Comments on Haringey proposed policy of CO2 Emission Based CPZ charges

**By Ofer Acoo** 

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# 1. The aim and the desired outcome of this policy

**The primary aim** of the proposed policy is to reduce CO2 emission locally and help central government achieve it's target to cut CO2 emissions nationally to tackle global warming or climate change (CC).

**The desired outcome** of this policy is a shift in transport mode, specifically make people abandon owning and using private car and walk, cycle and/or use public transport instead. Encourage those still choosing to use private car, to invest in greener cars.

### Would the proposed policy achieve its primary aims and desired outcome?

An even more relevant question would be: Does this policy offer the most effective way to reduce CO2 emissions? There are many ways in which one can approach this question and equally come up with many ideas of the best and most effective way to reduce CO2 emissions.

However what is proposed here is to use parking controls to reduce CO2 emissions.

Through this document I will look at the proposal in detail, including the legal framework for this scheme, compare it to similar schemes suggested by other councils, and discuss the potential of the scheme to achieve its primary aims and desired outcome.

# 2. The base assumption underlining this policy

# Does CO2 emission drive Climate change?

The fact that our planet is currently undergoing a climate change is not disputed here. But the debate on what is causing it is far from over.

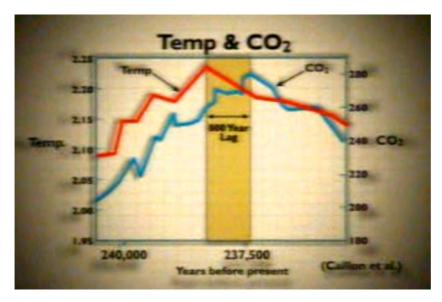
The first base assumption underlining this policy is that CO2 is the main driver of climate change and more specifically that high level of CO2 in the earth's atmosphere cause global warming. However no matter how many people are conditioned or choose to believe it, does not make it so. Science is not democratic. You either have the data to support your theory or you don't! Indeed there are many scientists - world experts in their field, who challenge the accepted view expressed in the latest IPCC report. Some scientists are coming forward alleging that 'the political will' is manipulating scientific data through the mechanism of funding, exerting pressure on scientists to come up with prescribed results.

In a recent Channel 4 documentary, titled 'The Great Global Warming Swindle' some of those scientists presented their finding and offered alternative views, which challenge the accepted assumption, that CO2 emission drives Climate change.

At the heart of this debate is how the data from 'polar ice core samples' are interpreted. To demonstrate a link between the levels of CO2 and global warming, scientists looked to the past for answers; global warming and cooling has happened before many times on our planet with plenty of evidence dating when it occurred. The data collected from librated air bubbles from polar ice core samples, tell us the level of CO2 in the air at any given time, going back hundreds of thousands of years.

Based on this data, if one plots a line describing the level of CO2 emissions over time, and then adds the global warming and cooling over the same period of time, one will find that there are similarities between the 2 lines, they seem to go up and down in the same <u>way</u>. This is the basis for the theory that CO2 emission drive climate change.

However looking at the same data more closely, shows the data <u>does not</u> support the theory at all. Indeed there is a link between the level of CO2 in the atmosphere and the warming and cooling of the planet, but the data shows <u>that CO2 levels leg behind the cooling or warming events by about 800 years</u>. The data clearly demonstrate that CO2 levels are a product of cooling or warming events and not the cause of it!



Picture 1 - Demonstrates CO2 emission lag 800 years behind warming. (Screen Capture from BBC NewsNight 12.3.07)

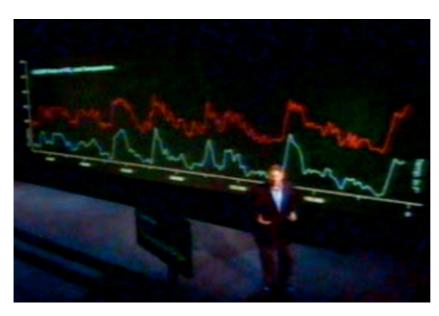
In an attempt to settle the argument BBC2 NewsNight invited 2 scientists to debate it live. Brian Hoskins from Reading University, who was there to defend the view presented by the IPCC report, conceded that indeed the data from the polar ice core shows that CO2 levels lag behind warming or cooling events by 800 years.

Brian Hoskins said: "Actually what all the scientists say is that it is not CO2 that is driving that cycle from glacial to interglacial that Gore is talking about. It is the orbital parameter of the earth that is driving that. But what we see is that the CO2 record is there almost synchronies but slightly lagging by 800 years"

NewsNight host Gavin presses on: "Does CO2 cause global warming, or does the heat result in increased CO2, which come first?"

Brian Hoskins: "The solar orbital thing comes first, then the system releases more CO2 into the atmosphere."...

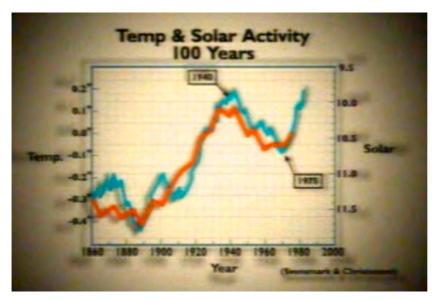
That means that the scientific data does not support the assumption, that high CO2 level is the main driver for global warming!



