

# SILVERTOWN TUNNEL

Volume 7

## 7.11 Charging Policies and Procedures

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Forms and Procedure) Regulations 2009

April 2017

Silvertown Tunnel

Charging Policy

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## Silvertown Tunnel

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# Charging Policies and Procedures

## 7.11

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Planning Act 2008

Infrastructure Planning

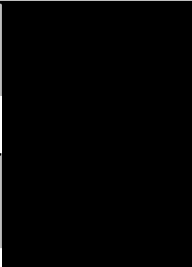
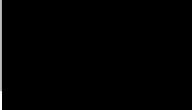
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## List of Abbreviations

DCO	Development Consent Order
MTS	Mayor's Transport Strategy
STIG	Silvertown Tunnel Implementation Group
TfL	Transport for London

## Glossary of Terms

<p>Assessed Case</p>	<p>Scenario adopted for assessment of likely effects of the proposed scheme, in the context of central forecasts of transport conditions and with user charges set so as to balance the Scheme's traffic, environmental, socio-economic and financial objectives.</p>
<p>Blackwall Tunnel</p>	<p>An existing road tunnel underneath the River Thames in east London, linking the London Borough of Tower Hamlets with the Royal Borough of Greenwich, comprising two bores each with two lanes of traffic.</p>
<p>ProjectCo (Project Company)</p>	<p>A Project Company is typically a consortium of private sector companies, formed for the specific purpose of providing the services under a private finance contract. This is also technically known as a Special Purpose Vehicle (SPV).</p> <p>The Project Company will obtain funding to design and build the new facilities and then undertake routine maintenance and capital replacement during the remainder of the contract period. The total contract period is typically 30 years.</p> <p>The Project Company will repay funders from payments received from TfL during the post construction period of the contract. Receipt of payments from TfL will depend on the ability of the Project Company to deliver the services in accordance with the output specified in the contract."</p>



The Scheme / Silvertown Tunnel	Proposed new twin-bore road tunnels under the River Thames from the A1020 in Silvertown to the A102 on Greenwich Peninsula, East London.
User charge	The charge to be paid by users of the Silvertown Tunnel and Blackwall Tunnel that is to be imposed in order to manage traffic demand and help pay for the Scheme.

# 1. INTRODUCTION

## 1.1 TfL and the Scheme

- 1.1.1 Transport for London (TfL) is a statutory body created by the Greater London Authority Act 1999 (GLAA). Section 141 of the GLAA imposes on the Mayor of London a general duty to develop and apply policies to promote and encourage safe, integrated, efficient and economic transport facilities and services to, from and within London. TfL is responsible for delivering these services on the Mayor's behalf.
- 1.1.2 TfL is also the statutory highway and traffic authority for the Transport for London Road Network (TLRN), and is responsible for the maintenance, management and operation of traffic signals throughout London. TfL has a network management duty under the Traffic Management Act 2004 which requires it to make sure road networks are managed effectively to minimise congestion and disruption to vehicles and pedestrians.
- 1.1.3 The Silvertown Tunnel Scheme (the Scheme) involves the construction of a twin bore road tunnel providing a new connection between the A102 Blackwall Tunnel Approach on the Greenwich Peninsula (Royal Borough of Greenwich) and the Tidal Basin roundabout junction on the A1020 Lower Lea Crossing/Silvertown Way (London Borough of Newham).
- 1.1.4 The Scheme includes the introduction of free-flow user charging on both the Blackwall Tunnel (northern portal located in London Borough of Tower Hamlets and southern portal in the Royal Borough of Greenwich) and at the new Silvertown Tunnel. This measure plays a fundamental role in managing traffic demand and supporting the costs of the construction and operation of the Silvertown Tunnel.
- 1.1.5 The Scheme is the subject of an application for a Development Consent Order (DCO) under the Planning Act 2008. As well as authorising the construction of the new tunnel, the DCO provides the powers to impose charges on users of the Blackwall and Silvertown Tunnels and to enforce the collection of those charges.

## **1.2 Purpose of the Charging Policies and Procedures document**

- 1.2.1 The DCO confers a general power on TfL to impose charges on vehicles using the Silvertown Tunnel and the Blackwall Tunnel. The power allows TfL to:
- set the initial user charges prior to the Scheme opening to traffic;<sup>1</sup>
  - keep the charges under review; and
  - vary the charges.
- 1.2.2 The power encompasses all aspects of the user charges including setting the charge levels and stipulating the hours during which the charge shall apply, the vehicles charged, the discounts and exemptions granted and other criteria.
- 1.2.3 Article 52 of the DCO requires that the user charging power must be exercised by TfL in accordance with this Charging Policies and Procedures document. In particular, this document sets out how TfL must set and vary the user charges in accordance with a consistent set of principles and objectives as a means of achieving the Project Objectives (see section 2.1). The specific policies which TfL must comply with are clearly numbered and identified in text boxes throughout this document. The accompanying text provides the context for these policies.
- 1.2.4 This document also sets out the formal procedures that apply when TfL sets and varies the user charges. These are also identified in text boxes.
- 1.2.5 The applicable charges (including the charge levels, the hours charged, the vehicle charges, discounts and exemptions granted and other factors related to user charging) will be set out in writing in the Statement of Charges that will be published in advance by TfL whenever the charges are set or varied.

## **1.3 Charging Policies and Procedures, Monitoring and Mitigation Strategy and Bus Strategy**

- 1.3.1 The Charging Policies and Procedures document interreacts with the Monitoring & Mitigation Strategy (M&MS) and the Bus Strategy.
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<sup>1</sup> This is the date when the Silvertown Tunnel opens. From this time user charges would apply at both it and the Blackwall Tunnel.

