



EUROPRICE CONFERENCE

Edinburgh - Friday 6th October 2000

The Conference was opened by Cllr Mark Lazarowicz, Convenor for Transport in Edinburgh (the host city).

The opening address was made by **Sarah Boyack, MSP, Minister for Transport and the Environment, Scottish Executive**. The policy of road user charging is a realistic response to the increasing traffic levels in our cities and the problems of congestion associated with it. In the UK the transport vision includes social inclusion aspects but promotes congestion charging, reflecting the external costs of motoring but not as anti-car. In most UK cities legislation is still needed, although expected at the end of the year, London already has the powers and is working towards a scheme. It is interesting to see the Mayor of London's website which asks 10 questions in consultation on the scheme. The objectives of urban road user charging schemes are wide ranging and include a need to see a step change in public transport, improve journey times, reliability, to provide a safer environment. There needs to be 5 assurances to cities progressing charging; 100% hypothecation, all net revenues to be invested in local transport, full additionally of funds, transparency and fair treatment (public transport improvements before charging is implemented). The Scottish parliament has taken an interest in this area of work and it has been encouraging to see the success of schemes in Oslo and Trondheim where the ordinary citizens accept charging and it is part of the landscape. In Edinburgh work has been undertaken to engage the citizens in a hearts & minds campaign.

The **European Commission Transport Charging Policy** was outlined by **Tom Howes**, EC project officer for EURoPrice. The existing legislation and other activities of the Commission in this area were outlined, including the Fair and Efficient pricing paper (1998), 4th & 5th framework research projects and the work of the high level group on infrastructure charging. The urban element is important and the Commission is supporting the work of a number of projects including EURoPrice. Future events on this initiative include the continuation of the EURoPrice project, PROGRESS, CUPID and the new CIVITAS initiatives. New policy documents are expected – a White Paper on the Common Transport Policy and the Green Paper on Clean Urban Transport. In conclusion road pricing is a key policy supported by the Commission.

The **Results and Conclusions** of the project were outlined by **Melanie Alexander**, Bristol City Council co-ordinator of the EURoPrice project. Three technical papers and newsletters have been produced (available on the website www.europrice-network.org). The first paper (City Status Report) provided an overview of the cities in EURoPrice, the studies undertaken and the development of road pricing policy, in conclusion the cities were sharing similar problems of increasing car growth and searching for solutions to mitigate against the negative effects this growth brings. The

Cities had developed mobility plans that included the implementation/investigation of road pricing and there was a clear phasing of the implementation process. The second paper highlighted the issues cities were addressing, six areas were highlighted – social/political acceptance, operational issues, financing, technological issues, legislation & support. The third paper investigated the issues of the key stakeholders in the cities, recognising that their support is important for the success of a scheme. The conclusions of this study (based on previous consultations) were that the type of consultation is important – reaching the right people for decision making and raising awareness and involving stakeholders in policy development improved acceptance of road pricing. There are still many unanswered questions and issues that the cities are addressing but as a political forum much was gained from discussing the issues and learning from the experiences of others. The success of EURoPrice has led to a second phase being proposed to the Commission.

Politicians from Bristol, Genoa, Trondheim and Edinburgh spoke about road pricing developments in their cities – the background, development of transport policies and the issues arising from road pricing policy.

Genoa – The redevelopment of the port area has increased traffic and the city suffers from increased tourist traffic in the summer. The city is investing in measures to reduce noise levels and air pollution and there has been a positive response to public transport improvements, increasing the use of non-polluting systems and vehicles. The new transport plan is revising the circulation of traffic in the city centre and includes the adoption of cordon pricing to reduce traffic in certain central areas. Politically it has been important to raise awareness with the public and discussion of the issues is a necessary part of the process. Surveys indicate that 85% agree with limiting private traffic in the city centre.

Edinburgh – Much work has already been undertaken in the city but there are increasing development pressures on Edinburgh with a significant increase in employment in the centre of the city. Major consultation has been undertaken with citizens on proposals for the development of demand management measures with 20,000 responses. The highest level of support was for road user charging with an enhanced package of transport improvements for the city. A road pricing scheme is possible in 2003 but more likely 2004. EURoPrice has shown that the cities are different but experience similar problems and solutions which suggests that we are moving in the right direction.

Trondheim – Road tolling was introduced as a method to raise revenue for road building but also to bring forward a series of other measures. The main concerns were from the business community so the effect was carefully monitored. The results indicated increased retail in the centre, enhanced by new centres opening. Politically it was essential that the system is seen as fair and the impacts of residents & businesses inside the cordon were carefully considered in the design of the scheme. A recent survey to investigate extending tolling to bring forward transport measures indicated that 34% agreed to continue but 58% still against any tolling. However, the awareness of the package is low and more marketing is needed. The importance of marketing is strong and acceptance is improved when the public sees the benefits in place.

