

## Chapter 4 – Public reactions to Charging Schemes

### 4.1 INTRODUCTION

4.1.1 An important part of the supporting work by the consultants was a programme of market research surveys which examined the public’s current attitudes to charging options in London and their likely behavioural responses if a scheme were introduced. These surveys were carried out during the period March to August 1999.

#### Qualitative and Quantitative Surveys

4.1.2 The first stage of the programme was a series of qualitative interviews that explored the general reactions and likely responses of different user groups. The results indicate the depth and motivation of responses of:

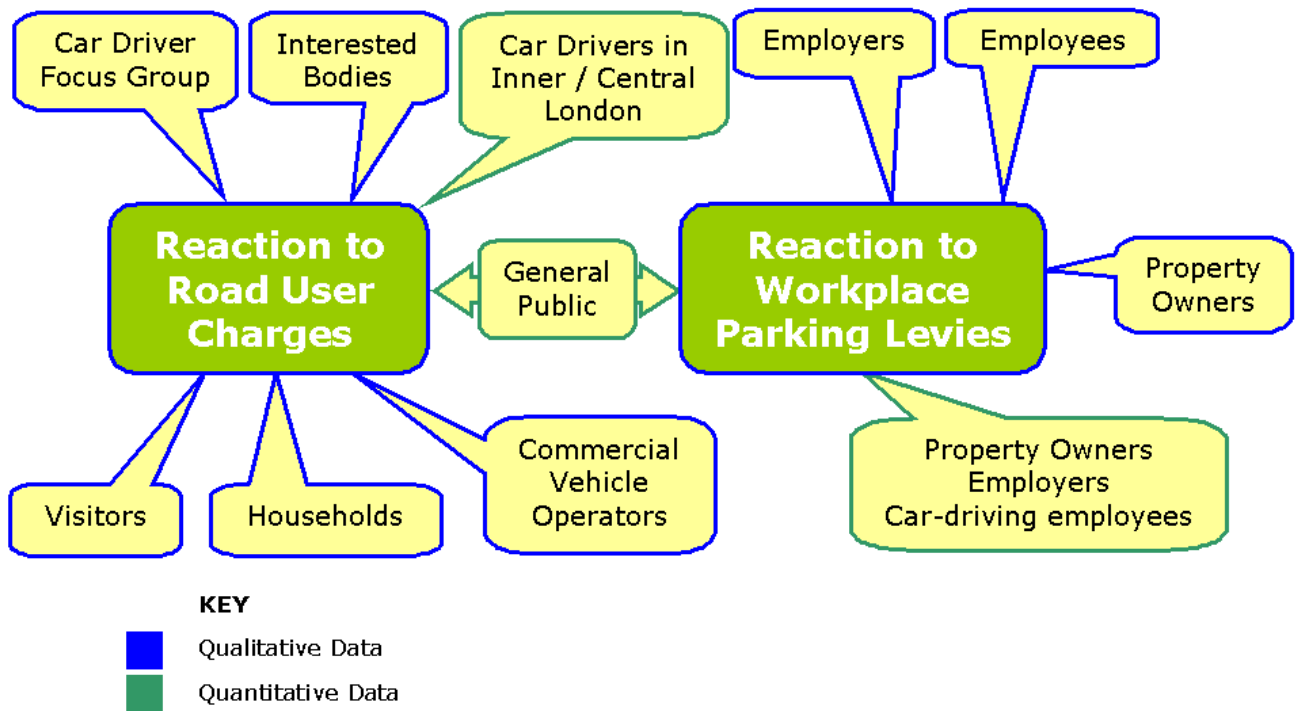
- the general public to road user charges in Central and Inner London; and
- businesses and employees to workplace parking levies, principally in Central and Inner London

4.1.3 This stage was followed by a set of quantitative surveys designed to provide robust and representative response data in terms of attitudes and behaviour to potential schemes based on the illustrative scenarios described in Chapter 3.