1.3.2 The main functions of the three documents are as follows:

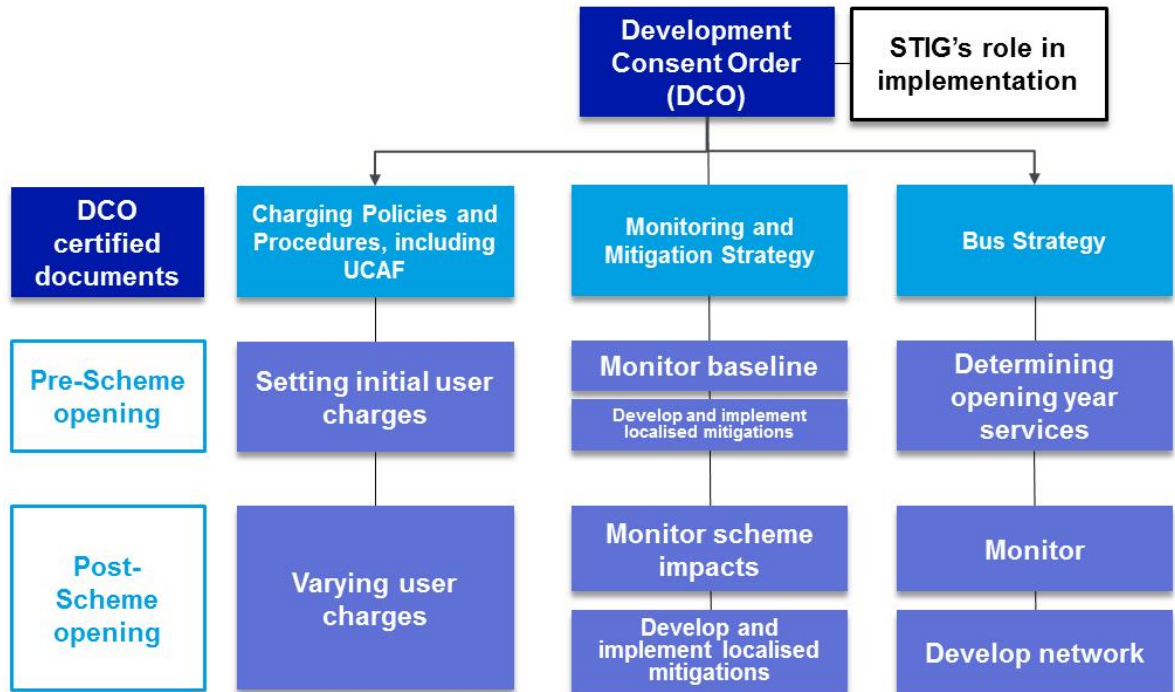
- Charging Policies and Procedures –sets out the principles according to which TfL must set and vary the user charges and the procedures that apply when doing so.
- Monitoring and Mitigation Strategy – sets out the scope of monitoring of Scheme impacts that TfL will undertake and the processes for determining and implementing appropriate mitigation for any localised traffic and traffic-related impacts.
- Bus Strategy – sets out the commitments which TfL will fulfil in developing bus services prior to Scheme opening and in reviewing and modifying services.

1.3.3 Compliance with the obligations in each of these documents is secured by requirements in Schedule 2 to the DCO and, in the case of the Charging Policies and Procedures, by article 52 of the DCO.

1.3.4 The DCO provides a role for members of the Silvertown Tunnel Implementation Group (STIG) in relation to the operation of each of these documents. The role and responsibilities of STIG are explained in each of these documents.

1.3.5 The function of each of the three documents is illustrated in Figure 1-1 below.

**Figure 1-1: The relationship between the Charging Policies and Procedures, Monitoring and Mitigation Strategy and the Bus Strategy**



1.3.6 The M&MS applies from three years prior to the Scheme opening for public use and for three years following the Scheme opening for public use, with the potential to be extended by a further two years. The Bus Strategy and the Charging Policies and Procedures apply for the life of the Scheme.

## 2. OBJECTIVES OF USER CHARGING

### 2.1 Achieving the Project Objectives

2.1.1 Proposal 130 of the Mayor's Transport Strategy 2010 (MTS) states that pricing incentives may be considered to manage demand provided they achieve a reasonable balance between objectives, costs and impacts. It also states that the Mayor can use charges to support specific infrastructure projects such as river crossings.

2.1.2 The Scheme has been developed in line with Proposal 130. User charges are an essential component of the Scheme and are required to deliver the Project Objectives<sup>2</sup>, which are as follows:

- PO1: to improve the resilience of the river crossings in the highway network in east and southeast London to cope with planned and unplanned events and incidents;
- PO2: to improve the road network performance of the Blackwall Tunnel and its approach roads;
- PO3: to support economic and population growth, in particular in east and southeast London by providing improved cross-river transport links;
- PO4: to integrate with local and strategic land use policies;
- PO5: to minimise any adverse impacts of any proposals on communities, health, safety and the environment;
- PO6: to ensure where possible that any proposals are acceptable in principle to key stakeholders, including affected boroughs; and
- PO7: to achieve value for money and, through road user charging, to manage congestion.

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<sup>2</sup> Silvertown Tunnel, the Case for the Scheme, TfL, 2016

Policy 1: TfL must impose user charges at the Silvertown and Blackwall Tunnels to the extent that it is necessary or expedient to achieve the Project Objectives.

Policy 2: In setting and varying the user charges (including the charge levels, the hours charged, the vehicles charges, discounts and exemptions granted and other factors related to user charging), TfL must ensure that they are fair, justified and will not undermine the Project Objectives.

Policy 3: TfL will use its power to set and vary the charges as a means to help fulfil its wider road network management duty under the Traffic Management Act 2004<sup>3</sup>. Overall, in setting and varying the user charges, TfL will seek to manage traffic demand at the Blackwall and Silvertown Tunnels and make efficient use of the road network including other river crossings and to reduce congestion.

Policy 4: TfL must set and vary the user charges in accordance with applicable legislation, the MTS and other relevant policies.

## **2.2 How user charging helps to achieve the Project Objectives**

- 2.2.1 The primary purpose for the user charges is to manage traffic demand for the river crossing. By managing this traffic demand, the other effects of the Scheme can be effectively managed and the Project Objectives met.
- 2.2.2 A secondary reason for the user charge is to provide a means of helping to pay for the design, construction and operation of the Scheme (as set out in PO7). Charging will generate a relatively stable long-term source of revenue that will support both the servicing and repayment of construction finance and ongoing operation and maintenance costs. Suitable alternative means of paying for the Scheme are not available and, crucially, would not incorporate the demand management effect of the user charges.
- 2.2.3 Without a user charge, the benefits of additional capacity put in place by the new tunnel would be short-lived, as the enhanced attractiveness of the route

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<sup>3</sup> TfL's network management duty under the Traffic Management Act 2004 requires it to make sure road networks are managed effectively to minimise congestion and disruption to vehicles and pedestrians

via the tunnels could attract additional traffic to the point where queues initially relieved could return to their former levels.

- 2.2.4 This would lead to there still being significant delays at the crossing and continued adverse impacts on the wider road network in terms of congestion, journey time and journey time reliability. This in turn would undermine the resilience benefits brought about by having an additional tunnel. The imposition of a user charge for both tunnels is, accordingly, directly related to the achievement of PO1, PO2 and PO7; and instrumental in the achievement of objectives PO3 to PO6.
- 2.2.5 The threat of additional traffic can be managed effectively through the imposition of the user charge, which will act to suppress demand and is thereby a powerful and flexible tool to ensure that the benefits of the additional crossing capacity delivered by the Scheme are secured. In this way, the user charges act as an 'embedded mitigation' for any adverse traffic and associated environmental impacts that the Scheme might otherwise give rise to (PO5).
- 2.2.6 Setting a charge means that drivers (and potential drivers) must decide if they are willing to pay to make this journey and if not, respond by switching to another mode, changing the time or route of their journey or by not making the journey at all.
- 2.2.7 If no charge were applied, the Scheme would give rise to secondary adverse impacts in terms of the economy, environment and public transport (PO3). Businesses would continue to experience journey time delay and unreliability with regard to their use of the crossing. The opportunity to run more and better public transport would be lost if demand is not managed at the Silvertown and Blackwall Tunnels, as certainty about journey times is paramount if bus and coach services are to operate effectively and attract customers.
- 2.2.8 As demonstrated by the Assessed Case (which is described in section 3.1 below), the imposition of the charge as a component part of the Scheme in operation will effectively eliminate the current severe congestion and delay at the crossing, without significantly changing the scale of cross-river vehicle movements. This will significantly improve the crossing's resilience to traffic incidents that cause delays and enable the optimisation of the performance of the local road network. In this way, the user charges ensure that the benefits of the additional river crossing capacity generated by the Scheme (as described in the Project Objectives) are 'locked in' for the long-term.



