

NATIONAL ALLIANCE AGAINST TOLLS

DfT Consultation - Local Transport Bill

Introduction

1. On 22nd May the DfT published a draft "Local Transport" Bill and consultation document. Comments were invited; this is the response of the National Alliance Against Tolls (NAAT). The Bill includes a section on regulation of buses, our comments only cover the more significant points in the tolls part of the bill - clauses 64 to 82. We have already made a similar submission to the Transport Committee; where the DfT gave a comment on our submission we have now given our view on that comment.
2. The NAAT was formed by groups campaigning against tolls in England, Scotland and Wales. We oppose all forms of toll regimes, even if they are given names such as "congestion charging", "road pricing" and "road user charging". We took part in the campaign against the Edinburgh Tolls and with others we are opposed to the current Transport Innovation Fund (TIF) Congestion charge proposals for Greater Manchester and elsewhere. Our general reasons for opposing "road pricing" are summarised as an appendix.
3. The Government are already well aware from the Edinburgh Toll Poll, the petition to the PM which attracted 1.8 million signatures, and various surveys and research (including Institute of Transport Studies report commissioned by DfT and published in March 2006) that people are overwhelmingly opposed to their road toll proposals and that this new tax is even more unpopular than existing roads taxes. The Government are also well aware that these new tolls will fail to meet the declared aim of reducing road congestion. It is apparent that despite this the Government intends to proceed in the direction of national road pricing and as a first step are proposing to introduce this so-called "Local Transport" Bill.
4. The purpose of this Bill is to make an already undemocratic process less so, and to legalise what is already happening in some areas. There are to be no more referenda, the requirement to go through even a mock form of consultation is removed, and power is to be given to the least democratic of all the local authority bodies - Passenger Transport Authorities, and behind them the Passenger Transport Executives.
5. What most people want is exactly the opposite of what the Bill would do. They want unbiased information, real consultation and rules to make sure that this process is enforced. Above all they want a vote on this issue.

The Bill - Clauses 64 to 82

6. In general these clauses change the road tolls rules as set out in the Transport Act 2000 and the GLA Act 1999. (Our references below to the 2000 Act can be taken as including the GLA Act.)

Clauses 64 to 70

7. These clauses of the Bill would give power to Passenger Transport Authorities (PTAs) to join in with one or more local traffic authorities in making a "local charging scheme".
8. PTAs are not directly elected and seem to be dominated by unelected Passenger Transport Executives (PTEs) whose aim seems to be to push drivers off the road and on to public transport. The PTAs and PTEs were created by the Transport Act 1968 when the cities owned and operated large bus fleets. The set up is one of the most opaque and least democratic areas of government in Britain.
9. The DfT response to this point was to tell the Transport Committee that "A PTA would not be able to make a scheme independently." The reality is that in the large urban areas it will be the PTAs and the PTEs who will be driving this process. A good example is Greater Manchester where the work on preparing the TIF Congestion Charge bid appears to have been carried out by the unelected PTE and private consultants employed by them. The 2005 TIF submission was made "by AGMA / GMPTA/E on behalf of the Greater Manchester authorities". The 2006 bid was "made by Greater Manchester PTE/A on behalf of all the Greater Manchester Authorities". AGMA (Association of Greater Manchester Authorities) is possibly not cited as making the 2006 bid as they did not endorse it till two months after it was submitted.
10. In our view AGMA had failed to comply with the requirements of the Local Government Access to Information Act 1985 about documents being available to the public. We complained to the Local Government Ombudsman (LGO) about AGMA and others. The LGO told us that he could not investigate AGMA, and said that it was a "voluntary association". So it appears that the only TIF Congestion charge bid which has so far (September 2007) been submitted to the Government has been developed and promoted not by the local traffic authorities but by bodies (the PTA / PTE and AGMA) that have no legal power to implement such a scheme.
11. Most of the councillors in the local traffic authorities in Greater Manchester appeared to know almost nothing about what was going on. Even if they did then it may not have made much difference. At a meeting on the 27th of July this year it was agreed that a TIF congestion charge bid would be submitted on behalf of the Greater Manchester districts even though none of them had seen the details of what was to be submitted only a few days later, and even though two of the authorities that are supposed to implement the scheme voted against it. Is this the sort of democracy that is required in order to implement road pricing?