#### Groups Surveyed

4.1.4 Reactions were gauged from the groups shown in Figure 4.1. There were 14 discrete surveys consisting in total of approximately 100 qualitative interviews and 2,100 quantitative interviews. More details of the surveys and the reliability of the findings are given in Annex C. Great care was taken to ensure that the quantitative research findings were reliable.

Figure 4.1: Groups interviewed



Source: ROCOL consultants

### ***The Questions***

4.1.5 The survey programme sought to determine:

- whether people thought there were transport problems in London
- if so, what the problems were and how they could be solved
- attitudes towards road user charging and workplace parking levies: are they considered a good thing for London; are they necessary; are they fair

4.1.6 People's reactions to road user charging were explored in terms of whether they would:

- buy licences
- try to avoid payment
- change their travel behaviour

4.1.7 Property owners', employers' and employees' reactions to workplace parking levies were investigated as to:

- how many vehicle spaces they would register
- changes in business operations or travel behaviour

4.1.8 Finally, the survey explored:

- the ways in which the public felt revenues raised from the charges should be spent
- the impact of this expenditure on attitudes towards charging

4.1.9 In the quantitative surveys charging schemes were described in terms of:

- how and where they would operate
- times of operation
- charges applied
- who would have to pay
- who would be exempt

4.1.10 To ensure that respondents understood what improvements could be forthcoming, there were explicit descriptions of the types of improvements that the revenues could pay for.

### ***Survey of likely compliance with traffic control measures***

4.1.11 As reported in Chapter 3, a market research study was also carried out to assess how well drivers would comply with an area licence applied in Central London.

## **4.2 THE RESULTS**

### **Quantitative surveys**

4.2.1 The following responses are largely derived from the quantitative surveys, but they are supplemented by opinions given in the qualitative surveys.

4.2.2 A summary of the more in-depth individual qualitative responses is given in Annex D.

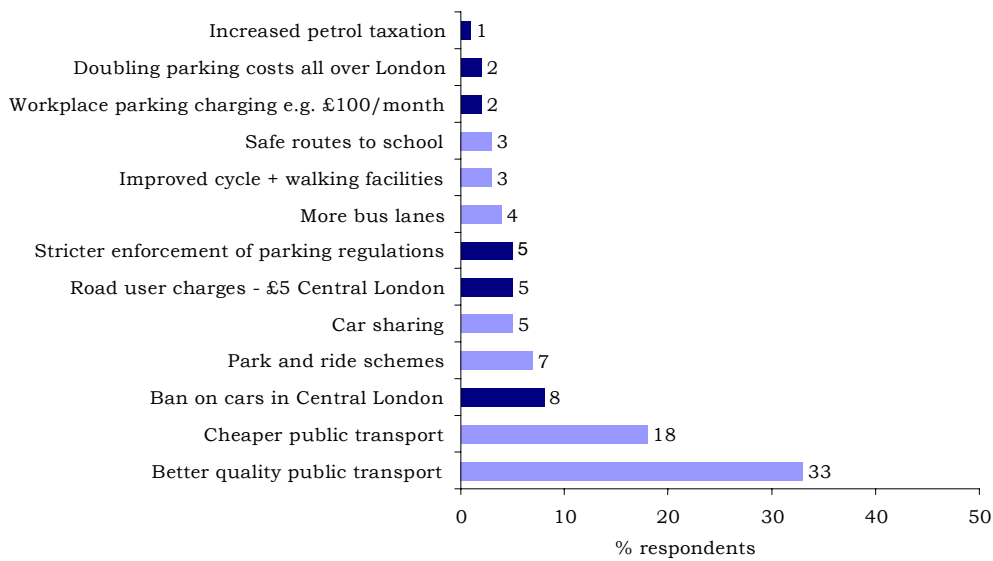
### ***Are there transport problems in London?***

4.2.3 As reported in Chapter 2, there is a strong belief that there is too much traffic in London, that it causes congestion and pollution and adversely affects the operation of London businesses.