2.2.9 The user charges are the principal means by which mitigation of the adverse environmental impacts of the Scheme can be delivered (PO5). If not properly managed, traffic can have adverse air quality, noise and other environmental impacts. By controlling traffic demand via the user charges, these can be mitigated. The user charges not only control the level of demand but can help to incentivise the use of less-polluting vehicles, for example.

### **2.3 Mayoral review of the Scheme**

2.3.1 On becoming Mayor of London in 2016, Sadiq Khan undertook a review of TfL's approach to river crossings in east London. In concluding this review, the Mayor affirmed his support for the Scheme and announced various enhancements to it.

2.3.2 One of these enhancements is an incentive for residents of the host boroughs<sup>4</sup> to register for an account for payment of user charges. This has advantages in terms of making the user charges easier to pay and removing the risk of incurring penalties for non-payment. Account registration also enables access to reduced user charges.

2.3.3 Normally, an annual registration fee will apply on setting up and making an annual renewal of the registration. For residents in the host boroughs a temporary waiving of the registration fee will apply for the initial year.

2.3.4 As a further enhancement, a temporary waiving of the registration fee will also apply for small local businesses in the initial year<sup>5</sup>.

Policy 5: for a period of not less than 56 days prior to Scheme opening, eligible residents and small businesses in the host boroughs will be able to register online for a payment account without paying the annual registration fee for the initial year.

2.3.5 Additionally, the Mayor announced a discount for host borough residents on a low income. Although this group has an overall benefit from the Scheme owing to the enhanced public transport which it enables, there will be a small number of low income users who continue to make cross-river trips by car (for example to get to work), and who may be adversely affected by the user charges.

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<sup>4</sup> The London boroughs of Newham and Tower Hamlets, and the Royal Borough of Greenwich

<sup>5</sup> This is secured by means of a legal agreement with the host boroughs.

2.3.6 It is impractical to set out, several years in advance of the Scheme opening, a precise description of this discount or its eligibility criteria. However, any discount should be directed at those most in need and be easily implementable. TfL currently provides a concessionary travelcard for London residents in receipt of certain benefits. This entitles people in receipt of Income Support, Jobseekers' Allowance or Employment and Support Allowance to claim a 50% discount on bus and tram services.

2.3.7 TfL will adopt a similar approach in providing a discount on the user charges at the Blackwall and Silvertown Tunnels. Similar eligibility criteria as are used for this concessionary travelcard could apply; and a discount of not less than 50% on the user charges will be applied for eligible users. TfL will work with the host boroughs in developing the the level of discount and the eligibility criteria.

Policy 6: for the duration of the monitoring period a discount of not less than 50% on the user charges will be available for eligible residents of host boroughs on a low income who register for an online account with TfL.

After the expiry of the monitoring period, TfL will review in consultation with the host boroughs whether the discount should continue.

2.3.8 The 'monitoring period' referred to in Policy 6 means a period of not less than three years commencing on the date the Silvertown Tunnel opens for public use. The monitoring period may be extended by TfL for up to two years if this is deemed necessary following consultation with the members of STIG. See section 3.4 of the Monitoring and Mitigation Strategy.

## 3. SETTING AND VARYING THE USER CHARGES

### 3.1 The Assessed Case user charges

- 3.1.1 Prior to submitting the DCO application, TfL assessed a range of user charging scenarios in order to identify one which would best meet the Project Objectives in the conditions forecast to exist when the Scheme opens. This included an assessment of the extent to which different charging scenarios enabled effective demand management (and the associated economic and environmental impacts of this demand) and resulted in sufficient revenue to pay for the Scheme. An assessment of a zero charge was also undertaken.
- 3.1.2 In carrying out this assessment, TfL measured the likely impacts of different user charging scenarios on a range of metrics which are directly related to the Project Objectives. An example of such a metric is the effect on demand at the Blackwall and Silvertown Tunnel, which is important for achieving PO1 and PO2.
- 3.1.3 The scenario (S153) which was shown to deliver an effective balance of positive results against all these assessed areas was then used to develop the Assessed Case for the DCO application. The Assessed Case user charges are set out at Appendix B.

### 3.2 Setting the initial user charges

Policy 7: TfL must set initial user charges prior to the Silvertown Tunnel opening for public use.

- 3.2.1 TfL has set out its forecast of what these initial user charges will be in the Assessed Case, and these will be the starting point in the setting of the initial user charges.
- 3.2.2 However, there are several years until Scheme opening, and before setting the initial user charges, it will be important to refresh the assessment in order to determine what the charges should be, in the context of the M&MS and the Bus Strategy. This procedure is described in Chapter 4.

Policy 8: Before setting the initial user charges, TfL will update its modelling using up-to-date inputs and the outputs of this modelling will be used to determine whether any changes to the Assessed Case user charges are required to more effectively deliver the Project Objectives.

- 3.2.3 In order to determine how well the proposed user charges meet the Project Objectives, a User Charging Assessment Framework (UCAF) has been

developed. This is reproduced at Appendix C, and is explained in section 3.4 below, and provides a means of assessing potential user charges against the Project Objectives. The UCAF formalises the method which was used in developing the Assessed Case user charges, thereby ensuring consistency in the approach to charge-setting. This is explained in more detail below.

Policy 9: The extent to which the user charges will assist in achieving the Project Objectives is the primary consideration which TfL will have regard to when setting the initial user charges.

- 3.2.4 The likely environmental effects of the Scheme have been assessed as set out in the Environmental Assessment (ES).

Policy 10: TfL will set the initial charges at a level and subject to conditions so that the Scheme in operation is not likely to give rise to materially new or materially different environmental effects to those reported in the ES.

- 3.2.5 For the purposes of Policy 10, the Scheme shall be deemed not to give rise to materially new or materially different environmental effects if the significance of the effect reported for each topic, taking account of any necessary mitigation, is the same as or better than the level of significance reported against that topic in the ES. In this context, 'the ES' means the documents of that description set out in Schedule 14 to the DCO.