Picture 2 – Al Gore's graph from 'Inconvenient Truth', failing to mention the 800year lag. (Screen Capture from BBC NewsNight 12.3.07)



Picture 3 – Shows that a great increase in temperature occurred before the explosion of industry (Screen Capture from BBC NewsNight 12.3.07)



Picture 4 - Demonstrates much closer and direct link between global warming and solar activity. (Screen Capture from BBC NewsNight 12.3.07)

There is also no scientific evidence to suggest that cutting CO2 emission will save the planet or make any difference to climate change or global warming.

Climate change is here! But the honest truth is that we don't yet know:

- What are the real causes?
- Is it man made or not?
- Can we reverse it, or slow it down by our actions?

We do know it's happening and in my view our efforts should be equally focused on what are we doing to adapt to it. That is something Haringey promised to do when signing the Nottingham Declaration.

# 3. Conserving Energy and reducing Air Pollution

Weather or not CO2 emissions cause Global warming, air pollution is a serious problem and there is no doubt that human activity is the main cause of it. We should aim to reduce air pollution because it has a negative effect on the health and wellbeing of all living things; humans, animals, plants and the environment as a whole.

All modes of transport are contributors to air pollution - air travel, trains, buses, cars vans lorries and so on. Tackling air pollution from <u>all those travel modes</u> is a desired outcome. It is why I explore the proposed policy and it's effectiveness in reducing CO2 emissions, as CO2 could be used as a marker for overall air pollution.

# What human activity contributes most to CO2 emissions?

If you hold the view that CO2 emission drive global warming, and truly believe that urgent action is needed to avert future disasters, then an honest look at <u>all areas</u> of our life, which contribute to man made CO2 emission, is essential and implementing effective policies is even more vital then ever.

# Here are some facts that might help the purpose of this discussion:

The Earth atmosphere contains 0.04% of CO2 97% of CO2 is natural and 3% is man made
The UK is responsible for 2% of global CO2 man made emissions
In London 10% of all man made CO2 emissions is caused by transport.
So transport contribution to CO2 emission in London = 10% of 2% of 3% of 0.04%

# If transport in London constitutes 10% of CO2 emissions, what human activity creates the other 90%?

**According to Haringey** the following was provided by Sule Nisancioglu – Haringey Group Manager, Planning & Transportation Policy, followed information request from Laura Edge:

"Haringey's emissions for the year 2003 have been estimated at 968 kilotonnes per annum (ktpa), equivalent to each resident of Haringey flying to New York and back five times per year. These are direct emissions from energy use in buildings (domestic and non-domestic) and transport within the borough. These are broken down as follows:

Sector	CO <sub>2</sub> emissions (ktpa)	CO <sub>2</sub> emissions (%)
Domestic	484	50%
Non-domestic	312	32.3%
Transport	172	17.7%
Total	968	100%

Haringey has the fifth lowest  $CO_2$  emissions per capita of all London boroughs. Domestic emissions per capita are average for London, but non-domestic and transport emissions are comparatively low compared to London averages.

The population of Haringey is expected to increase during the period to 2050. This will result in the construction of new buildings and a greater demand for transport. If this growth is takes place at current rates of emissions, by 2050 emissions would have increased by a further 195 kilotonnes per annum."

# The royal commission on environmental pollution recently published their latest report 'The Urban Environment' it states:

"2.23 Another distinctive feature of many urban areas is that buildings account for a major proportion of CO<sub>2</sub> emissions – 70% in the case of London.<sub>24</sub> For the UK as a whole, the energy used in constructing, occupying and operating buildings represents approximately 50% of total greenhouse gas emissions.<sub>25</sub> Yet significant savings are possible and we consider what can be done to reduce emissions (particularly from housing) in Chapter 5."

In view of this one should ask what policies Haringey put in place to tackle emissions from all other sources? Like domestic 50% and non-domestic sources 32.3%, which contribute far more to CO2 emissions in Haringey then transport's 17.7%.

Transport for London in their submissions on the Thames Gateway Bridge inquiry was the following statement:

"Private cars constitute only 10% of total UK CO2 emissions, and the position appears to be both under control and improving, largely due to technology".

# 4. Is the proposed policy going to achieve its primary aim?

Paying more for parking permits will not reduce CO2 emission or air pollution in itself. Only reduction in actual car use and a move to a greener technology will do that. So getting the policy right is highly important, otherwise it is a revenue raising exercise, which is illegal under the Control Parking Act. (See legal framework)

# 5. Taxing CO2 emission nationally v locally

I can see the temptation to use the existing mechanism of tax collection used to control parking, to collect additional tax used to control something other then parking, like controlling CO2 emissions in this case.

I have no objection to attaching monetary value to CO2 emission, however attaching CO2 emission charge to residential CPZ permits is fundamentally flawed.

Taxing CO2 emission should be attached to when a car is actually emitting and levels of CO2 emissions should be reflected in the cost and applied to both the choice of car owned and the actual usages. This will ensure all polluters are treated equally and fairly, while rewarding desired behavior like walking, cycling and using public transport.

# Both kind of taxations mentioned above are already in place.

**The DLVA banded road tax** takes care of 'choice of car owned' and since it is a national policy it capture everyone equally, as it should be.

**The tax on fuel** reflects real usage and as it is applied nationally, it too captures all users equally, as it should be.

One may argue that these 2 taxes are not high enough to make a difference. That might well be true, but both could be easily modified to reflect the aims more accurately.