Bristol – As with many cities there are problems of congestion and its impacts for the city. In developing the Transport Plan for Bristol major consultation undertaken in 1999 on the transport strategy including road pricing policy, there were 5000 returned questionnaires, 13 public meetings and several focus group meetings, a Transport Plan Commission was created which included members from business, education, health sectors, community groups and transport operators. This consultation supported the plan including the introduction of road pricing provided alternatives are in place beforehand. Key to the development of the policy has been the development of partnerships with the business and community sectors. EURoPrice has been important in raising the profile nationally and valuable in learning from other cities of the issues and strategies in implementing schemes.

Other road pricing initiatives

Rotterdam

Currently developing a package deal with National Government for the introduction of road pricing in four cities – Rotterdam, Amsterdam, Utrecht and The Hague. The previous attempt by the national government to impose costs failed and the cities opposed this as being indiscriminate, with the same charges for commuter traffic and commercial traffic.

The toll ring for Rotterdam is about the same size as central London. Rotterdam favours the pay lane, where users pay for use of the lane that provides a quicker journey time. The package has determined a series of conditions: investment programme in public transport particularly rail; improved usage measures – car pooling, public transport, park & ride; restrictive road measures – based on commuter routes; pay lanes on tunnels and bridges & upper sections of highways (new). This is a practical translation of package measures and includes incentives for local and regional authorities including neighbouring authorities, therefore a unified approach.

CERTU (French Centre for Research in Transport)

Tolling on interurban motorways in France since 1950s but always with a free alternative and not in urban environment. Parking charges introduced in cities in 1960s local authority controlled but with a national system of fines. Urban road pricing for new infrastructure has been investigated with mixed results – it was accepted in Paris and Marseille but not in Toulouse and mixed response in Lyon. The conclusions were that if there visible advantages to the public then there was acceptance but alternative solutions were needed. Consultation and marketing was necessary and played an important role and there was a feeling that this area may have been lacking. The research also suggested that there should be comparable rates between public transport and roads ie low rates. Recently there have been key policy changes:

- cross-subsidies are no longer possible so seeking new methods of financing,
- parking laws are being discussed in Parliament for delegation of powers to another level to link enforcement,
- renunciation of local vignette – unpopular measure so opens the door for road pricing.

National legislation is required and studies investigating transport pricing have begun in the cities of Lyon, St Etienne and Grenoble. The French experience indicates strengths and weaknesses but hopefully the city studies, the results of which are due next summer will provide some answers.

The afternoon session comprised of a workshop session on key issues addressed by EURoPrice cities.

WORKSHOP RESULTS

The workshops provided an opportunity for members of the EURoPrice projects to discuss some of the key issues raised in the project with other delegates at the conference. The groups were divided into politicians/ policy makers and research and included members of the business sector. Interestingly the groups had a similar perspective on the issues.

The notes provided are the conclusions of the workshops although the debate was more wide ranging and full.

1. POLICY & SUPPORT

Urban road pricing is being pursued at a city level, but National and European Governments have an important role to play. Perhaps most importantly is enabling support from the national and EU level. The support comes in three levels:

- political support;
- financial support, especial for the early adopters for whom the risk is highest;
- legislative changes to assist in implementation.

The Policy Makers clearly identified the need for stronger political support from national politicians. Leading politicians are needed to champion policy and support the local initiatives. European Support is seen as a vital element to successful adoption, providing demonstrations that there are other cities with the same policies.

Developments in Genoa have been possible due to the strong national lead which has included very stringent environment legislation which has led to policies restricting cars in cities. There is strong support of local authorities, including funding led by the Environment Ministry.

Policy makers, businesses and researchers all found that there were still mixed messages regarding road pricing from Government, particularly in

- the objectives for pricing – whether these be related to congestion, environment or revenue;
- the long term concept for pricing nationally or is it just a local measure.

Clear objectives and policy viewpoints are required to further the trust which needs to be developed. Changing attitudes will present difficulties for other EC states for instance Germany and France, where there have been promises that urban road pricing will not be introduced.

2. OBJECTIVES

Principles

All three groups emphasised the need for clarity in the objectives for a scheme. Firstly the principle, is it for revenue raising or demand management before the more specific key factors such as air quality, reducing congestion, improving public transport.

The objectives of the scheme are fundamental to how it is sold to the public and business. It is easier to sell a clear simple reason for pricing as in Trondheim, the reason was for investment in transport (the Trondheim package) so there was a clear link between what people paid and the benefits they could see.

There is a clear need to link the objective of the scheme directly to its design and actual impact. For example if it is sold on congestion reduction grounds, it must

reduce congestion, if it is sold on revenue grounds it must provide tangible transport improvements.

In many Italian cities the argument is just about environmental improvements to protect historical areas, with no direct link to investment in other transport options. There are severe laws regarding air pollution and environmental protection, in Rome the responsibility is with the Mayor and failure can result in him being sued.

From an acceptability viewpoint policy makers have found that environmental reasons are best as they are tangible to the public but there needs to be a range of benefits. Environmental issues have more supporters as there is an impact on non-car users. Highlighting social responsibility for others eg passive smoking. Need to target the effects and impacts of schemes for car users and others.

