system's go live on 4 January 2011. Applications may be made for pre-registration from 22 November 2010.

If you have any questions or would like further information please get in contact with us at ccteststakeholder@tfl.gov.uk