Since the mechanism and administration of both the above taxes are already in place, it could also free public money allocated to the creation the new mechanism of tax collection, and be used to develop green and sustainable energy or/and technology.

Extra Money collected from those taxes, could be allocated back to local councils to fund meaningful environmentally friendly projects.

# Taxing CO2 emissions through residential parking permits

Taxing CO2 emission through residential parking permits might work where a whole borough is in CP zones. Applied in Haringey, it would be socially unfair and achieve very little in terms of the stated aims of this policy. It most definitely will not reduce CO2 in any significant measure and will give the wrong message.

The proposed policy targets only people who happen to live in areas where parking needs to be controlled, while absolving those who are not living within a CPZ.

Haringey still have <u>very few</u> control parking zones (only 25%) with most of those focused in the east of the borough where, by the council's own admission, car ownership is below London average and Haringey average.

Taxing only those living within a CPZ would mean that from the outset we are trying to modify the behavior of only 25% of Haringey residents and particularly those with below average car ownership. At the same time those who own 2 or more cars, one of which could possibly be the 4x4, which this policy tries to discourage. Those residents are allowed to keep on polluting without any incentive to change.

The potential of reducing CO2 emission through applying this policy in Haringey, would be miniscule and therefore totally ineffective, especially so, if the policy is applied unchanged.

For those reasons I conclude, that reducing CO2 emissions, be best taxed and administered at national level as it will be applied fairly and across the board. It will ensure that there is a real reduction in air pollution from transport, which is after all the purpose of this policy.

# 6. CO2 emissions bands DVLA v Haringey

The national policy introduced last year, differentiates road tax according to CO2 emissions. It aims to encourage people to make more conscious environmental choices when buying a car and gives incentive for those willing individuals who scale down in terms of their car's emissions.

The bands are modeled in such a way that a move up of only one band will reduce CO2 emissions by minimum of 10% up to 20%.

# **DVLA** bands

Band	CO2 emissions	% CO2 Reduction by moving up one band
Α	100 CO2 g/km	
В	101 - 120 CO2 g/km	
С	121 - 150 CO2 g/km	^ 20%
D	151 -165 CO2 g/km	^ 10%
E	166 - 185 CO2 g/km	^ 11%
F	186 - 225 CO2 g/km	^ 18%
G	226 + CO2 g/km	

Table 1

The DVLA bands also reflect what is currently available on the market. For instance in band A, up to 100 CO2, we currently have the electric smart city car, a 2 seater with 0 emissions. In band B 101 - 120 CO2 we have small family cars which posses new technology like the hybrid cars starting at 109 CO2 g/km. In band C and D you can find small and large family cars. Bands D to G is where most pre-green cars will be, including the 4X4 variety.

### Top green cars available in the UK

What is available on the market and what does it cost to be green? The information within the following tables was collected in Feb 07 and at the time the cars described here, were <u>the only</u> models you could find within those CO2 emissions bands.

# **City Car**

Those are the band A, 0 emissions, small electric 2 seaters cars, max speed 40 mph. Have one of those and you will not be paying any Road Tax, or Congestion Charge. But Haringey will charge you £15 to park it!

Band A City Car	Cost	
NICE MEGA City	£9,995 - £6,999	
REVA G-WIZ (DC)	£6,999	
REVA G-WIZ (AC)	£8,299	
REVA G-WIZ (AC)	£9,995	
SMART EV For2	?	

Table 2

# **Small family cars (SFC)**

There are no small family cars in band A

(SFC) Band B	Cost	(SFC) Band C	Cost
HONDA Civic Hybrid	£16,265	HONDA Civic 06	£13,995
CITROEN C4	?	VAUXHALL Astra LPG	£12,695
		MAZDA 3 (2006 MY)	£14,950
		VOLVOC30 2007	£16,795

Table 3

# Large Family Car (LFC)

There are no large family cars in band A

(LFC) Band B	Cost	(LFC) Band C	Cost
TOYOTA Prius	£17,780	SAAB 9-3 MY2007	£19,645
		PEUGEOT 407 saloon	£16,345
		CITROEN C5	£16,390
(LFC) Band D			
AUDI A4 Avant Stan.	£23,205		
VOLVO V50 Year 06	£19,640		

Table 4

# Sports Utility Vehicle (SUV) 4X4

Bands D, E and F

The above car models are all new 2006, 2007 registrations. http://www.whatgreencar.com

# How green are our existing cars?

Here is an example of a modest Ford Fiesta, a small family car, with small engine:

Fuel: PETROL,

Transmission: MANUAL, Door plan: 5 H/B,

Model Introduction Date: 2001-03

Engine (cc): 1299 CO2 Level (g/km): 161

**DVLA Band: D** 

Haringey CPZ Band: 3 (as 1<sup>st</sup> car charged £60 and as 2<sup>nd</sup> car £90)

Cost: £2500

Obviously any older and/or larger engines will produce higher CO2 emissions and will be in bands D, E, F and G, or in Haringey's highest band 4, (as  $1^{st}$  car charged £90 and as  $2^{nd}$  car £150)

# To assess any car CO2 emissions:

Go to <a href="http://www.smmt.co.uk/co2/co2search.cfm">http://www.smmt.co.uk/co2/co2search.cfm</a>

Click on the <u>I agree</u> link and you will be transported to a form that lets you select your car, make, model, engine and so on. It then tells you the level of your car emissions.

