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**Our ref:** MGLA240820-1813

**Date:** 7 September 2020

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**Freedom of Information request**

Thank you for your email dated 21 August 2020. You requested:

*Under the FOI Act please provide me with the advice and any correspondence that went to London Mayor Sadiq Khan regarding the “temporary closing of the residents discount scheme for new applicants” to the London congestion charge.*

Advice to the Mayor on the proposal to temporarily close the residents’ discount scheme to new applicants was part of wider discussions about a package of proposed temporary changes to the Congestion Charge. Advice took the form of discussions at meetings between Transport for London’s (TfL) senior officers and the Mayor and his team. I have attached relevant sections of meeting papers where this proposal was discussed with the Mayor.

The Mayor took advice through the decision-making process, in which proposals were presented for him to consider. The materials that the Mayor considered before signing the relevant Mayoral Decision, including TfL’s Integrated Impact Assessment (IIA) of the proposal, are published on the GLA’s website. Below I have provided the relevant weblinks. I have noted where the proposed temporary change to the residents’ discount is considered, including the mitigations proposed to the original proposal to close the scheme to new applicants.

**Mayoral Decision:**

Proposal 7, paragraphs 2.27 to 2.33 concern the proposed temporary change to the residents’ discount:

[https://www.london.gov.uk/sites/default/files/md2648\\_temporary\\_changes\\_to\\_the\\_congestion\\_charge\\_-\\_signed.pdf](https://www.london.gov.uk/sites/default/files/md2648_temporary_changes_to_the_congestion_charge_-_signed.pdf)  
[https://www.london.gov.uk/sites/default/files/md2648\\_temporary\\_change\\_to\\_the\\_congestion\\_charge\\_-\\_signed.pdf](https://www.london.gov.uk/sites/default/files/md2648_temporary_change_to_the_congestion_charge_-_signed.pdf)

## **Integrated Impact Assessment:**

Pages 12, 14, 16, 46, 59, 65, 70, 78 of the IIA contain comments relevant to the proposed temporary change to the residents' discount. Page 78 and 79 of the IIA sets out the proposed mitigation to permit residents to apply for the residents' discount between the 15 May (when the change was announced) and the 31 July instead of closing the scheme to new applicants from the 15 May:

[https://www.london.gov.uk/sites/default/files/appendices\\_1-4\\_1.pdf](https://www.london.gov.uk/sites/default/files/appendices_1-4_1.pdf)  
[https://www.london.gov.uk/sites/default/files/appendices\\_1-4\\_1.pdf](https://www.london.gov.uk/sites/default/files/appendices_1-4_1.pdf)

(Please note the page references above refer to the page numbers on the IIA, and not to the PDF page numbers).

If you have any further questions relating to this matter, please contact me, ensuring that you quote the reference at the top of this letter.

Yours sincerely



Information Governance Officer

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## **Meeting paper: TfL/ Mayor meeting 12 May 2020**

Extracts relevant to residents discount

### **Component 3: Discounts and exemptions**

#### **Residents**

Residents of the zone receive a 90% discount to the Congestion Charge in recognition of the fact they are unable to avoid the charge if they need to drive (unlike for ULEZ where the charge can be avoided by using a compliant vehicle).

We are aware from recent survey work that 56% of UK driving licence holders are considering purchasing a car if they don't already have one. In order that the 90% residents' discount to the CCZ does not provide an incentive to central London residents to switch to car journeys, we propose to temporarily close the scheme to new applicants. Existing registrations would continue to receive the discount. This would not have a significant traffic impact but would be a policy change to prevent unintended adverse outcomes.

The change would need to be published with a clear message that renewals are covered. Web content and staff training would be required.

**This change could be announced along with the planned reinstatement of the scheme on 18 May.**

## Meeting paper: TfL/ Mayor meeting 9 June 2020

Extracts relevant to residents' discount

### Progress to date

On 14 May, we concluded an extraordinary funding and financing arrangement with the DfT. This addressed several non-financial matters relevant to the role we are to play in supporting the safe restart of the transport system. One aspect of this was that we were to reinstate and urgently bring forward proposals to widen the scope and levels of road user charging schemes in accordance with its legal powers and decision-making process.

Taking into account the increasing traffic levels in the Congestion Charge Zone (CCZ) and the need to support social distancing for people using London's streets (including Streetspace for London plans), the CC, LEZ and ULEZ schemes were reinstated on 18 May, having been suspended for seven weeks. At this point, car traffic levels in the CCZ were already exceeding pre-lockdown levels.