**How can we solve the problems?**

- 4.2.4 Most groups considered that improving public transport was an essential part of the solution to London’s transport problems. To reduce traffic, groups generally preferred providing more attractive alternatives to private transport, rather than using ‘restraint’ measures.
- 4.2.5 From a list of options the general public’s most frequently preferred solutions to traffic problems were better quality and cheaper public transport.
- 4.2.6 When asked which would be the single most effective solution to reduce traffic levels, people cited traffic restraint measures as well as traffic improvements. In Figure 4.2 restraint measures are shown in a darker shade. Of the restraint measures, the general public considered the most effective measure to be a ban on cars in Central London. They considered that the least effective measures were a workplace parking levy, doubling of parking charges and increased petrol taxation.

**Figure 4.2 The most effective solution for reducing London's traffic levels**



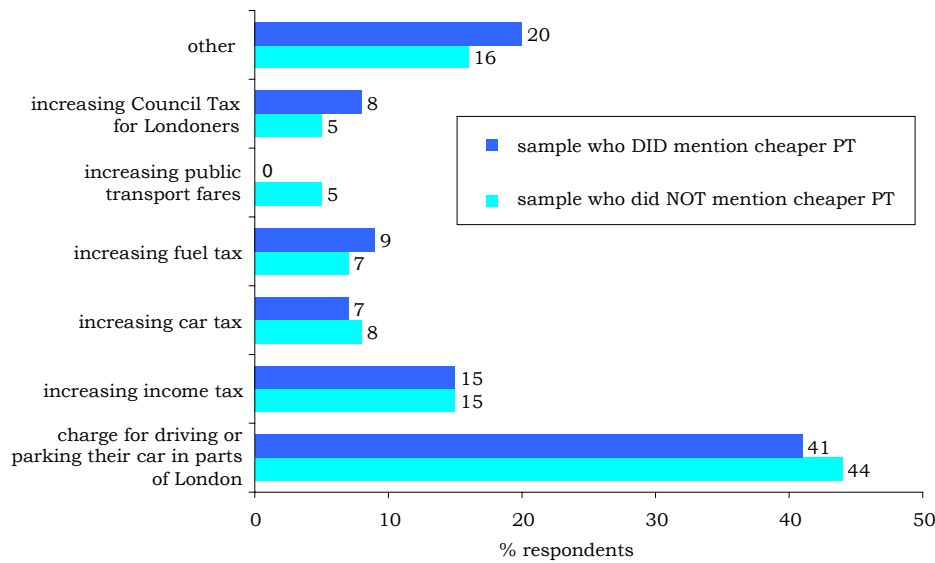
Source: ROCOL consultants

- 4.2.7 Businesses also supported public transport improvements including measures to improve personal safety. They also considered that improvements would be delivered by better enforcement of existing traffic measures along with selected restraint measures.

**How should improvements be paid for?**

- 4.2.8 Respondents were asked “This will need to be paid for. How do you think this money should be raised – increased public transport fares, increased council tax for Londoners, increased income tax, increased fuel tax, increased car tax, or a charge for driving or parking your car in parts of London?” Respondents could also specify other potential sources of revenue.
- 4.2.9 This question was put to the 37% of respondents who mentioned better quality public transport in some form, but not ‘cheaper public transport’. For the 54% who mentioned ‘cheaper public transport’ there was no reference to ‘increased public transport fares’.
- 4.2.10 The preferences are shown in Figure 4.3 for those who mentioned or did not mention ‘cheaper public transport’.

**Figure 4.3 How should money be raised?**



Source: ROCOL consultants

4.2.11 The most popular preference among both groups was ‘a charge for driving or parking in parts of London’. This was consistent among those with and without access to a vehicle, and among frequent car users and frequent public transport users. The only exceptions were retired people. These results confirmed the preference expressed by Central and Inner London car drivers in earlier surveys.