# **Haringey Proposed Bands**

In contrast to the DVLA CO2 emission bands, Haringey council invent their own and proposes only 4 bands as follows

Band	CO2 emissions	First permit	Second & subsequent
1	up to 100 CO2 g/km	£15	£15
2	101-150 CO2 g/km	£30	£60
3	151-165 CO2 g/km	£60	£90
4	166 CO2 g/km and over	£90	£150

Table 5

Haringey puts bands B and C into one band (2) - 101-150 CO2 g/km And combines bands E, F and G into band 4 - 166 CO2 g/km and over

DVLA Bands	Haringey Bands	CO2 emissions
Α	1	up to 100 CO2 g/km
В,С	2	101-150 CO2 g/km
D	3	151- 165 CO2 g/km
E,F,G	4	166 CO2 g/km and over

Table 6

**Band 1:** There are only a handful of cars in existence which could be classed as band A. The type of car in this band will be unsuitable for most families being a 2 seater. At max speed of 40mph they are suitable only for inner city travel.

**Band 2:** The greenest option of cars available in the 'small family car' category, starts at 109 CO2 g/km band B. Combining bands B and C into one band - Haringey band 2 - kills the incentive to move up a band and as demonstrated by table 1, moving up from band C to band B will reduce emissions by **20%.** Combine band B and C and the potential of reducing CO2 emission is lost.

**Band 3:** Is where I anticipate the majority of existing small cars to start. If you remember our example of a **Ford Fiesta**, 2001, 1299cc, **161 CO2 g/km**, a small car, small engine, 6 years old, is in this band. Anything bigger will be in the next band.

**Band 4:** Once again this band combines 3 DVLA bands E, F and G. Doing so, dilute the message of this proposal and eliminates any incentive to choose a greener option. Cars in this band will be most of the small family cars with larger engines and most large family cars. In reality the policy as is, puts the vast majority of existing cars from 2001 to 2006 in the highest band possible! Lumping together the small family car, with the most polluting 4X4s, the incentive to move up the bands and reduce CO2 emissions has just vanished!

This policy as is, expects the owner of our example **band 3 2001 Ford Fiesta valued at £2,500** to suddenly upgrade to a **band 2** car, costing £10,000 up to £25,000 in order to save £30 a year on a CPZ permit, not a very realistic prospect.

Moving up the bands is the desired outcome; unfortunately it will only happen if the small increments of the DVLA CO2 emission bands are adopted. If the policy is implemented without any changes to it's bands, there is very little prospect for behavioral shift and therefore the policy will most likely fail in its aim to reduce CO2 emissions.

# **Bands for Pre 2001 Cars**

Until this point we only discussed cars manufactured from 2001 onwards. Vehicles registered before 23 March 2001, where CO2 emissions were not documented, will be assessed differently and that too, is a far from encouraging behavior shift in the green direction.

# The proposed charging structure for pre 2001 cars

Engine size	First permit	Second & subsequent
1549cc or less	£30	£60
1549cc to 3000cc	£60	£100
3001cc and above	£90	£150

Table 7

To illustrate my point here I will use the example of the 'Ford Fiesta, 2001, 1299cc, 161 CO2 g/km' once again. This is a true story: The owner of our Ford Fiesta only bought the above car in September 2006, the car he owned before was an older Ford Fiesta with a smaller engine, it was running very well except one thing, it started smoking on occasions.

Being the environmentally conscious person that he is and without any green taxes prompting him to do so, he decided to shift up to a less polluting car.

Now let's see how Haringey's new policy treats our responsible citizen:

With his newer car in band 3, he would be paying **£60** for a CPZ permit. However if he had kept his older car, smoky and polluting, he would be rewarded by the proposed policy and pay only **£30** for a CPZ permits.

The proposed charging structure for pre 2001 cars will not encourage people to choose a less polluting car, but worse - it will discourage people from doing so. It makes it an attractive option for families who wish or need a second car for short local trips.

Once again the proposed policy fails to deliver the right message by rewarding undesired behavior and giving no incentive to change. If implemented unchanged, it will not result in behavior shift and therefore will not reduce CO2 emissions or air pollution.

# 7. Why change the DVLA band system?

As demonstrated above Haringey's proposal dilutes all the advantages, which are built in the national policies through the DVLA band structure to such a degree that it renders the whole exercise useless in terms of it's potential to reduce CO2 emission or air pollution as a whole.

The member for the environment, Brian Haley, was asked twice to explain: Why Haringey decided to create their own band system?

The first time was during the scrutiny committee meeting, where he said: too many bands would be confusing for the public.

And the second time was during the executive meeting where he said: it was for administrative reasons.

To suggest, that the public would be confused by many bands does not stand to reason. Haringey drivers like any other driver in the UK pay road tax, so they are well aware of the DVLA band system. If anything is confusing, it is Haringey creating it's own system.

As to the other explanation given: It might indeed be easier to administer fewer bands, but in this case, choosing 'easy administration' would also mean negating the main aim and effectiveness of this policy as demonstrated above.

If Haringey is sincere in its declared desire to reduce air pollution, and decides to implement a CO2 emission based CPZ permits, it must keep to the DVLA band system for it to have any chance in influencing people's behavior and choices.

In reality the majority of people living within Haringey parking zones will see a raise of parking charges from £25 to £90. And if there are 2 cars in a household, their charges will go from £50 to a maximum of £240.

