# Merton Council Overview and Scrutiny Commission 14 December 2016

#### Evidence documents laid round at the meeting

Call-in of the introduction of a diesel surcharge for all types of 1 - 8 resident and business parking permits



### Agenda Item 3



# RAC submission to Merton Council's Overview and Scrutiny Commission meeting - diesel surcharge for parking permits

#### About the RAC

With more than eight million members, the RAC is the oldest and one of the UK's most progressive motoring organisations, providing services for both private and business motorists. As such, it is committed to making driving easier, safer, more affordable and more enjoyable for all road users.

The RAC, which employs more than 1,500 patrols, provides roadside assistance across the entire UK road network and as a result has significant insight into how the country's road networks are managed and maintained.

The RAC is separate from the RAC Foundation which is a transport policy and research organisation which explores the economic, mobility, safety and environmental issues relating to roads and their users.

The RAC website can be found at www.rac.co.uk.

In September 2016, the RAC published its latest Report on Motoring

#### RAC Response:

The RAC welcomes welcome the Council's engagement with stakeholders on this matter and notes that this is in contrast with other local authorities considering similar actions, the majority of whom have failed to seek views from road user representatives.

What experience does the RAC have from elsewhere of schemes of this nature?

The RAC has no direct experience from schemes elsewhere, however we believe the policy itself could be perceived as regressive by penalising those residents who purchased a diesel vehicle in good faith when encouraged to do so by the Government because of the lower CO2 emissions when compared to an equivalent petrol vehicle.

What the impact has been for the residents in question elsewhere in the country?

The impact on diesel vehicle owners has been to increase the cost of residents parking permits and hence the overall cost of owning such vehicles, irrespective of how old they are or how much they are driven. However, the RAC does not have evidence as to whether this has encouraged owners to trade in their diesel vehicles for petrol or alternatively fuelled vehicles. More importantly though, the RAC is yet to see evidence that a diesel parking permit surcharge, where applied, has had any impact on reducing NOx and PM emissions in that Borough. Indeed, unofficial tests conducted a year after introduction of the scheme in Islington show that



emissions levels are still illegally high.<sup>1</sup>. The RAC believes that such a surcharge is also not appropriate for the following reasons:

- The surcharge takes no account of how much a vehicle is used and therefore how much it is contributing to the air quality problem. For example, if a motorist owns a diesel vehicle but travels to work by public transport, perhaps only using their vehicle occasionally at weekends, they pay the same as someone using their vehicle several times throughout the week who will be having a much greater impact on pollution levels.
- This is a retrospective charge, i.e. it punishes owners for having selected a diesel vehicle, even though when they made their choice, they were encouraged to believe that this was environmentally sound. Such a charge is likely to have the greatest impact on vehicle owners who are less well-off and cannot afford to change their vehicle without a reasonable period of notice. Vehicle owners typically change their vehicles every 2 to 3 years and therefore any proposals targeting particular types of vehicle should be subject to a minimum notice period of 2 years.
- Such a policy does not distinguish between older, more polluting diesel vehicles (such as Euro 3 and 4) and more modern, cleaner diesel vehicles (Euro 6). Many of the newest diesel vehicles on the market emit less Nitrogen Dioxide than older petrol vehicles.

## • What does the RAC believe would be a fair level of levy for diesel vehicle owners living in CPZs?

The RAC does not believe it is appropriate to link parking charges to air quality improvement. The two are unrelated as vehicles are not contributing to the problem of air quality when parked. Such a policy is not "evidence based" because it does not target the most polluting vehicles, nor the vehicles that are contributing most to the problem of poor air quality in Merton. The Council cannot justify penalising a vehicle owner for owning a diesel vehicle even though it may be parked for more than 95% of the time, whilst allowing more polluting local buses, taxis and older vans to continue using the roads with impunity.

## • What does the RAC believe should be the timeframe of implementation for a levy of this kind?

The RAC is opposed to this type of levy for the reasons specified above, however we do believe that should Merton Council proceed with such a levy on CPZs, then it should give owners of diesel vehicles a minimum 2 year lead time, with a commitment to make funds available for an effective communications campaign to make residents aware of the Council's plans for improving air quality in Merton and the reasons and timings of actions to target diesel vehicle owners. This will allow those who wish to replace a diesel vehicle with sufficient time to do so.

http://www.islingtongazette.co.uk/news/environment/revealed shocking pollution levels recorded outside \_22 islington schools 1 4466369



## • What does the RAC think would be a fairer approach for diesel vehicle owners living in CPZs?

The RAC has made clear that we do not believe it is fair to link CPZs with diesel surcharging; however should the Council feel compelled to, we would urge them to base any charges on Euro emission standards which would target older, more polluting diesel vehicles (Pre-Euro 5).

Our strong preference is for introduction of Clean Air Zones, based on the principles set down in the framework proposals published by DEFRA, in those areas where air quality measurements and projections indicate that this is necessary in order to achieve internationally accepted air quality standards

# • What alternative suggestions the RAC would make to improve air quality in the borough and reduce diesel emissions?

The RAC believes that primarily, the Council should focus its attention on the most polluting vehicles and also the vehicles which are contributing most to poor air quality. The fairest way to do this, as stated above, would be to introduce local clean air zones which target those most polluting vehicles, and also those vehicles using local roads the most and therefore contributing most to the problem. The RAC, supported the proposals to establish an Ultra-Low Emission Zone in Central London as we felt the proposals were evidence based, targeted the most polluting vehicles, were proportionate to the problem and gave vehicle owners sufficient notice to allow them to replace older vehicles on an affordable timescale.