### 4.3 WHAT DO PEOPLE THINK OF ROAD USER CHARGING?

#### Qualitative Responses

*“No way! We already pay a lot of tax. That’s not fair at all”* Central London resident

*“don’t price motoring out of people’s reach... make public transport so cheap that they can’t resist it”* Central London resident

4.3.1 The car-using public voiced strong opposition to the idea of charging, particularly residents who might be affected. Those consulted were generally negative towards road user charging. They persisted in their beliefs that their car journeys were necessary and they resented additional charges. The great majority resisted the idea of paying for driving in their own home area. Charging residents was seen as particularly unfair.

*“in favour provided all money was used for public transport”* Inner London resident

*“in favour but would be hard to police”* Inner London resident

4.3.2 When the concept of using the revenues to pay for transport improvements (hypothecation) was introduced, people’s attitudes softened slightly. However, they expressed scepticism that improvements would be made; they believed the charges were simply another tax. Respondents voiced concerns about whether charging schemes could actually be enforced. They expressed more scepticism about the effectiveness of workplace parking levies than they did about road user charging.

4.3.3 Annex D includes a summary of the series of in-depth interviews with households and organisations in Central and Inner London, exploring how they would respond to area licensing or a workplace parking levy. In these more considered responses there was frequently a degree of antagonism to the concept of charging, particularly at the higher illustrative levels.

4.3.4 Visitors to London were also sceptical about charging and its enforcement. Although they could see some benefits, they felt charging would be unfair. They regarded travel in London as expensive enough already.

4.3.5 The business qualitative response was slightly more positive to road user charging. Businesses were against workplace parking levies, seeing them as an additional tax with little affect on reducing congestion. They expressed concern that small businesses would suffer with charging. They also considered enforcement to be an issue.

4.3.6 A number of interest group representatives were supportive of road user charging in principle, when accompanied by hypothecation (using the monies to pay for transport improvements). However, they did express concerns about aspects of its implementation.

*“supportive of road user charging in principle, preferred to more general fuel tax increases, but MUST be accompanied by hypothecation...would prefer electronic road pricing for more flexibility...concerned about boundary impacts..”*

CBI representatives

*“concerns about road user charging...a blunt instrument...solution – expenditure on improved transport now, electronic road pricing later...can’t see circumstances to support workplace parking levies...”*

London Chamber of Commerce representative

*“supports road user charging, but if it is really about reducing congestion rather than tax collecting, then taxis should be exempt”*

Licensed Taxi Drivers Association representative

*“road user charging must be coupled with additional expenditure on public transport”*

London Tourist Board representative

*“road user charging will just be inflationary and make it even more difficult to recruit staff in London...workplace parking not felt to be significant enough to deter car travel; only inflationary and revenue-raising”*

London Electricity plc representative

### **Quantitative surveys**

4.3.7 In the quantitative studies, the public was introduced to the road user charging schemes in the following way:

*“Because of increasing levels of congestion the Government intends to provide local authorities with new powers to charge road users. Making driving more expensive can reduce traffic levels and provide a source of money to improve traffic and public transport and the Government has therefore commissioned research to examine the reaction of drivers in London to such schemes. There are two road user charging schemes which might be considered:*

*an area road user licence scheme for Central London*

*an area road user licence scheme for Central and Inner London*

*Central London is the City and West End and Inner London is the area inside the North and South Circular Roads.*

*“The schemes could operate from 07.00-19.00 on weekdays only. It would be possible to buy daily, weekly, monthly or annual licenses. There would be exemptions for the emergency services and London Transport buses. When in operation all vehicles would need to have a license to drive in the relevant area.*

*“The forthcoming Mayor would have the power to spend the money raised from such a road user charging scheme and this has to be spent on additional transport and/or traffic and environmental improvements in London.”*

4.3.8 Respondents were then asked whether they thought that a road user charging scheme as described with a daily charge of £5 would be a “good thing” for London.