# 8. Consultation as means of engagement And the Richmond example

Like other Haringey consultations, this one is no exception. Despite the recommendation of the scrutiny committee to allow 6 weeks for this consultation and despite the executive decision to follow the scrutiny recommendation, in reality posters appeared only 4 weeks before the consultation ended and people received a leaflet 3- 2 weeks before the consultation ended, whilst many within CPZ areas did not get it at all.

### **Richmond consultation**

In contrast, Richmond council trying to reel in similar proposals really consulted. They have conducted an extensive survey of a sample of approximately 3,500 residents and 1,300 businesses. Furthermore approximately 27,000 households in the 27 Controlled Parking Zones (CPZ's) were written to together with a number of organizations that are normally consulted on significant transport policy matters.

# **Results are interesting**

The results of the resident's questionnaire indicate that:

49% in favour.

39% opposed.

12% did not express a specific preference.

The results from the business questionnaire indicate that:

47% of businesses oppose.

30% in favour.

The response rates for the residents and business questionnaire exercise were 47.4% and 31.7% respectively.

2182 letters, emails and 'on-line' comments were received by the council, and on analysis approximately 63% expressed an opposition.

Although I may have reservations of how the final view was formed and reported by officers, namely taking no note of the fact that 63% of respondents in CPZ areas are opposing it, Richmond are going ahead with it on the basis of the questionnaire results. Nevertheless one can't claim they have not consulted!

All relevant documents are downloadable from the following link

http://www.richmond.gov.uk/home/council government and democracy/democratic processes a nd events/council committees list.htm?mgl=ieListDocuments.asp&CId=163&MId=1660&Ver=4

# 9. Richmond and Haringey schemes are very different

The results of the consultation might not come as a surprise if you look at what is proposed in Richmond. As usual the devil is in the details...

Firstly Richmond stuck to DLVA banding, which is important to make the scheme effective in encouraging shift in transport mode.

They have given a discount to the modest choice of car use and really punish the high emission choices. This gives people the right message.

If we take the example we have explored before, of the 2001 Ford Fiesta in D band the owner of such a car will be looking at a 110% increase in Richmond, compared with Haringey's increase of 240% for the same car.

Similarly they have a more reasonable approach to cars pre 2001 registration

# **Richmond Current charges**

There are 27 Parking zones in Richmond and the price of permits vary. Starting as low as £45, with the majority of permits at £75 and 2 zones priced at £100. **The average current price is** £68

**Richmond CPZ charges** 

Band Permit rate	Change	Current rat	Current rate	
	_	£100	£75	£45
		New Charg	es	
A (Up to 100 CO2 g/km)	Free	Free	Free	Free
B (101 - 120 CO2 g/km)	-50%	£50	£37.5	£22.5
C (121- 150 CO2 g/km)	-10%	£90	£67.5	£40.5
D (151 - 165 CO2 g/km)	+10%	£110	£82.5	£49.5
E (166 - 185 CO2 g/km)	+30%	£130	£97.5	£58.5
F (186 - 225 CO2 g/km)	+50%	£150	£112.5	£67.5
Pre 2001 reg cars				
Up to 1549cc 10% discount	-10%	£90	£67.5	£40.5
1549cc to 3000cc 30% increase	30%	£130	£97.5	£58.5
above 3000cc 200% increase	200%	£200	£150	£90
Rate for second car per house hold - 200% of CO2 emission charges				

Table 8

# 10. The legal framework

Richmond had 2 separate legal advisors on the legality of the scheme, as outlined in Richmond's report to cabinet (quoted in annex B). It gives reference to the transport acts, which gives power to local authority to have variable charges on parking. It also points to policies, which allow councils to tackle air pollution if they are declared an 'Air Quality Management Area' (AQMA), which both Richmond and Haringey are. And discuss whether the proposals constitute a tax, i.e. revenue-raising

9.3 ... "Two specific issues raised by a number of respondents related to the extent of the Council's powers under section 45 of the Road Traffic Regulation Act 1984 and whether the proposals constitute a tax, i.e. are revenue-raising."...

This last point is significant. According to 'The control parking act' (Annex A) Raising revenue should not be an objective of CPE:

- **"11.** Raising revenue should not be an objective of CPE, nor should targets be set for raising revenue or the number of PCNs to be issued."
- **12.** ... "Charges should be proportionate, and hence authorities should not set unreasonable levels of parking or penalty charges. If penalty charges are received then these may be used to cover expenditure. **But authorities should not set targets in order to produce financial surpluses.**

Richmond took legal advise on their proposed scheme before going into consultation, which explains why Richmond opted to adopted **REVENUE NUTRAL** attitude! **Because if it is REVENUE RAISING it will make it illegal!** 

This is an interesting point and highly relevant to our case here. Haringey Executive was directed and urged by officers' reports to raise CPZ charges as mentioned throughout the reports and documents attached to Exec meeting, for purely financial reasons!

The Nottingham declaration is used as an excuse to justify raising the cost using environmental reasoning.

The need to raise CPZ charges, as a result of a hole in the budget, appears in Council Exec meeting documents since before the last election April/May 2006 and immediately after June/July 2006.

In November 2006 Haringey signed the Nottingham declaration

In January 2007 Haringey Exec meeting decide to raise CPZ permit cost, again clear indication appears in the document bundle of the meeting, referring to the hole in the budget and the urgency to bring this on for those reasons.