Local clean air zone proposals are likely to be welcomed by a majority of local residents. According to research conducted for the 2016 RAC Report on Motoring, 55% of motorists would support the introduction of charges for the most polluting vehicles entering areas with the poorest air pollution.<sup>2</sup>

Traffic congestion and "stop/start" traffic flow significantly increases exhaust emissions and we would encourage Merton to tackle pinch points and congestion hotspots as a means of improving air quality. We would also encourage Merton to review traffic management systems (such as traffic light sequencing) to try to ensure traffic flows at optimal speeds to minimise emissions. The Council may wish to consider action to encourage drivers to switch engines off when stationary.

Buses and taxis remain heavy users of local roads and are major contributors to the current levels of Nitrogen Dioxide and Particulates. During the early 2015 bus strike in London, air pollution levels significantly reduced in Central London with fewer buses on the roads.<sup>3</sup> Therefore, we would encourage ambitious targets to replace older fleets with the newest and cleanest on the market, which may include hybrid, pure electrical and in the longer term, hydrogen fleets.

<sup>&</sup>lt;sup>2</sup> http://www.rac.co.uk/report-on-motoring

<sup>&</sup>lt;sup>3</sup> https://www.indy100.com/article/pollution-in-london-was-much-lower-yesterday-and-the-bus-strike-is-why-eJvO9YBp5x



The RAC also believes that Merton should provide electronic information boards which can warn residents and motorists of poor air quality, and encourage them to seek alternative transport modes or alternative routes.

How should any revenue from this surcharge be spent to improve air quality?

The RAC believes that should the Council decide to adopt such a policy, revenues should go back into improving infrastructure for plug-in vehicles, with more charging points in residential areas and on high streets and into improving the condition of local roads generally. The Council should set an example by only operating low emissions vehicles within its own fleet.

• Does the RAC believe this policy is a sufficient incentive to encourage greater take up of electric vehicles in the borough?

Ultimately, the decision to switch to an electric or plug-in hybrid vehicle will depend on each individual's motoring needs. Research from the 2016 RAC Report on Motoring shows that only 2% of motorists are considering switching to an electric vehicle as their next choice. However, 19% would consider either a conventional hybrid or a plug-in hybrid.

It may simply not be practical for a motorist to switch to an electric vehicle, particularly if they are a small business (eg – that makes deliveries) for whom modern, cleaner diesel vehicles may still be the most practical option. The Report on Motoring found that low running costs were identified by 27% of motorists as a top consideration for a next vehicle; however 24% of respondents said that a vehicle which fits in best with their lifestyle was also a top consideration.

The RAC has previously identified barriers to greater take up of electric vehicles. In a survey conducted by the RAC of 1,400 motorists in 2013, we found that for nearly a third (31%), the small range of battery-powered electric vehicles is hindering adoption and that cost is the main barrier for a quarter (24%). The survey at the time also found low awareness of Government plug-in grant incentives. Whilst ranges of pure electric vehicles are increasing slowly, range is still the major barrier to take-up for most motorists. Awareness of Government grants has improved but changes to Vehicle Excise Duty that take effect in 2017 reduce the incentives for take up of plug-in hybrid vehicles, which are the most practical low emissions option for the majority of motorists.

We would therefore encourage Merton Council to recognise that until battery technology advances considerably, plug-in hybrid vehicles are by far the most practical low emissions alternative to conventional diesel or petrol vehicles. The Council should therefore promote their up-take alongside pure electric vehicles and lobby central Government to reinstate greater VED benefits for owners of plug-in hybrids.

#### Please address any comments or further contact to:

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#### **Draft Response to the RAC Submission.**

- 1. It is true that diesel was promoted to help reduction in CO2, this has been mentioned in the various reports, considered and raised at Scrutiny and Leadership, it does not detract from the health priority and the need to address polluting vehicles.
- 2. As mentioned in the call-in response it is not possible to assess individual driving behaviours and we must rely on 'averaged' data.
  - There will be a 2 year study into the impact upon behaviour; this has been addressed in the Call-in response.
  - The levy by itself will not resolve the issue of Air Quality but must be seen as an important component in a wider agenda.
  - Extending the minimum period will not incentivise drivers but simply delay the inevitable push away from diesel cars.
- 3. Vehicles parked in the borough do contribute to its overall impact upon air quality. The freight industry, buses and taxis are being addressed by other AQ schemes and do not and will not contribute 'with impunity'
- 4. See point 2
- 5. Following the VW scandal the Department of Transport tested a selection of popular diesel vehicles in 'real world' conditions and these exceeded the standards for NO2 by x6, even for Euro 6 vehicles. Therefore there is no confidence in excluding Euro 5 & 6 from the scheme.
  - There are proposed new testing standards called Euro 6C which represent real driving conditions and where vehicles have been found to comply we can consider removing these from the charge.
- 6. Clean Air Zones are being considered, however the framework is not yet established, this will take some time to introduce and a levy can be seen as a preparation or precursor for what would be a more stringent control on emissions on vehicles passing through the borough.
  - The Council is focusing the levy on the most polluting vehicles, with buses and freight being captured by TFL & GLA via the proposed ULEZ.
  - A council wide ANPR scheme is currently being rolled out to deal with congestion in sensitive areas of the borough.
- 7. We understand the issues surrounding changing to electrical hence the reason we excluded petrol vehicles from the charge as a preferred alternative in the short term.