However, in many cities the objectives are not so simple. Where the aim is demand management the message is complex and often complemented with improvements in alternative measures (and links to social policy) so the outcome is not so clear for people to see.

Overall the politicians group felt that it was important just to get a real scheme in place with the acceptance that the scheme (including charge levels) and even the technology may change and adapt. If charges are low and there is minimal effect on demand then changes can be made to manage demand if required. The researchers group supported this two phase introduction – a first phase designed to raise revenue and implement transport schemes, followed a second phase of higher charges to manage demand.

3. MARKETING

The debate on acceptance and marketing was wide ranging but with three areas evolving:

- the importance of the scheme objective in getting acceptance (discussed above);
- understanding the drivers of public attitudes and behaviour to develop a marketing strategy
- issues relating to the business community.

Acceptability is likely to be improved if people do not feel victimised. Efforts have been made to clearly identify the target groups for pricing mechanisms and to avoid problems of social exclusion.

There is an educational change needed, illustrating that economically there is much to support pricing for road use using a system that is already accepted for utilities and paying for access to systems. In Italy with the emphasis on environmental measures emphasis is on the vehicles used and the scheme and transport policy reflects this.

Politicians and policy makers are considering the impacts and problems in areas just outside the zones and the concerns of neighbouring areas as well as the longer term impacts.

Marketing Strategy

The researchers group have found that different groups in society respond more favourably to different messages. For example, several studies have found that business responds best to arguments about demand management to reduce congestion, thus reducing their time costs, but much of the general public respond

best to arguments on environmental issues and investments in alternatives to the car. This suggests a more complicated, multi-faceted approach to selling road pricing.

This point was seen by the policy makers through the lobbying pressures being placed on politicians and that a differing marketing strategy is needed for the groups but with the same underlying theme.

From the politicians group there was discussion about the involvement of the whole community and the need to ensure that all have entered the debate and that there is a good level of representation involved in decision making.

The policy makers group discussed the use of psychology for putting the message across effectively. The role of the media is crucial as they provide a huge amount of information to the public and can sway opinion quickly. One of the reasons for the severity of the fuel crisis was the speed with which information was disseminated to the public and the concerns it promoted. Therefore understanding how to respond to the media and public reaction is important.

Business

The business sector is key to the success of a scheme. Cities are keen to promote economic development and vitality so the concerns of business need to be addressed. Three issues were discussed:

- Competition, especially for cities in conurbations but also at an international level
- Congestion is also a key concern with many city businesses, in Rome one of the supporters of their access control scheme was the Freight Association because congestion was so bad they knew that something needed to be done
- Consistent views from politicians for long term planning

Cities have found that when the business sector are involved in the development of policy the more positive their approach. Business is good at selling to the public, if it believes in the need for road pricing, seeing the benefits to itself, it could play a marketing role. However, there was a warning that there is often an agreement in principle but problems with the detail of schemes.

The issue of acceptability will be different from site to site, and between countries. However, a few conclusions were drawn:

- a clear and simple message, linked to the scheme objectives, is important;
- the business community can also be an ally, not just an opponent;
- there is a need to learn from other sectors on understanding behaviour and marketing;

4. EXEMPTIONS

There was much discussion in the groups concerning the use of exemption or capping or charges. While it was recognised that the fewer the number of exemptions the simpler the scheme it was also recognised that certain groups merited special consideration for acceptability.

The objectives of the scheme and the nature of the location are important and are reflected in the exemptions considered:

- Emergency Vehicles
- Doctors – exempt where there is a proven 'threat to life' situation.

- Disabled – concerns about misuse. Often seeking equity of treatment so if there are equal opportunities then there is no need for exemptions however, this is not usually the case.
- Clean fuel vehicles (although in 5-10years new cars will produce significantly less pollution) Can be combined with other measures such as Low Emission Zones, Air Quality Management Zones and Clear Zones.
- Buses/PSV – already exempt in Trondheim
- Taxis – not exempt in Trondheim as they add the toll to the bill (same in Genoa), France special rates.
- Local Residents – London considering although this can be reflected by reduced parking charges.

Experience in Trondheim led to discussion of emotional arguments eg 'cars following the hearse', you have to be pragmatic but fair.

5. FUNDING & MANAGEMENT

Funding issues were discussed briefly by the groups with the following conclusions:

- Politicians were of the view that the revenues must be used for transport measures. Europe-wide it is felt that the package measures need not necessarily all spent on public transport but also on environmental improvements in the cities or subsidies for cleaner vehicles.
- Use of revenues must be transparent for trust and acceptance; ideally it should be an additional revenue source.
- In the longer term national governments need to consider the vehicle taxation system, this would ameliorate the concerns of the motorist's lobby who are concerned with the accumulation of taxes. So there should be linkages to annual tax for vehicles – have a fair price for vehicles but pay a higher price for using them.
- The management of the scheme needs to be carefully considered. Many cities are considering public private partnerships. However, there are concerns regarding the payment of VAT.