Looking at the figures of the transport budget together with the information reviled by the Journal FOI (June 2006) into the total revenue Haringey makes out of CPZ's from both permits and fines, DOES RAISE SERIOUS QUESTIONS whether or not Haringey comply with the LAW as above.

The only conclusion I can draw is that CPZ revenue must have been diverted to other things or there is a huge mismanagement of public funds.

# 11. Conclusion

Throughout this document I have considered the purpose of the proposed policy, whether or not its aims are going to be achieved and is it complying with current laws. I looked and compared similar proposals in other London local authorities.

It is my conclusion that:

- The scheme is based on a false assumption that CO2 emission, particularly man made CO2 emissions drive climate change and that cutting CO2 emission from the use of private cars will make any significant difference to global warming.
- However since I recognise the importance of tackling man made air pollution, I look further into the proposed policy to see if indeed it could be an effective measure to achieve it by influencing people's choice of transport mode.
- Since there are already national taxes in existence, which aim to punish and reward people's choice of car and the extent of their usage, I fail to see the logic of duplicating those taxes locally through the mechanism of parking charges. Applied to Haringey which still have very few CPZ's 25% and considering where they are, this would be grossly an unfair tax, aimed to influence the behavior of only 25% of it's residents.
- Comparing the DVLA CO2 emission bands with Haringey's clearly demonstrates that deviating from the national DVLA bands renders this policies wholly ineffective by diluting the message and killing any incentive for transport modal shift. Haringey banding system also ignores the reality of the current car market and assumes plenty of green choices are there for people to choose from, where in reality this is not the case. The policy as is will not result in any significant change in people's behavior, which in turns means that the stated aim of this policy to reduce CO2 emission will fail.

- In reality the majority of people living within Haringey parking zones, will see a raise of parking charges from £25 to £90. And if there are 2 cars in a household, their charges will go from £50 to a max of £240.
- Exploring the legal framework for Haringey proposed scheme, shows that raising revenue
  though parking is illegal and since there is plenty of evidence in Haringey council's own
  documents that the need to raise parking fees stem from pure financial considerations, this
  point needs to be addressed if this scheme is to be legally compliant, or else it could be
  open to legal challenge.

On the whole it is my view that parking charges are not the right mechanism to try and control CO2 emission and that the council should not vote it into being. However if the Haringey Executive is still determined to implement this ill-conceived policy, it must amend it to make it legal and retain the incentives built in the DVLA banding.

# 12. Suggested changes to the policy

If Haringey raised the base fee from £25 to £30, it will increase current charges by 20%. It will be well above inflation but still reasonable since the charge was not amended for a few years. Then apply a similar decrease and increase of charges as Richmond did.

Doing so, Haringey may get to be **REVENUE NEUTRAL** too and the whole thing will have a better legal standing

Here is what it might look like:

Proposed amendment to Haringey future CPZ charges

Band Permit rate	Change	Current rate	
		20% rise from £25 to <b>£30</b>	
		New Charges	
A (Up to 100 CO2 g/km)	Free	free	
B (101 - 120 CO2 g/km)	-50%	£15	
C (121- 150 CO2 g/km)	-10%	£27	
D (151 - 165 CO2 g/km)	+10%	£33	
E (166 - 185 CO2 g/km)	+30%	£39	
F (186 - 225 CO2 g/km)	+50%	£45	
Pre 2001 reg cars			
Up to 1549cc 10% discount	-10%	£27	
1549cc to 3000cc 30% increase	30%	£39	
above 3000cc 200% increase	200%	£60	
Rate for second car per house hold +200% of CO2 emission charges			

Table9

This might not fill the hole in the budget, but it will come closer to be **REVENUE NEUTRAL.** 

Of course we would have very little ability to assess it, due to the lack of any relevant data.

It is interesting to see that Richmond had all this information very much at hand and it is part of the documents presented to their Executive, or Cabinet as they call it.

Haringey have a moral and legal obligation to demonstrate the <u>effectiveness</u> of the proposed scheme and prove it is not about the money!

#### Annex A

Relevant quotes from the TRAFFIC MANAGEMENT ACT 2004, STATUTORY GUIDANCE TO LOCAL AUTHORITIES ON THE CIVIL, ENFORCEMENT OF PARKING CONTRAVENTIONS,

### **CPE financial objectives**

- **11.** Raising revenue should not be an objective of CPE, nor should targets be set for raising revenue or the number of PCNs to be issued.
- **12.** LTAs should ensure that their CPE operations (both on- and off-street (3) are run efficiently, effectively <u>and economically</u>. The objective of CPE should be for 100% compliance, with no penalty charges. The objective of penalty charges is to dissuade motorists from breaking parking restrictions. **Charges should be proportionate, and hence authorities should not set unreasonable levels of parking or penalty charges.** If penalty charges are received then these may be used to cover expenditure. **But authorities should not set targets in order to produce financial surpluses.**
- (3) CPE is only applicable to LA operated car parks and not privately operated ones unless regulated by an order made under s.35 of the RTRA 1984.
- 13. Previous guidance stated that local authority parking enforcement should be self-financing as soon as practicable. This is still a sensible aim, but compliant applications for CPE (see next section) will be granted without the scheme being self-financing. <a href="However">However</a>, authorities will need to be are in mind that if it is not self-financing then the authority will need to be certain that they can afford to meet the scheme from within existing funding. The Secretary of State will not expect the deficit to be met either by national or local taxpayers.