Clause 72

12. This clause of the Bill removes (in England) the requirement in section 169 of the 2000 Act for charging schemes to be approved by the Minister. The Government is generally encouraging tolls and is trying to force local authorities to bring forward "congestion charge" schemes by offering large financial incentives while at the same time otherwise denying authorities funds. So it is strange that the Government want to wash their hands of responsibility.
13. The DfT response to this point was to tell the Transport Committee that - "Removing the approval role allows the Government to support Local Authorities in a way which would be difficult under the current arrangements, where the Secretary of State has a quasi-judicial approval role." If the Government really is operating in a "quasi-judicial approval role" then they are already compromised, as the aim of the Government is obvious to everyone.

Clause 73

14. Under the 2000 Act there is no mandatory requirement to consult, hold an inquiry, or hold a referendum on a charging scheme. There is however a power (section 170) for the Minister to order that there be consultation and / or an inquiry. Clause 74 removes this power in England. Authorities may still consult and hold some form of inquiry, but there is little doubt that these will just be a sham. The DfT response to the Transport Committee on this point was that - "We propose in the draft Bill that it should be for local authorities to decide whether to hold an inquiry into a local scheme. If they decided to do so, it would also be for them to decide what steps to take to ensure objectivity and rigour". This is another example of what happens to democracy when tolls are at stake. The small numbers of officers and politicians that control the local authorities will be allowed to be judge and jury and make up whatever rules they like.

Clause 74

15. This clause would allow the charge to vary according to "different methods or means of recording, administering, collecting or paying the charge". Charging in this way for any service discriminates against the less well off who are less likely to pay in advance or set up direct debit arrangements etc. It is also likely to discriminate against casual users who use the roads the least.
16. The DfT response to this point was to tell the Transport Committee - "It is for local authorities to decide how to vary charges depending on local needs. Local authorities should ensure that they have struck the right balance between providing incentives to use efficient payment methods and avoiding discrimination.". It is no use the DfT saying that the authorities "should ensure" anything, as the DfT will not have any power to enforce this and are seeking to remove what little power they have to restrain the authorities.
17. This clause could also be used to coerce drivers into doing something that they would prefer not to do such as installing some sort of black box or monitoring device in their vehicle. In Manchester it also seems that for phase one the preferred method of payment is that drivers

will register their vehicles with "franchise agents"; again many drivers will not want to do this but may be financially penalised if they don't.

Clause 79

18. Clause 79 would widen the extent to which information is shared between various bodies including local traffic authorities, PTAs and the Government. There seems to be no limit as to what information is being shared. The suspicion must be that the purpose of this clause is to give legal backing to the passing on of information with regard to individual vehicles and drivers. Many people, not only drivers, will be concerned about further moves towards a surveillance state.
19. The DfT response to this point was to tell the Transport Committee - "All schemes must be designed, implemented and operated in accordance with the requirements of the Data Protection Act. Within these requirements there can be a range of approaches offered to meet the individual requirements of users. Through guidance to local authorities the Department is encouraging scheme owners to offer different options to users, of which at least one solution maximises privacy. The guidance also requires scheme owners to put in place proper regimes for scrutiny and appeal." All these schemes rely on cameras (in combination with Automatic Number Plate Recognition) either as the primary mechanism or as a backup. This information will be transmitted and stored for some period, and many people will be able to access it - legally and illegally. It is virtually impossible to ensure "privacy".
20. In July a Home Office document was accidentally released. It suggested police should be given instant access to the cameras that will be used for road charging. There can be no doubt that whatever the Government says now the surveillance data from cameras and on board vehicle devices would eventually be widely used by the Government and others.

End. See appendix on next page.

Appendix - Some reasons why NAAT oppose "Road pricing" proposals

1. We already have road pricing.

Fuel duty and VAT on fuel raises about £30 billion a year, and costs almost nothing to collect and enforce. Fuel duty is an established tax that drivers are used to, and though it is set at an unfairly high level, most drivers prefer it to any other form of charging.