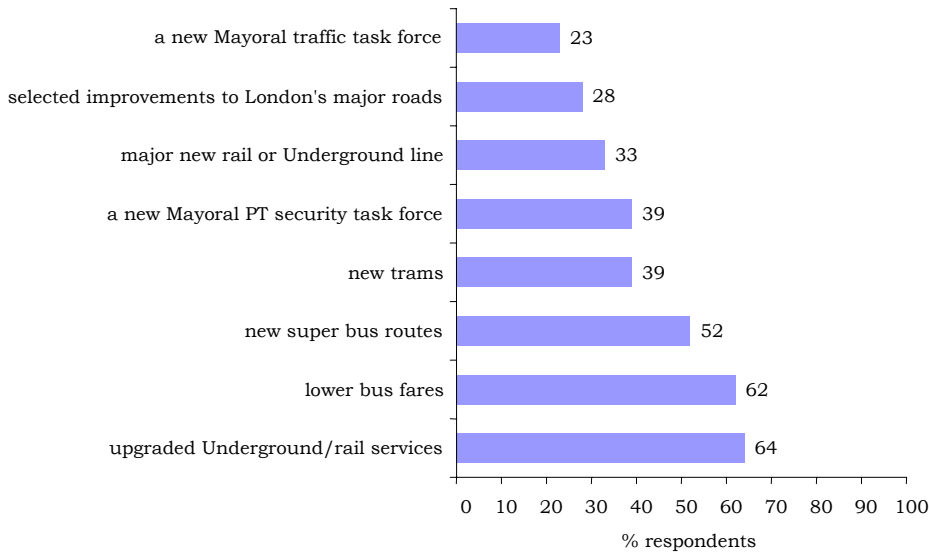
4.3.9 It is important to note that the main survey of the ‘general public’ involves residents from across Greater London and includes non-car users and people living in areas less likely to be affected by charging.

- 4.3.10 Without reference to the spending of revenues, the majority thought road user charges, in the form of area licences in Central or Inner London, would be a “*good thing*” for London and a necessary step to take.
- 4.3.11 A total of 53% said it was a “*good thing*” for London, 36% said it was a “*bad thing*” and 11% were neutral. More women than men thought it was a good thing, otherwise there were no significant differences in views by age, socio-economic grouping, residential location, access to a car, and income. However, people who drove in Central and Inner London did not, on balance, think it was a “*good thing*”.
- 4.3.12 Only 30% of car drivers in Inner and Central London thought that a £5 daily licence for Central London would be a “*good thing*”; 58% thought that it was a “*bad thing*”, and 12% were neutral.
- 4.3.13 The majority (57%) of the general public said road user charging was “*necessary*”. 35% said it was “*not necessary*”. There was little difference in responses by age, gender, employment status, income or socio-economic group.
- 4.3.14 Nevertheless, the balance of opinion was that road user charging would be “*unfair*” (48% unfair compared to 44% fair). There was no significant difference in these views by age, location of residence, employment status, income, socio-economic group or gender. However, those who drove in or into Central or Inner London at least once a month tended to find it less fair and those who used public transport at least once a month tended to find it more fair.
- 4.3.15 Concerns for fairness were primarily for drivers on lower incomes, followed by residents in the charging area and car commuters.
- 4.3.16 Three-quarters of the sample thought that Orange Badge holders (disabled people) should be added to the exemptions. Concerns were also expressed about residents having to pay.