# (IV) Setting Charges

- **16.** The primary purpose of penalty charges is to encourage compliance with parking controls. The charging level chosen should have a high level of public acceptability. In pursuit of this aim, LTAs should adopt the lowest charge level consistent with a high degree of compliance. **The LTA should also ensure that the public know what charge levels have been set by publishing them well in advance of their introduction.** Any subsequent change to the charge levels will also need to be published(8). In London, the charges will be set by Transport for London or, as appropriate, the London local authorities, with the approval of the Mayor (and provided there is no objection by the Secretary of State). Outside London, the charges must accord with guidelines set by the Secretary of State(9).
- (8) Schedule 9 TMA 2004 paragraphs 5 (Greater London) and 9 (outside Greater London).
- (9) The Civil Enforcement of Parking Contraventions (Guidelines on Levels of Charges) (England) Order 200X

# (V) Communicating CPE

- 18. It is important that local members of the public affected by CPE understand why a CPE scheme has been introduced and the parking restrictions that result. The LTA should make every effort to ensure that its scheme details are communicated clearly.
- 20. Communicating the rationale for the scheme is important, to ensure that those affected are aware that parking enforcement is about supporting wider transport objectives, in particular managing the network to keep traffic moving, <u>rather than a mechanism to raise revenue.</u>
- <u>22.</u> Communication takes many forms and LTAs should consider the full range of media available to them. <u>Advertising solely in newspapers may no longer be adequate and all media should be used. Consideration should be given to informing every household when changes are proposed.</u>

24. There should be formal communication and consultation at regular intervals after CPE is introduced and when changes are proposed (see next section).

# (VI) Reviewing CPE

- 25. LTAs should <u>regularly review their parking policies</u>, CPE regimes and associated regulatory framework (including penalty charge levels) when reviewing their Local Transport Plans (LTP). This applies in London through their Local Implementation Plans. If the authority does not have an LTP/LIP, this should be done when reviewing the local development framework or community strategy.
- 26. These reviews should take account of any relevant information that has been collected as part of the parking enforcement process, **in particular about the practical effectiveness of the scheme.** Reviews will benefit from interviews with CEOs, who are in a unique position to identify changes to parking patterns, and office staff, who see challenges and representations and the reasoning behind them.
- 27. The Secretary of State recommends that **LTAs consult locally on their parking policies as they are reviewed.** In doing so, LTAs should seek the views of people and businesses with a range of different parking needs as well as taking into account the views of the police.
- 30. In reviewing its parking policy and CPE regime, an LTA should ensure it takes account of the following issues:
- Existing and predicted levels of demand for parking;
- The availability and pricing of on- and off-street parking places;
- The justification for, and accuracy of, existing traffic orders;
- The adequacy, accuracy and quality of signing and lining, including signing for Controlled Parking Zones;
- The level of enforcement necessary to secure compliance;
- The levels of penalty charges; and
- The need to resource the operation effectively and ensure that all parking staff are appropriately trained

### **Camera Enforcement**

44. TMA regulations19 give the power to authorities outside London (TMA 2004 repealed and replaced the powers in London) to use cameras monitored by a qualified operator, where they consider it appropriate and/or enforcement is difficult or sensitive. **Camera enforcement** can best be used in no stopping areas but **should not be used where exemptions (such as resident permits or blue badges)** not visible to the camera may apply. All equipment must(20) use a device certified by the Secretary of State.

### Annex A

LTA Annual Reports - information they might contain

# **Financial**

- Total income and expenditure on the on-street and off-street parking account;
- Breakdown of income by source (i.e. parking charges and penalty charges);
- Total surplus or deficit on the on-street parking account;
- Action taken with respect to a surplus or deficit on the on-street account; and
- Details of how any financial surplus has been spent, including the benefits that can be expected as a result of such expenditure.

### **Statistical**

• Number of PCNs issued for on-street parking contraventions;

- Number of PCNs issued for off-street parking;
- Number of PCNs paid;
- Number of PCNs paid within 14 days;
- Number of PCNs against which a formal or informal representation has been made;
- Number of PCNs cancelled (i.e. where an informal or statutory representation is successful;
- Number of PCNs written off
- Number of vehicles wheelclamped on-street; and
- Number of vehicles removed from on-street.

The above statistics refers only to PCNs issued during a set period [to be described], this will ensure that authorities do not count payments made during that period, but where the PCN was issued outside the period. This will contribute towards honesty and transparency.

# **Performance against targets**

• Performance against any parking or CPE targets. (Authorities should note the recommendations throughout this guidance on the areas in which such targets might be appropriate.)"