### **3.3 Subsequent variations to the user charges**

- 3.3.1 To ensure the user charges remain effective over time, TfL will keep the charges under review and make variations where this is necessary in response to changing conditions to ensure the continued achievement of the Project Objectives.

Policy 11: TfL must keep the user charges under review, and will make variations to charges where this is considered necessary to ensure the continued achievement of the Project Objectives.

- 3.3.2 TfL will consider the extent to which any proposed variations to the user charges will help to deliver the Project Objectives. This will be done using the User Charging Assessment Framework (UCAF) which will be updated as necessary to take account of other traffic, environmental, and socio-economic factors which are relevant at the time of the proposed variation, including the results of monitoring.

Policy 12: The extent to which the user charges will assist in the continued achievement of the Project Objectives is the primary consideration which TfL will have regard to when reviewing and varying the user charges.

In considering whether any proposed variations to the charges will assist the delivery of the Project Objectives, TfL will consider the likely impacts of the proposed variation on traffic, the environment, population, economy and growth and other factors which are relevant to the Project Objectives. TfL will also consider the extent to which the proposed variations assist TfL to comply with its statutory functions and other relevant policies and legislation.

### **3.4 The User Charging Assessment Framework (UCAF)**

- 3.4.1 The UCAF will be used both in setting the initial user charges and in making subsequent variations (according to the procedures set out in Chapter 4). The UCAF enables TfL to assess the extent to which proposed user charges are likely to:
- achieve the Project Objectives
  - enable TfL to fulfil its other duties, including:
    - i. TfL's network management duty under the Traffic Management Act 2004
    - ii. Compliance with other relevant legislation.
- 3.4.2 The UCAF lists each Project Objective and one or more indicative metrics for determining the extent to which this Project Objective is met in the assessment. The metrics presented in the UCAF are considered to be appropriate at the present time, but these could be amended or expanded in the future to take account of changes in policy, environmental factors or other relevant considerations.
- 3.4.3 The final row in the UCAF relates to the compatibility of the proposed user charges with any air quality mitigation which has been put in place in accordance with the provisions of the M&MS.
- 3.4.4 The considerations listed in the UCAF will be taken into account when TfL is setting the initial charges or considering making changes to any element of the user charges. Such changes could include a decrease or increase of overall charge levels by vehicle type, changes to peak and off-peak periods, changes to charging hours, changes to discounts and exemptions and other variables. Monitored data collected under the Monitoring and Mitigation

Strategy will be an important input for the UCAF as described in section 3.1 of the M&MS.

- 3.4.5 As described in section 4, TfL and STIG will consider the results of the Framework as part of the procedure for setting the initial user charges and varying user charges. The completed UCAF will be published on TfL's website as part of a report about the decision.

Policy 13: TfL will use the UCAF to help to determine the extent to which the proposed user charges meet the Project Objectives. This will apply for both initial charge-setting and subsequent variations.

### **Relevant Factors**

- 3.4.6 The UCAF provides a means of assessing potential user charges with regard to their impact on the Project Objectives and on the factors listed in section 3.2 and section 3.2.5 above which are relevant both in setting the initial user charges and in making variations: traffic, environment and population, economy and growth. This section summarises how the UCAF will work in this respect. It is worth noting here that the environmental and socio-economic effects of the Scheme are largely a function of traffic flows and composition and the UCAF accordingly contains several metrics for these.

### **Traffic**

- 3.4.7 In the UCAF, a number of traffic metrics are included for the section related to the achievement of PO1 and PO2. These metrics relate to adjacent crossings and local roads as well as the Blackwall and Silvertown Tunnels: it is important that the wider impacts of the Scheme's user charges are considered in decision-making. These metrics relate to the ability of the user charge to manage demand for the crossing.
- 3.4.8 TfL will have regard to the effects on the demand for the Silvertown and Blackwall Tunnels (including changes in traffic flow, congestion and delay) and on the management of traffic and transport on the wider network.
- 3.4.9 In addition to the traffic metrics described, the UCAF contains a section on the fulfilment of TfL's other duties. This is intended to recognise that the Scheme is part of the wider road network in London for which TfL has a strategic responsibility; the current and likely future context of this network will be important in making decisions related to the user charges.

### **Environment**

3.4.10 Project Objective 5 concerns the environmental impacts of the Scheme. The UCAF includes several potential metrics for the assessment of how well the user charges help to meet PO5. The metrics relate to the environmental topics which are most likely to be directly affected by the user charges – air quality, noise, socio-economic and safety. There are a range of potential metrics which could be used here and those given in the UCAF are indicative.

3.4.11 In setting or varying charges TfL will seek to minimise any adverse impacts on the environment, including health and equalities. In considering these impacts, TfL will have regard to relevant legislation and strategies, including the national and Mayor's air quality strategies.

### **Population, economy and growth**

3.4.12 PO3 concerns the impacts of the scheme on businesses, access to employment and public transport. The connectivity benefits of the Scheme will increase the number of people who can access employment in the east and south east subregion, and by making journey times shorter and more reliable, improve conditions for businesses in the area. The provision of reliable public transport in the form of buses through the Silvertown Tunnel is especially important in improving access to jobs and services, and the Scheme enables a step-change in cross-river bus services.

3.4.13 TfL will consider the likely effects of the proposed charge in supporting the performance of the local economy, the ability of residents to access employment opportunities and the delivery of new housing. TfL will have regard to planning policy set out in the London Plan and the Local Plans of the Royal Borough of Greenwich, the London Borough of Newham and the London Borough of Tower Hamlets and any policies or proposals set out in the Mayor's Transport Strategy.

3.4.14 Overall, TfL will seek to facilitate planned economic development in east and south-east London by enhancing cross-river connectivity to enable businesses and residents to undertake essential movements by road more efficiently.

### **Other considerations (POs 4, 6 and 7)**

3.4.14 The secondary reason for the user charge, its ability to generate revenue to pay for the Scheme, is assessed under PO7. TfL is proposing to deliver the Scheme under a Public Private Partnership (PPP), where the ProjectCo will be responsible for the detailed design, construction and operation of the Silvertown Tunnel for a period of 25

years. One of the principal uses of the revenue from the user charges is to make payments to the ProjectCo over this period. Other sources of funding are not available and therefore it is important that the user charges are set and varied in a way which fulfils this arrangement.

- 3.4.15 In considering the initial user charges and potential variations, TfL will consider the extent to which these affect the ability to pay for the Scheme.
- 3.4.16 Project Objectives 4 and 6, which relate to the fit with land-use policies and stakeholder views respectively, are less directly influenced by the user charges than the other Project Objectives. The UCAF includes an appraisal against these objectives and it is expected that a qualitative appraisal, with STIG's input, is undertaken.



