



20th April 2004

Congestion Charging
Transport for London
PO Box 44753
London SW1H 0BR

Dear Sir/Madam

PROPOSED WESTERN EXTENSION OF THE CENTRAL LONDON CONGESTION CHARGING SCHEME

The Association of Licensed Multiple Retailers (*ALMR*) wishes to submit a collective response on behalf of its members to the current consultation on the above proposal. In light of this, it has not been possible to respond fully to the consultation by means of the questionnaire, and we have therefore taken the opportunity to provide more detailed comments on the impact of these proposals on the licensed retail trade by means of this letter. Our comments are structured in the order in which issues are raised in the consultation document and questionnaire.

By way of background, the *ALMR* is the only national trade body dedicated to representing the interests of pub and bar operators across the UK. Currently just fewer than 100 companies are in membership, between them representing around 30,000 premises – a little under half the UK pub estate. Members include major pub companies such as Punch Taverns, Unique Pub Company and Enterprise Inns, managed operators such as Regent Inns and Laurel Pub Company, the retail estate of regional brewers and a number of independent multiple companies operating under their own branding. These businesses operate on tight net profit margins and, in the West End in particular, they are particularly sensitive to changes in the fiscal and regulatory environment. A number of major suppliers to the pub trade are also affiliated to the Association.

A large number of our members operate within central London – both inside the current scheme and the proposed extension to it. In the main, these are small independent outlets with a strong food and entertainment offering. These businesses are an important component of the local retail and business environment, the tourism market and the broader community – they provide good quality food, drink and occasionally accommodation to those living in, working in and visiting the capital. The relationship is a complex one and mutually supportive and the health of one sector is therefore affected by measures which impinge on other. For example, if shoppers are deterred from visiting the West End, then pubs and restaurants will also see a decline in trade.

The congestion charging scheme affects the pub trade in two very different ways – the customers visiting the outlet and the cost of deliveries made to it. This submission focuses on both aspects. Whilst few customers deliberately drive to an outlet in central London, many will choose to reach the capital by this mode of transport and whilst the congestion charge is designed to encourage people to use alternative means, it will undoubtedly also deter visitors from coming to the capital at all. In terms of distribution, pubs and bars will receive around 12-14 deliveries a week of beer, food and other items. Many of these deliveries will be time critical.



Central London Congestion Charging - the existing scheme

The consultation paper is premised on the assumption that the scheme has been successful in reducing congestion and that the benefits of this approach should be extended to other areas. The *ALMR* would question whether a reduction in traffic congestion within the scheme is the only measure which should be used in assessing the success and impact of the existing scheme.

A recent report by the Greater London Authority Transport Committee concluded that “the full impact on our city remains unknown” – particularly given the closure of the Central Line - and noted in particular that the costs and benefits to businesses affected by the charge were not yet fully apparent. In contrast, TfL has assumed that there has been no negative effect on business. We believe that that assumption is flawed and that it is therefore premature to be broadening the scheme at this point in time in the absence of a full, detailed cost/benefit analysis.

The consultation questionnaire asks respondents whether the existing scheme has been effective in reducing congestion but it provides no scope or opportunity to consider the impact of the scheme in other areas. The *ALMR* believes that Transport for London should broaden its assessment of the effectiveness of the current scheme and has the following observations to note.

- **Deliveries:** Whilst the scheme may have been effective in reducing traffic congestion within the zone, it is questionable whether it has reduced congestion overall – this is crucial to any consideration of its impact on business in particular. Our members report no significant reduction in traffic congestion on the radial routes into the centre. Moreover, reduction in overall journey times has to be significant to deliver real benefits to business and in particular to have the beneficial effect on productivity claimed by TfL and the Mayor. Whilst some journey times may be shorter, the difference is too marginal and localised to offer operational efficiencies and in many cases, the benefit is immediately offset by the difficulties in finding space to park and unload, not to mention the time and administrative costs involved.
- **Customers:** the effect of the congestion charge on visitor numbers has been a matter of some debate. Whilst there has been a substantial reduction in the number of people traveling into the centre of London, the reasons for this have been complicated and the congestion charge is only one amongst many. However, it is clear that it is an additional factor to be taken into account in making a decision as to whether to visit London or to travel to an alternative destination eg. to shop in Oxford Street or Bluewater and equally to eat and drink in those locations. In some cases, it will be the deciding factor, particularly given recent scares over the safety of the tube network and terrorist threats to public transport infrastructure.

TfL notes that between 60-80,000 fewer people have traveled to London than in 2002, but believes that only 5% of this decline is attributed to the introduction of the congestion charge. The *ALMR* does not claim that all businesses within the zone are seeing a decline in customer numbers and takings, but it is clear that the introduction of the charge has had an effect on certain types of business in certain locations.

The net effect is that pubs have seen no real benefit in terms of supply. In some cases, the introduction of the charge has also had a negative effect on business. It is therefore inappropriate to consider expanding the scheme at this time in the absence of a full and detailed cost/benefit analysis. The *ALMR* has made a number of suggestions as to how these adverse effects could be countered at the end of this submission.



Proposed Western Extension

The *ALMR* did not support the introduction of the original charging zone and in particular the decision to charge for commercial vehicles, believing that it would have a deleterious effect on businesses within and on the edge of the charging zone. We believed that, if it was to be directed at tackling congestion, it should be focused on discretionary private car use and/or targeted at peak congestion periods.

The *ALMR* does not, therefore, support the proposed extension to the current charging zone in principle. As previously noted, we feel that it is premature given the fact that the full impact of the current scheme is only now beginning to emerge. We are also concerned that the proposal has been brought forward in the absence of detailed evidence of the level and nature of traffic congestion in the area and the problems it is causing and a full cost/benefit analysis.

The consultation paper sets out the proposed boundary to the extension and invites views on an alternative boundary has also been suggested. The following comments on the alternative boundary should not be taken as indicating support for the extension. The *ALMR* strongly rejects the alternative boundary for the extension as this would bring both the Earls Court one-way system and the Embankment within the scope of the scheme. These are two of the “suitable roads to use for traffic wanting to avoid the scheme”.

Views are also sought on whether the existing western boundary of the charging zone should continue to be outside the scheme. We support the suggestion that vehicles traveling along the route Edgware Road – Park Lane – Grosvenor Place – Vauxhall Bridge Road should not be charged. This is an important north-south traffic artery which many vehicles using cannot avoid.

How the Scheme could Work

The consultation paper concludes by noting that alternative suggestions have been made as to how the scheme should operate and invites comments on these. We believe that, if TfL is to consider a major revision of the scope of the scheme it should also consider whether there are ways of altering its operation to minimize the effect on business.

The *ALMR* believes that many of the beneficial effects of the scheme could be achieved by narrowing the window of charging to the rush hour period eg 7am-10am. This would continue to deter car based commuting without imposing additional costs on business and would crucially protect the evening and late night economy which is particularly sensitive within central London. We would also urge TfL to work with local authorities to adopt a more holistic approach to traffic management within the capital, and in particular parking and unloading restrictions and the London lorry ban.

We should be happy to provide additional information or comment.

Yours faithfully

Nick Bish
Chief Executive