# **Annex B**

# **Quotes From RICHMOND PARKING CHARGES CABINET COVERING REPORT:**

### "9. LEGAL IMPLICATIONS

- 9.1 The Council introduces and maintains charges for on and off-street parking under the provisions of the Road Traffic Regulation Act 1984,as amended, and the Road Traffic Act 1991. All schemes are subject to statutory consultation processes, which are duly followed by the Council. In most cases Road Traffic Regulation orders will be required in order to implement the decisions recommended.
- 9.2 Because of the nature of the proposed changes in respect of CO2 emissions and second and subsequent permits, Leading Counsel's advice was sought prior to Cabinet approval for consultation. In his opinion there is no reason in principle why the proposed changes should not, as a matter of law, be implemented. This included consideration of both the legislation and human rights considerations. Due to the unavailability of Leading Counsel who gave the initial advice another Leading Counsel's advice has been sought following the consultation period. His clear advice has reaffirmed the legality of the proposals.
- 9.3 Some respondents to the consultation raised issues of a legal or procedural nature. Where appropriate these were referred to the Council's Legal Services Department and Leading Counsel also considered these when giving his recent advice. Two specific issues raised by a number of respondents related to the extent of the Council's powers under section 45 of the Road Traffic Regulation Act 1984 and whether the proposals constitute a tax, i.e. are revenue-raising. These have been commented on below:-

# **Powers under Road Traffic Regulation Act 1984**

- 9.4 Both Leading Counsel have confirmed that section 45 of the 1984 Act does permit differential charging relating to vehicular emissions. In their view regard can be had to environmental considerations. The most recent advice cites additional provisions in support, as set out below:
- 9.5 Section 122(1) Road Traffic Regulation Act 1984 states that it shall be the duty of every local authority upon whom functions are conferred by or under the Act (so far as practicable having regard to the matters specified in s122(2)) to secure the expeditious, convenient and safe movement of vehicular and other traffic (including pedestrians) and the provision of suitable and adequate parking facilities on and off the highway. S122(2) specifies a number of such matters including (b) the effect on the amenities of any locality (bb) the strategy prepared under s80 Environment Act 1995 (Air Quality Strategy for England, Scotland, Wales and Northern Ireland 2000) and (d) any other matters appearing to the local authority to be relevant.
- 9.6 S122(2)(bb) itself lends some support to what the Council is proposing to do through differential charging. While the Air Quality Strategy for England, Scotland, Wales and Northern Ireland 2000 prepared under S80 Environmental Act 1995 is not specifically concerned with CO2 emissions, it aims to improve local air quality by reduction of other pollutants. The differential charges the Council is proposing are also expected to have the effect of contributing to the improvement of local air quality. Further, other initiatives by both central government and regional government (the GLA) have laid increasing emphasis on the need to take action in respect of both air quality and greenhouse gases. These are also matters the Council can, and should, have regard to under s122(2)(d). The Government's recent on-line guide to greener living (www.direct.gov.uk/greenerliving) has a specific section on "Greener cars and driving" and includes the following "The type of car you own, the way you drive it

and the fuel you can use have a big impact on the emissions it produces. Personal car travel produces 13% of the UK's total greenhouse gas emissions and it contributes to local air pollution and congestion".

9.7 Even before the addition of S122(2)(bb) the unanimous view of the House of Lords in R v London Boroughs Transport Committee ex p. Freight Transport Association Ltd (1991) was that "one policy and one object of the Act of 1984 are to protect the environment of Greater London".

9.8 Further, section 45(2)(b) of the 1984 Act, which states "the authority...may make such charge in connection with the issue or use of the permit, of such amount and payable in such manner, as the authority by whom the designation order was made may by order prescribe" is a function governed by S144(1)(a) Greater London Authority Act 1999. This section provides that in exercising any function a London borough council is to have regard to the transport strategy. This refers to the Mayor's Transport Strategy (MTS) published under S142. The MTS contains a number of references to the importance of improving air quality and reducing emissions, e.g. para 2.4 describes one of the MTS's objectives as the promotion of London as a green city through addressing traffic congestion, improving air quality and the reduction of greenhouse gas emissions. 9.9 Cabinet's attention has also previously been drawn to the well-being powers under the Local Government Act 2000. These are wide powers given to local authorities to do anything which they consider is likely to achieve the objectives listed in S2 and which includes the promotion or improvement of the environmental well-being of their area. Whilst this broad power is most useful in the promotion of environment objectives and is a matter to which Cabinet may properly have regard (under S122(d) of the 1984 Act), it is the 1984 Act which governs the charges to be made for permits.

# **Revenue Raising**

9.10 Leading Counsel was also asked to specifically consider the issue of whether any revenue raised from this policy could be interpreted as a 'Local Tax'. Counsel considered R v Camden LBC ex p.Cran (1996) where it was said that the Road Traffic Regulation Act 1984 is not a revenue-raising Act. Counsel expressed doubt as to whether the decision of the case in this respect was in fact part of the decision and as to whether the views expressed were consistent with the GLA Act 1999 and the Traffic Management Act 2004 which amended section 55 of the 1984 Act. However, in view of the fact that the new system of charging is not intended to raise additional revenue but to be revenue neutral it is considered that the issues raised in the Cran case do not arise. Some representations have drawn attention to the leaflet, "Changes to Parking Charges based on CO2 emissions - A guide explaining the proposed changes" as implying the new charging system could generate additional revenue and is therefore a taxing measure. This is a misconception If there were any unplanned surpluses, these could only be spent on the purposes set out in the 1984 Act at S55(4), (as amended), as is the case generally.

# **Highway ownership**

9.11 One resident put forward the proposition that, in the absence of evidence of ownership, the owner of a property adjoining the highway owns the land on which the highway passes to the mid-point of the highway. The argument being that he would be charged for parking his car on the highway outside his house when he in fact would be parking on his own land. This has been considered by Leading Counsel and by Legal Services Department. While this may be a common law presumption, however, publicly maintainable highways are deemed to vest in the highway authority under section 263(1) Highways Act 1980. Any rights an adjoining owner may have are confined to the sub-surface."