## 4. PROCEDURE FOR SETTING AND VARYING THE USER CHARGES

### 4.1 **Setting the initial charge in the context of the M&MS and the Bus Strategy**

4.1.1 Prior to the Silvertown Tunnel opening for public use, TfL must refresh its assessment of Scheme impacts, in order to:

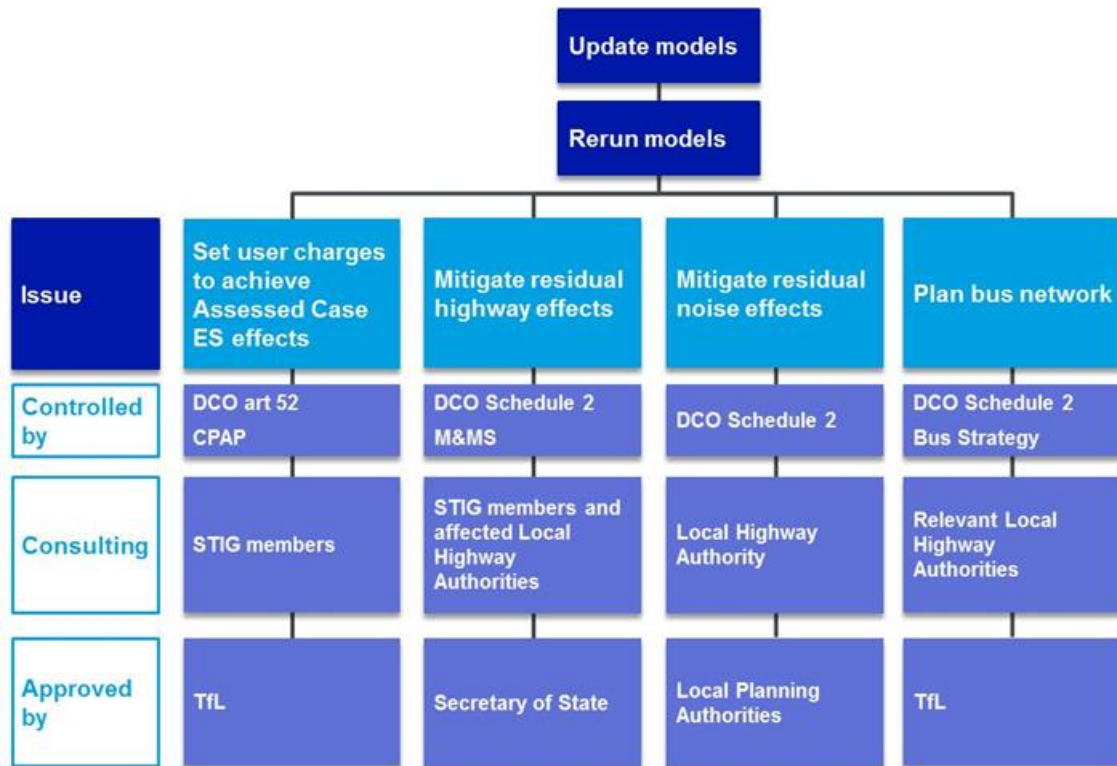
- Set the opening user charges;
- Define the requirement for and form of localised mitigation for residual effects; and
- Specify the bus network through the Silvertown Tunnel that will operate on opening.

4.1.2 For this process TfL will update the relevant transport and environmental models, rerun those models, and develop its proposals for each element in conformity with the commitments, policies and procedures set out in the relevant certified documents and any DCO requirements. The assessment will incorporate a wider range of analyses than the modelling alone.

4.1.3 Because there are interactions between each of these elements, TfL must ensure that they are developed and considered in light of one another.

4.1.4 Figure 4-1 below summarises the elements of the process and the governance arrangements applying to each.

**Figure 4-1: Process for setting the initial user charges in the context of the M&MS and the Bus Strategy**



4.1.5 This approach ensures that opening user charges, mitigation measures and the opening bus network are based on the most up to date information that is available before the Scheme opens.

4.1.6 This will result in a better outcome than specifying these aspects of the Scheme now, for the following reasons:

- The Scheme is still a number of years from implementation, with an expected opening date of 2023;
- Significant growth is expected across east and south-east London over the next few years, which could materially change background conditions (there is an inherent degree of uncertainty regarding the pace of this growth). As set out in Chapter 5 of the Transport Assessment, across the Silvertown Tunnel host boroughs (Greenwich, Newham and Tower Hamlets) the forecast growth rate in population

and employment in the period to 2021 is more than double the London average;

- Linked to this growth, the road network in this part of London is especially dynamic and will change and evolve between now and Scheme opening (with several schemes in the vicinity of the tunnels being actively considered although not presently committed; for example, Cycle Superhighway 4 and the Bow Vision scheme).

4.1.7 The refreshed assessment will not ‘replace’ the assessment which was used to identify the likely significant effects of the Scheme in the Environmental Statement (ES). Rather, it will enable TfL to have the benefit of the most up-to-date data when setting the initial user charges and identifying any implementing any mitigation measures that are necessary before the Scheme opens.

4.1.8 The Monitoring and Mitigation Strategy concerns the mitigation of residual traffic-related local effects identified as part of the refreshed assessment process undertaken prior to Scheme opening. If, through the refreshed assessment, the need for localised traffic-related mitigation measures is identified, TfL will develop these measures in consultation with STIG and submit them to the Secretary of State for approval. TfL must then implement the approved measures before the Silvertown Tunnel opens for public use, or provide funding for the relevant local highway authority to implement them.

4.1.9 Any measures required to mitigate residual noise impacts will be submitted for the approval of the local planning authority in accordance with the obligation in the ‘operational noise’ requirement set out in Schedule 2 to the DCO.

4.1.10 The data from the refreshed assessment will be used by TfL when setting the initial user charges. As these charges will have a direct bearing on the extent and scope of any mitigation measures required, it is important that any mitigation for residual effects is set in the context of these charges.

## **4.2 Setting the initial charge**

4.2.1 TfL must set initial charges before the Silvertown Tunnel opens to traffic. The process for setting the charges will commence around two and a half years in advance of Scheme opening.

Procedure 1: TfL will propose the initial user charges for the Scheme, having regard to the factors set out in section 3.2 above. TfL will follow the process set out below:

- TfL will re-run the strategic traffic model (using up-to-date data)
- TfL will use the outputs of this model run to undertake a re-assessment of the significant likely effects of the proposed initial user charges on air quality, noise, socio-economic effects, in accordance with the approach adopted in the Environmental Statement (Document Reference: 6.1)
- TfL will populate the UCAF with its impact assessment

TfL will consult with members of STIG on the proposed charges for the opening year, and present the completed UCAF. STIG members may make recommendations or representations to TfL in response to these, and the views of STIG's members will be recorded under PO6 of the UCAF.