### **How the public would want charging revenues to be spent**

- 4.3.17 Respondents were told that the money raised from such schemes could be spent on two or more transport improvements, each of which would cost the same. They were asked to prioritise the following improvements.
- Lower Bus Fares – 60p adult single fare across London (Adult single fares at the time of the survey ranged from a minimum of 60p or 70p to a maximum of £1.20, though many respondents would not have been familiar with actual fare levels.)
  - New Super Bus Routes – new buses, more bus priority, more frequent and reliable services, new shelters, better information. 15 new routes each year in Inner and Central London.
  - A New Mayoral Traffic Task Force – special enforcement teams to smooth traffic flow, minimise disruption from road works and reduce accidents by greater enforcement of traffic and parking regulations.
  - A New Mayoral Public Transport Security Force – security patrols on every rail and underground line, on buses and at bus stops, supported by more camera systems.
  - New Trams – a new tram route every two years or so, in suburban centres or Central London.
  - A Major New Rail or Underground Line – a new line across London every 10 years or so.
  - Selected Improvements to London’s Major Roads – to assist business traffic and get through traffic out of residential areas and local centres.
  - Upgraded Underground/Rail Services – station and service improvements on an existing rail or Underground line every two years or so.
- 4.3.18 The most preferred spending packages, each with nearly two-thirds selecting it, are upgraded Underground and rail services and lower bus fares. Over half chose the new super bus routes – see Figure 4.4. On average 3.4 packages were selected per person.

**Figure 4.4 Spending Package Preferences**



Source: ROCOL consultants

**Attitudes to road user charging if money is spent on transport improvements**

- 4.3.19 More people thought road user charges would be a “good thing” for London if the revenues raised were spent on transport improvements. This was particularly favoured if the money goes to the respondents’ individual preferences. But there were still some concerns over fairness.
- 4.3.20 67% of the general public thought that road user charges in Central and Inner London (a £5 charge in Central London and a £2.50 charge in Inner London) would be a “good thing” if the revenues raised from charging were spent on a mix of transport improvements. This proportion increased to 73% when the respondents’ spending package preferences were introduced. The percentage of people who thought that it would still be a “bad thing” was 26% with a mix of packages 19% with their own preferred packages.
- 4.3.21 More car users in Inner and Central London thought road user charges would be a “good thing” for London if revenues were spent on transport improvements than if they were not. 45% thought that a £5 charge would be a “good thing” if monies were spent on a mix of spending packages and 62% if spent on their preferred spending packages. Those still thinking it to be a “bad thing” were 38% with a mix of packages and 28% with their own preferred packages.
- 4.3.22 A significantly larger number of women than men said road user charging would be a “good thing”. Younger respondents were considerably more positive than older ones. Those without access to a vehicle and people who frequently use public transport were more positive about charging than those with access to a vehicle and those who drove in London.
- 4.3.23 The level of positive response towards road user charging depended on the value and type of charge. Respondents preferred a £5 daily charge for just Central London to a dual £5 charge in Central London and a £2.50 charge in Inner London. The latter, in turn, was marginally preferred to a £10 charge in Central London.
- 4.3.24 Charges for Central and Inner London were considered less of a “good thing” than charging £5 or £10 in Central London only. People considered a £10 Central London charge less fair and less necessary than the other options.
- 4.3.25 Respondents believed that public transport users would benefit most from road user charging, largely because of the revenues being ear-marked for it. They also see commuters, tourists and Londoners in general as beneficiaries. Car drivers, poorer people and business in London are seen as the big ‘losers’.

### **How would people react to road user charges?**

- 4.3.26 Road user charging would have social as well as transport impacts. In qualitative interviews with households more respondents stated that they would rethink their journey patterns and car ownership if the higher charges were introduced. Some households stated that they could meet costs of charging only by cutting back on leisure activities.