Taxing fuel encourages the use of smaller vehicles, more efficient engines, better driving (the less you use the throttle, the less fuel you use) and alternative fuels. Road pricing cannot readily do any of this, and may even encourage drivers to detour onto longer routes to avoid the higher tolls, and so use more fuel.

2. "Plebs" driven off the roads.

Roads used to be reserved for the rich, but now over 60% of women and over 80% of men drive. They pay a great deal for this privilege; the total taxes (including vehicle excise duty, VAT on new cars, company car tax etc) derived from roads use is about £50 billion. Roads users are in effect "voting" for better roads, but very little (tuppence a vehicle mile) goes back into maintaining or improving the system.

With road pricing, drivers will be expected to pay even more and this will have the effect of forcing less well off drivers off the road.

3. Vast amount would be wasted in the collection of tolls.

People are being misled into believing that road pricing will be revenue neutral. The Local Transport Bill does not include any provisions for offsetting the new charges in any way. For example in the case of the Manchester scheme it appears that they wish to spend £3 billion on public transport schemes, and hope to get £1 billion of that from the taxpayer via TIF. The intention seems to be that the rest of the money plus interest on borrowings will come from profits from the charges on road users, this will require total tolls of many billions. There is no proposal or intention to offset any of these billions of new taxes by reducing any of the existing taxes on roads use.

Even if road charging were really to be "revenue neutral" (i.e. no net increase in tax revenue), there would have to be a massive increase in taxes on roads users, because of the cost of setting up and running the charging system. Deloitte were asked by the Government in 2004 to look at the costs. Deloitte estimated that a national scheme would cost between £10 billion and £62 billion to implement, with annual running costs of up to £5 billion on top. If you assume that the higher estimate is more realistic and spread the initial costs over ten years, then the collection cost is over £10 billion a year, or the same as adding another 23 pence a litre to the cost of fuel. Even these figures may be an underestimate, as based on the London scheme the annual cost of the system could be several times higher.

4. Causes and cures for congestion

One cause of congestion is that main road space has been reduced for the majority of motor vehicle users and the smooth flow of traffic impeded. The main answer to congestion is instead to improve the system. Advocates of road pricing say that if you do this then traffic will increase and roads will soon be as congested as before. But this ignores the other constraints on how much drivers will want or be able to drive - fuel and other costs, parking difficulties and charges,

other entertainments apart from just driving around for 24 hours a day! The argument that you should not meet the demand is not used for hospitals, schools, libraries, houses, etc. There are many other things that can be done to reduce congestion, not least of which is to remove existing road tolls. It is scandalous that the M6 Toll road is almost empty while there is major congestion elsewhere in the West Midlands.

5. This is not just a tax on drivers

A large part of the traffic on the roads is vans and lorries. They will have to pay at least the same charge as cars, and probably a lot more. Either that will be passed on to the consumer (i.e. everyone) through increased prices for goods and services, or some of these firms are going to go bust. There will also be an affect on retail businesses in areas where road pricing is higher, as customers will go elsewhere.

6. Big Brother.

This would be the world's biggest surveillance system. Its use would inevitably spread so that police and other agencies could officially use it to monitor vehicles and drivers. So many people would be involved that there will also be lots of unofficial use of the information. It has been suggested that in some unspecified way the system would not record where a vehicle is at any time. This is not credible, as there will have to be systems to identify and record vehicles as they pass along the roads so that those who appear not to have paid can be pursued.

7. Technology might not work or be subject to massive evasion.

Even if a system can be made to work (or at least the public can be convinced it works) over a small area, there is no guarantee that it would be able to cope with monitoring over 30 million vehicles over the whole country.

According to the Government's own statements, the new toll charges could be up to £1.34 a mile. There will be a massive incentive to evade them. A massive police system will be needed to try and catch people and to deal with disputed charges.

More details of our views are at <http://www.notolls.org.uk/roadpricing.htm>.
End of appendix and NAAT submission to consultation on the Local Transport Bill.