Case Study

London, United Kingdom - Congestion Charges

The London congestion charging scheme was introduced in February 2003 and subsequently extended to the city's Western districts in February 2007. It consists of a camera enforced number plate recognition system. Between 2004 and 2007 Transport for London (TfL), through the Technology Trials Program, investigated different road user charging technologies and their suitability to provide more flexibility to the operation of the scheme and/or potential to reduce operational costs. Since then a number of improvements have been made, which included that automated payment schemes and discounts for low CO₂ emitting cars. The world’s first "Ultra Low Emission Zone" is planned to be established, meaning by 2020 only zero or low-emission cars would be allowed into central London. Electro vehicle are congestion charge exempted.

Today the Congestion Charge is an £11.50 daily charge for driving a vehicle within the charging zone between 07:00 and 18:00, Monday to Friday. If the vehicle is photographed in the Congestion Charge zone and the records show that the vehicle owner has not paid the daily charge by midnight on the following charging day, a charge to the registered keeper of the vehicle will be issued outlining the penalty charge payable for the contravention date. The charge can be as high as £130.

The objective of the congestion charge was to cut traffic levels and reduce CO₂ emissions. By law, all revenues raised by the congestion charges were to be invested in the improvement of traffic in London.
Automated internet-linked payment both

Sources: [http://www.vtpi.org/london.pdf](http://www.vtpi.org/london.pdf)  
[https://www.google.com.co/search?q=london+congestion+charge&rlz=1C1GCEA_enCO794CO794&oq=London+congestion+charge&aqs=chrome.0.0j69i60l2j69i61j0i2.7067j0j7&sourceid=chrome&ie=UTF-8](https://www.google.com.co/search?q=london+congestion+charge&rlz=1C1GCEA_enCO794CO794&oq=London+congestion+charge&aqs=chrome.0.0j69i60l2j69i61j0i2.7067j0j7&sourceid=chrome&ie=UTF-8)

**Lessons learned**

1. Congestion pricing is technically feasible and effective  
2. Pricing program indicates that private automobile travel is more price sensitive, which is good news when it comes to combat congestion but bad news when it comes to revenues.  
3. Optimize the incentives by a more layered pricing system with prices that vary depending on the type of vehicle, when, where and how much it is driven would result in.  
4. Implementation and public support is not easy to get. Since the income from congestion charges has by law to be invested to improve traffic in London the benefits should be equally spread amongst all active citizens.

**References and further information/sources:**

[https://tfl.gov.uk/modes/driving/congestion-charge](https://tfl.gov.uk/modes/driving/congestion-charge)

**Credentials**

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