“with a £5 charge would consider alternative modes...would not use car on a daily basis...with a £10 charge would travel outside restricted hours...would get rid of car rather than make other cut backs...  
Central London family with teenage children

“with £5 pay with £10 use public transport” Inner London Single parent “with £5 car share school run, with £10 switch schools...cover costs by stop eating out...”  
Inner London family with school children in Central London

#### **Quantitative surveys**

- 4.3.27 With a £5 Central London licence, about 30% of those who drive in the central area said they would not buy a licence.
- 4.3.28 With a £10 Central London licence, 50% of those who drive in the central area said they would not buy a licence.
- 4.3.29 With a £5 Central London and a £2.50 Inner London scheme, 35% of those who drive in the area said they would not buy a licence.
- 4.3.30 Of those not buying an area licence, over half said they would switch their mode of travel. The others would reschedule their trips to different times of the day or days of the week, or they would change their destination. Some journeys would not be made.
- 4.3.31 Research has also revealed that unless the charging system is strictly enforced a significant proportion of users may risk not paying. A high level of enforcement would contain those risking not paying to below 10%. Such enforcement would have to impose a more than 50% chance of being caught, coupled with penalty charges similar to those for parking infringements in Central London: ie £80, discounted to £40 for prompt payment.

### **4.4 WHAT DO PEOPLE THINK OF WORKPLACE PARKING LEVIES?**

#### **Qualitative surveys**

- 4.4.1. In the qualitative surveys little support was expressed for workplace parking levies at the illustrative chargers. Businesses in particular demonstrated strong opposition. Most groups thought that it would be just a tax that would be difficult to enforce and ineffective in reducing traffic congestion. Nevertheless some thought that it might be easier to introduce than road user charging and could be seen as more politically acceptable.

#### **Quantitative surveys**

##### **General public's view**

- 4.4.2. The quantitative acceptability surveys revealed that a marginally lower proportion of the general public think that a workplace parking levy of a “good thing” for London than road user charging. This was on the basis of charging £3,000 per space across the extended Central London area. 47% thought workplace parking levies would be a “good thing” for London, and 40% thought they would be a “bad thing”. In comparison, 53% thought road user charges would be a “good thing”, without the money being spent on transport improvements and 36% thought it would be a “bad thing”.



- 4.4.3. Views differed sharply about the necessity of the schemes. The general public were much more likely to think that road user charging rather than a workplace parking levy was “*necessary*” – 57% against 43%. They expressed similar concerns over fairness for road user charging and workplace parking levies.
- 4.4.4. In summary, support from the general public for the illustrative workplace parking levy was weaker than for the illustrative road user charging scheme, despite the fact that fewer may be directly affected than under an area licence.

***The business and employee view***

- 4.4.5. Workplace parking levies were presented to employers and employees as schemes in Central London (the extended central area had not been defined for these surveys) or across the whole of the GLA area. For Central London illustrative annual levies of £500, £1,500 and £3,000 per parked vehicle were introduced.
- 4.4.6. For a GLA-wide scheme, illustrative levies of £250, £750 and £1,500 per workplace vehicle were introduced. Respondents were asked what they thought about the workplace parking in general rather than about specific levies, although their behavioural reactions to specific levies were also sought.
- 4.4.7. Workplace parking levies were not supported by businesses and employees. The response from businesses to the concept of workplace parking levies without hypothecation of revenues was overwhelmingly negative. 75% of employers and 78% of car driving employees thought workplace parking levies were a “*bad idea*”. Only 17% of employers and 13% of employees thought they were a “*good thing*”. Around half of employers and employees felt there would be no benefit to London. Again without hypothecation, 70% of a small sample of property owners and managers said that they would regard a levy as a “*bad idea*”.
- 4.4.8. If the revenues were spent on transport improvements 53% of employers still thought a workplace parking levy was a “*bad idea*”; 38% thought it was a “*good idea*”. For employees, 51% thought it was a “*bad idea*”; 36% thought it was a “*good idea*”. Moreover, 59% of both employers and employees found the scheme to be “*unacceptable*” and 36% of employers and 29% of employees found it “*very unacceptable*”. Under a third of employers and employees thought that the scheme was “*acceptable*” or “*very acceptable*”. On the other hand the proportion of property owners who would consider it a “*bad idea*” fell to 29%; the proportion of those saying it would be a “*good idea*” was also 29%.