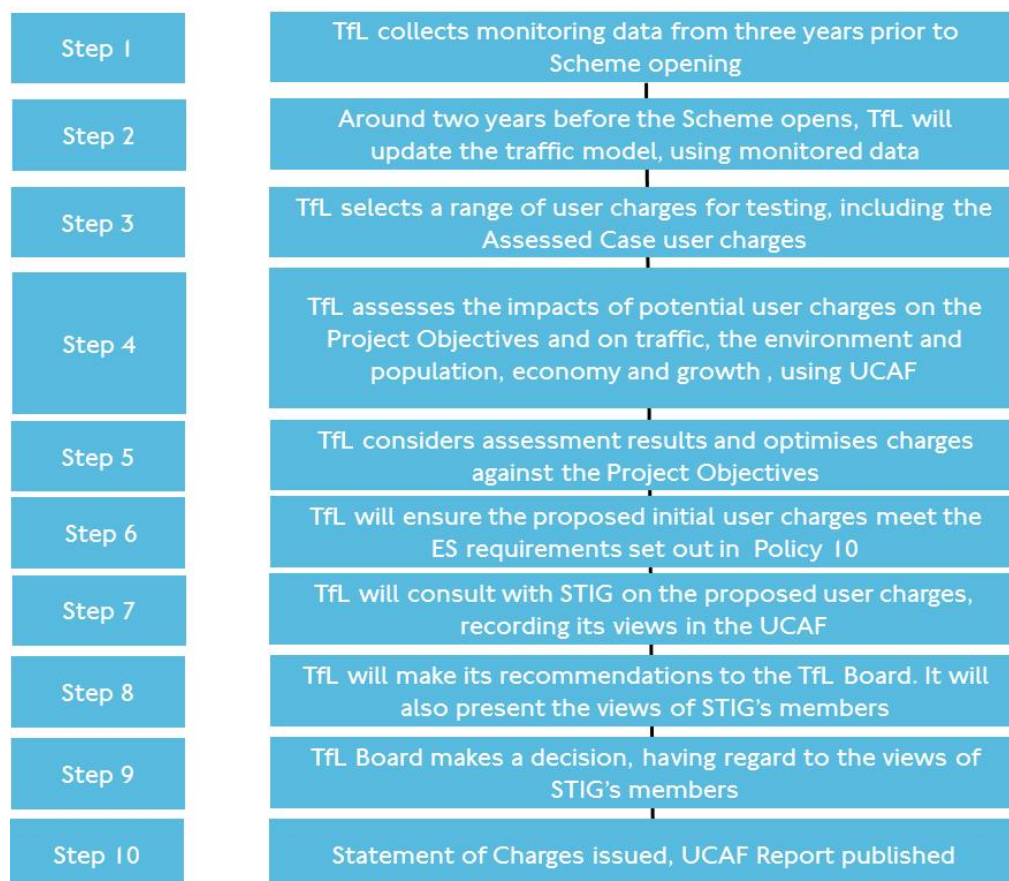
TfL will then submit the proposed charges, including setting out the recommendations and representations of STIG members, to the TfL Board for approval. When deciding whether or not to approve the proposed charges the TfL Board must:

- in accordance with article 65 of the DCO have regard to any recommendations or representations made by members of STIG; and
- only approve the charges if it is satisfied that Policies 9 and 10 are met.

4.2.2 The completed UCAF will be published on TfL's website as a record of the assessment undertaken.

4.2.3 Figure 4-2 below summarises the process for setting the initial user charges.

**Figure 4-2: Process for setting the initial user charges**



### 4.3 Subsequent variations to the user charges

4.3.1 TfL will keep the user charges under review in accordance with Policy 9 and will vary the charges when it considers it necessary and appropriate to do so, having regard to the Project Objectives and the factors set out in section 3.3 above.

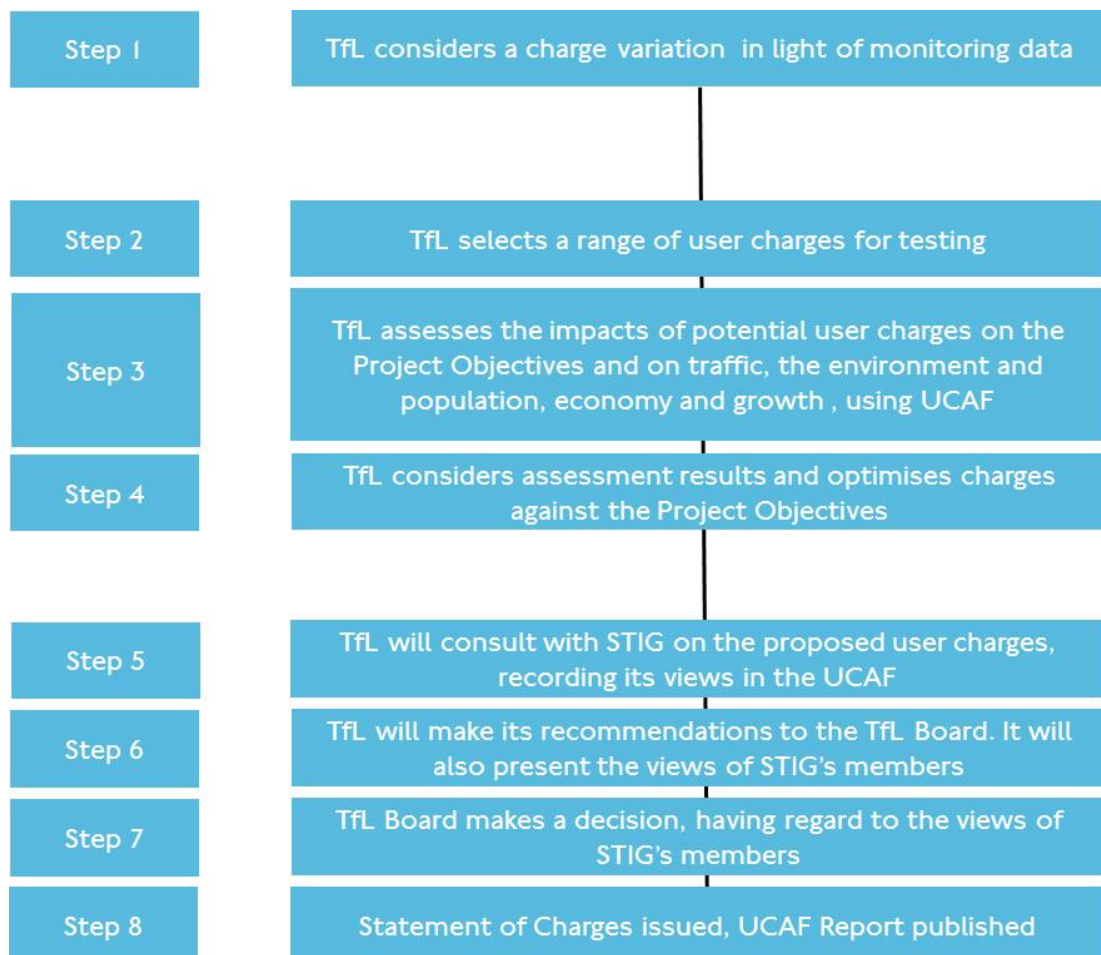
Procedure 2: In proposing variations to the user charges, TfL will use the UCAF to assess the likely impacts of variations to the charges on the achievement of the Project Objectives and other considerations. In accordance with Article 65 of the DCO, TfL will consult with members of STIG on these proposed variations who may make representations and recommendations in response.