At the same time, we announced a temporary expansion of the NHS staff reimbursement scheme and a new temporary reimbursement scheme for people working at care homes in the zone, as well as a number of further temporary changes that could be implemented from 22 June as follows:

- increase the charge level to £15 and remove the Auto Pay discount, including for Fleet Auto Pay users;
- extend the charging hours to 22:00 and operate the Congestion Charge on Saturday and Sunday; and
- close the residents' discount to new applicants.

The announcement generated significant interest in the proposals and although the exceptional circumstances created by the pandemic means it is not possible to conduct formal public consultation for these emergency temporary measures, we have welcomed views from stakeholders and the public. The invitation to share views on the proposals by email to [yoursay@tfl.gov.uk](mailto:yoursay@tfl.gov.uk) by 4 June was included on our website and in the Metro travel page on 29 May.

This report highlights key issues raised and our proposed response, including the potential to create new reimbursement arrangements for those who are providing an essential pandemic response role.



## Proposed congestion charge changes – announced package

Changes	Rationale	Benefits
NHS and care home worker reimbursement	Supports critical journeys made by those working in settings in close contact with large numbers of people with or at greater risk of COVID-19. NHS Trusts apply the reimbursement judiciously to support the wider congestion and consequential air pollution benefits of the scheme.	Supports critical journeys made by those working in high risk settings and supports the NHS.
Increase charge to £15 and remove Autopay and fleet discounts	Much of the traffic in the CCZ is fairly inelastic to price increases so smaller charge level increases may be effective in raising revenue but without having the desired demand effect. A £15 charge level could reduce car trips by c. 7% - a worthwhile benefit with a real traffic / congestion reduction outcome. The level of Congestion Charge has not increased since 2014 (the longest ever without a rise) when it increased from £10 to £11.50. Re Auto Pay and Fleet discounts: At this time, access to highly valuable road space should not be offered at a discounted rate to those who are liable to pay the full charge.	Increases deterrent effect, decrease of c. 7% of car trips in current charging hours (c. 3% reduction in kilometres driven). C. 2% reduction in air pollutants.
Remove residents' discount	56% of UK driving licence holders are considering purchasing a car if they don't already have one. Temporarily closing the scheme to new applicants means the 90% residents' discount to the CCZ will not provide an incentive to residents to switch to car journeys.	Acts as a deterrent to car ownership for new residents, or new car purchases for existing residents.
Extend hours to 22:00, seven days	All vehicle types have higher levels of entries on a Saturday and Sunday than in the rest of the week. Car and PHVs are the most likely vehicle types to enter the zone. Cars and PHVs are high across the day from the early hours of the morning, peaking in the early evening. When the CCZ charge ends at 18:00, there is a spike in entries into the zone. Between 18:00 and 22:00, entries to the zone are as high as during charging hours. Streetspace plan infrastructure is in place 24/7 and will be used after 18:00 so traffic needs to be constrained beyond current charging hours.	Keeps traffic levels low during most active hours, accounting for staggered work hours, extended peaks etc. Newly charged hours could see car trips reduce by 33% at £15 (16% reduction in kilometres). 10-12% reduction in air pollutants. Extending to these hours and days would result in 4 times the savings of car NOx, particulates and CO2 than charge level alone.

here would be operational costs to us of implementing the proposals. The expected budgeted revenue for the Congestion Charge is £151 million for this year (against an original budget forecast of 165m).



## Decision points and next steps

We are in the course of preparing the Integrated Impact Assessment and decision documents which recommend the following temporary changes to the Congestion Charging Scheme which if approved would come into effect on 22 June:

- Increase the charge level to £15;
- remove the Auto Pay discount and Fleet Auto Pay discount;
- increase pay next day charge to £17.50 and lengthen time available to make delayed payment;
- extend the charging hours to 22:00;
- operate the Scheme on a Saturday and Sunday from 07:00 – 22:00;
- operate the Scheme every day of the year (excluding Christmas Day);
- close the residents' discount to new applicants;
- minor changes to the NHS Patient reimbursement rules to facilitate their expanded application;
- minor changes to the NHS Staff reimbursement rules to facilitate their expanded application; and
- regularisation of the rules which apply to the newly introduced care home worker reimbursement arrangement.

We also recommend that further work is to be done in association with stakeholders on new reimbursement arrangements for local authority and charity workers (and potentially Pandemic Multi Agency Response Teams) who are providing support services directly in response to the Pandemic.

New reimbursement schemes can be introduced once criteria are agreed and accounts are in place. Reimbursements could be backdated to 22 June.

The Mayoral Decision Form is due to go to the 15 June Corporate Investment Board meeting. This will enable a decision to be taken w/c 15 June, allowing some time to communicate changes before they come into effect on 22 June, if confirmed.