**How would businesses and employees react to workplace parking levies?**

- 4.4.9. Property owners, employers and others likely to be responsible for paying the parking levies were asked how many of their current spaces they would apply to licence (ie register) under a workplace parking levy scheme. They were then asked whether they would pay for the spaces on behalf of employees, would expect employees to pay themselves, or would pass the costs to customers.
- 4.4.10. Property owners in general said they would not register all their spaces, particularly at the higher levels of suggested charges (£3000 in the central area). Some would register none; others would pass the decision onto their tenants.
- 4.4.11. Employers in Central London would register fewer spaces at the higher charging levels:
- at £3,000/space                      21% said they would register all spaces
  - at £1,000/space                      40% said they would register all spaces
  - at £500/space                         43% said they would register all spaces
- 4.4.12. However, in the wider GLA area, in Inner and Outer London, employers indicated that they were less willing to register car parking spaces:
- at £1,500/space                      9% would register all their spaces
  - at £500/space                         20% would register all their spaces
  - at £250/space                         27% would register all their spaces

- 4.4.13. In Central London most employers said they would not pass on costs to their employees or customers. 80% would pay for the spaces on behalf of employees. 32% would pass on costs to their customers. About half of the employees surveyed thought that their employers would register and pay for their parking spaces. 40% of employees were prepared to pay for themselves if their employers did not pay.
- 4.4.14. In the wider GLA area, employers would be less likely to pay for their employees. Only 64% would pay for their employees' spaces, and fewer employees thought that their employers would pay.
- 4.4.15. In the qualitative research, many employees, particularly in Inner London, expressed concerns that if their employers did not pay the levies they would have to park elsewhere, if they could. Alternatively, they might have to move their job to outside the charging area. Many did not think they had a feasible travel mode alternative.

*"drives 5 days per week, no car share opportunities, or public transport alternative, has cycled in past, but found it tiring...would park on street elsewhere or walk"*

Inner London employee, medium sized freight company

*"van driver on shift work, public transport services often not available, thought employer unwilling to pay levy, if so would change job"*

Inner London employee, small electrical company

*"works late worried about security on public transport...would pay reluctantly £500 levy, frightened by higher charges"*

Central London employee, large hotel

- 4.4.16. In summary, the majority of those affected would regard workplace parking levies as an additional tax with little direct benefit to Londoners. They also considered a levy would be unfair and difficult to enforce.

## 4.5 FACTORS TO CONSIDER IF CHARGING SCHEMES WERE TO BE PROMOTED

- 4.5.1 Many survey respondents regarded transport as a major problem in London.
- 4.5.2 They considered that too much traffic creates congestion, resulting in longer journey times. In turn, it also affects bus travel, creates air pollution and puts additional costs on business.
- 4.5.3 Most people preferred improving public transport to make it an attractive alternative to private transport as a mechanism to reduce traffic levels. They did not favour restraint as a mechanism in its own right.
- 4.5.4 Nevertheless, of the ways to raise monies to pay for improved public transport, respondents preferred road user charging over other suggested means such as increased income, car, fuel and council taxes, or increased public transport fares.
- 4.5.5 If monies raised from road user charging were spent on transport improvements, the general public thought that it would be a good and necessary thing for London, but they would be concerned about the fairness of charging. However, a majority of those respondents who would actually have to pay would not be supportive, unless the revenues were spent on their preferred transport improvement.
- 4.5.6 People saw public transport improvements as a key to the acceptability of the charges. These should either be paid for by the charges or, preferably, installed in advance of them.
- 4.5.7 The general public was marginally less in favour of the illustrative workplace parking levies than the illustrative road user charging schemes. Furthermore, levies would have little support from those who would have to pay them, even if they were used to finance transport improvements. They were seen as ineffective in reducing traffic congestion and as another tax on business.
- 4.5.8 Some of those directly affected by road user charging or a workplace parking levy, particularly at the higher levels of illustrative charge, would be antagonistic towards a scheme.