TfL will then submit the proposed charges, including setting out the recommendations of STIG members, to the TfL Board for approval. When deciding whether or not to approve the variations the TfL Board must:

- in accordance with article 65 of the DCO have regard to any recommendations or representations made by members of STIG; and
- only approve the charges if it is satisfied that the proposed charges comply with Policy 12.

4.3.2 Figure 4-3 below summarises the process for varying the user charges.

**Figure 4-3: Process for varying the user charges**



#### **4.4 Publishing the Statement of Charges**

- 4.4.1 In accordance with Article 53 of the DCO, where the TfL Board decides to approve the proposed charges (for the initial charge and for subsequent variations), TfL must publish a Statement of Charges describing the charges in the form set out in Appendix A to this document or in a form to the like effect. The Statement will set out the date from which the charges take effect.
- 4.4.2 DCO Article 53 requires TfL to publish a Statement of Charges no less than 56 days before it comes into effect. TfL will endeavour to provide more notice than specified by this minimum period, and may publish a Statement of Charges up to six months in advance of the initial charges taking effect, and up to three months prior to the date on which any subsequent variations to the user charges take effect.
- 4.4.3 TfL will publish the Statement of Charges on its website and use other channels as appropriate in order to publicise the user charges.

Procedure 3: TfL will publish a Statement of Charges setting out the user charges no less than 56 days before the user charges come into effect.

#### **4.5 Occasional variations for inflation**

- 4.5.1 Separate to variations occasioned by TfL's continual review, the charge may be varied from time to time to account for inflation<sup>6</sup>. This variation will include changes to associated charges such as penalty charges and registration fees as well as the user charges themselves. This change will not be subject to the assessment and approval processes outlined in sections 4.1 - 4.3 above.

Procedure 4: Each time the charges are varied to take account of inflation TfL will publish a new Statement of Charges setting out these new charges in accordance with section 4.4 above and Article 53 of the DCO.

#### **4.6 Temporary suspension and changes to user charges**

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<sup>6</sup> Using the Retail Price Index (RPI)



- 4.6.1 Occasionally, planned events (such as roadworks) may necessitate a temporary change or waiver of the user charges. Additionally, unplanned incidents (such as traffic collisions) may also mean that a change or waiver of the user charges is necessary.

Policy 14: TfL may impose a temporary suspension or variation of charges where it considers it necessary to do so. Such a suspension would be advertised in advance on TfL's website.

TfL may, without notice, impose a temporary suspension or variation of user charges in response to emergencies or unplanned incidents on the highway network.

## 5. 12 MONTH REVIEW OF USER CHARGES

### 5.1 Review of user charges

5.1.1 In accordance with Policy 11 TfL will keep the user charges under review for the lifetime of the Scheme.

5.1.2 In addition to this requirement, TfL will undertake a review of the user charges once the Scheme has been operational for 12 months. This review will consider observed data related to the performance of the Scheme with regard to traffic at the crossing and other locations including adjacent crossings. This review will provide a timely opportunity for TfL to check that the Scheme is performing broadly in accordance with the forecasts set out in the refreshed traffic modelling undertaken prior to setting the initial user charges (as described at section 4.2 above).

Policy 15: TfL must complete a review of the user charges not later than 15 months after the Scheme opens for public use and, if necessary, must revise the charges to mitigate any significant adverse impacts attributable to the Scheme which were not predicted in the pre-opening assessment.

5.1.3 If the review required under Policy 15 necessitates a revision to the user charges, the procedure described in section 4.3 of this document will be followed.

5.1.4 The fixed-term review required under Policy 15 does not prejudice TfL's ability to make changes to the user charges in the period prior to and following this 12 month review if this is deemed necessary in accordance with the other requirements set out in this document.

### 5.2 Context of the review

5.2.1 This 12 month review will utilise the monitoring regime put in place by the Monitoring and Mitigation Strategy (M&MS) for the Scheme. By the time of the review, three annual monitoring reports will have been published as well as quarterly reports in the first year of operation. The 12 month review will benefit from data which has been collected for these reports.

5.2.2 The commitments to mitigation that TfL is making in the M&MS mean that opportunities to respond to the impacts of the Scheme exist:

- prior to Scheme opening,

- post-opening before the 12 month review
- at the point of the 12 month review
- for three years following Scheme opening

5.2.3 These mitigations are potentially in the form of adjustments to the user charge and localised measures.

### **5.3 Nature of the review**

5.3.1 The review will consider data related to traffic at the Blackwall and Silvertown Tunnels, adjacent crossings and diversion routes (as set out in the M&MS). By the time of the review, some 12 months of observed data will have been collected and processed, providing a reliable and settled overview of the Scheme's performance with regard to traffic.

5.3.2 The use of traffic data has been selected on the basis that traffic-related impacts can be clearly attributed to the Scheme, can be readily collected and verified, and, although it relates most closely to Project Objectives 1 and 2, serves as a broad indicator of meeting the other Project Objectives. The purpose of the review is to check that the user charges set for the opening of the Scheme are resulting in the Scheme performing broadly as expected.

5.3.3 It should be noted, however, that a wide range of metrics related to all of the Project Objectives and covering traffic, environment and socio-economic effects will have been considered in setting the initial user charges, and will be considered in making any subsequent variations (including any variation occasioned by the findings of the 12 month review).

### **5.4 Procedure for the review**

Procedure 5: TfL will analyse around 12 months of observed post-Scheme opening data, comparing it to observed conditions recorded prior to the Scheme opening

TfL will consider the data in the context of the wider monitoring programme, planned and implemented mitigations and the situation on the network overall. TfL will develop a proposal in response to the analysis, which could include:

- initiating the procedure to change the user charges
- initiating the process for mitigations
- further investigation of data, including data for additional metrics
- no further action

TfL will consult on its proposed response with members of STIG. Members of STIG may make representations in response to TfL's proposal. The decision on the response to the review will be made by TfL. TfL will publish a report summarising the review and its outcome.

## APPENDIX A. FORM OF STATEMENT OF CHARGES

### Interpretation

1. *[insert appropriate definitions].*

### Tunnels subject to charge

2. *[Describe the tunnels in respect of which charges are imposed. This may be in words or by reference to a plan].*

### Classes of vehicles subject to charge

3. (1) Charges are imposed in respect of all motor vehicles except exempt vehicles.

### Exemptions

4. Vehicles falling within any of the following classes are exempt vehicles:

*[Set out the classes of vehicles which are not subject to charges].*

### Discounts

5. The following discounts are available:

*[Set out the applicable discounts, expressed as a %].*

### Amount of charge

6. *[Insert details of the charges payable. These may vary according to matters including the day, the time of day, the class of vehicle etc. The basis on which variable charges are applied should be set out below].*

### Payment means or method

7. *[Insert details of the methods available to pay the charges].*

### Documents or equipment

8. *[Insert details of any documents or equipment needed in order to pay the charges].*

### Penalty charge for non-payment of charge

**9.** *[State where penalty charges are imposed for non-payment of charges and the amount of charges including reduction for prompt payment].*

### **Immobilisation of vehicles**

**10.** *[State the circumstances in which a vehicle may be immobilised on account of non-payment of penalty charges and amount of penalty charge for release from immobilisation devices].*

### **Removal of vehicles**

**11.** *[State the circumstances in which a vehicle may be removed on account of non-payment of penalty charges and amount of penalty charges for removal, storage and disposal of vehicle].*

### **Payment of charges and penalty charges**

**12.** *[Set out the ways in which and the times at which charges and penalty charges may be paid, including payment through accounts, by credit card and refunds].*

### **Commencement and duration**

**13.** *[State when the charges set out in this Statement of Charges come into effect and their duration].*

## APPENDIX B: ASSESSED CASE USER CHARGES

<b>Charge per trip in 2015 prices (during charging hours: 6am to 10pm)</b>			
User type	Account-holder		Non account-holder
Charge rates	Off-peak charge	Peak charge	Headline charge
Time	Weekdays <b>outside peak period</b> and at all times on weekends	Weekday <b>peak periods</b> between 6-10am going northbound <b>and</b> 4-7pm southbound	At all times
Motorcycle, moped, motor tricycle	£1.00	£2.00	£3.00
Car and small van	£1.00	£3.00	£4.00
Large van	£1.65	£5.00	£6.00
HGVs	£4.00	£7.50	£8.50
Bus, coach, minibus	Zero charge (100% discount)		

<b>Discounts and Exemptions (assumed in the Assessed Case)</b>
<b>100% Discount</b>
Recovery and accredited breakdown vehicles
Buses, coaches and minibuses
Blue Badge holders
Low emission vehicles
Selected Partner vehicles
Taxi and Private Hire Vehicles
NHS Patient Reimbursement
<b>Exemptions</b>
Emergency services vehicles
NHS vehicles exempt from vehicle tax
Vehicles in the disabled tax class
Military vehicles



## APPENDIX C. USER CHARGING ASSESSMENT FRAMEWORK

Silvertown Tunnel User Charging Assessment Framework (UCAF)

Scope of the assessment

To be completed when applying the framework e.g. An assessment against the Project Objectives of the impact of increasing the off-peak charges by 50%

All metrics used in this table are indicative

<p><b>Project Objective 1: To improve the resilience of the river crossings in the highway network in east and southeast London to cope with planned and unplanned events and incidents</b></p> <p><b>AND</b></p> <p><b>Project Objective 2: To improve the road network performance of the Blackwall Tunnel and its approach roads</b></p> <p>Impact on traffic flow and composition at the Blackwall &amp; Silvertown Tunnels</p> <p>Impact on delay at the Blackwall &amp; Silvertown Tunnels</p> <p>Impact on journey time and journey time reliability on strategic routes</p> <p>Impact on traffic flow at nearby crossings incl. Tower Bridge, Rotherhithe Tunnel, Woolwich Ferry, Dartford Crossing</p> <p>Impact on traffic composition at nearby crossings incl. Tower Bridge, Rotherhithe Tunnel, Woolwich Ferry, Dartford Crossing</p> <p>Impact on traffic on diversion routes and local roads</p> <p><b>Overall Impact against Project Objectives(s)</b></p> <p><i>State summary outcome</i></p>	<p><b>Project Objective 3: To support economic and population growth in particular in east and southeast London by providing improved cross-river transport links</b></p> <p>Impact on user benefits</p> <p>Impact on business</p> <p>Impact on the ability of residents to access employment opportunities</p> <p>Impact on public transport</p> <p><b>Overall Impact against Project Objectives(s)</b></p> <p><i>State summary outcome</i></p>
<p><b>Project Objective 4: To integrate with local and strategic land use policies</b></p> <p>Summary of assessment in relation to integration with relevant policies</p> <p><b>Overall Impact against Project Objectives(s)</b></p> <p><i>State summary outcome</i></p>	<p><b>Project Objective 5: To minimise any adverse impacts of any proposals on communities, health, safety and the environment</b></p> <p>Impact on emission levels (air quality) on the Blackwall &amp; Silvertown Tunnel approaches</p> <p>Impact on emission levels (air quality) on the approaches to nearby crossings incl. Tower Bridge, Rotherhithe Tunnel &amp; Woolwich Ferry</p> <p>Impact on noise levels on the approaches to nearby crossings incl. Tower Bridge, Rotherhithe Tunnel &amp; Woolwich Ferry</p> <p>Impact on emission (air quality) levels on diversion routes and local roads</p> <p>Impact on noise levels on diversion routes and local roads</p> <p>Impact on different socio-economic groups</p> <p>Impact on safety</p> <p><b>Overall Impact against Project Objectives(s)</b></p> <p><i>State summary outcome</i></p>
<p><b>Project Objective 6: To ensure where possible that any proposals are acceptable in principle to key stakeholders, including affected boroughs</b></p> <p>Summary of STG's and relevant stakeholders' views</p> <p><b>Overall Impact against Project Objectives(s)</b></p> <p><i>State summary outcome</i></p>	<p><b>Project Objective 7: To achieve value for money and, through road user charging, to manage congestion</b></p> <p>Impact on the ability to fund the Scheme and other transport improvements without significantly impacting on other funds</p> <p><b>Overall Impact against Project Objectives(s)</b></p> <p><i>State summary outcome</i></p>
<p><b>Other TIL duties</b></p> <p>Impact on TIL's network management duty under the Traffic Management Act 2004</p> <p>Impact on compliance with relevant legislation relating to TIL's functions</p> <p><b>Overall Impact against other TIL duties</b></p> <p><i>State summary outcome</i></p>	<p><b>Compliance with AQ mitigation</b></p> <p>Consistency with approved air quality mitigations</p> <p><i>State summary outcome</i></p>

Summary assessment  
 Insert a summary of the above assessment, weighing up the outcomes against each project objective and taking into account TIL's other duties to arrive at an overall outcome and recommendation.