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IMPORTANT INFORMATION FOR CUSTOMERS ABOUT TRAVELLING WITHIN LONDON

Plans for a new Toxicity Charge and an Ultra Low Emission Zone in London could have a significant impact on your fleet costs. This document explains what you need to know about the changes and what they could mean for your business.

BACKGROUND

Air pollution is one of the most significant challenges facing London today. The Toxicity Charge (T-Charge) and Ultra Low Emission Zone (ULEZ) both aim to improve air quality in London, particularly in relation to nitrogen dioxide (NO₂) and Particulate Matter by discouraging older, more polluting vehicles from driving into and within central London.

It is hoped that the charges – in combination with the existing Congestion Charge and Low Emission Zone – will encourage sustainable freight deliveries and walking, cycling, and the use of public transport in preference to using personal vehicles.

THE T-CHARGE

From 23rd October 2017, cars, vans, minibuses, buses, coaches and heavy goods vehicles (HGVs) in central London will need to meet minimum exhaust emission standards, or pay a £10 daily emissions surcharge, also known as the Toxicity or T-Charge.

The T-Charge will operate in the same areas as the existing Congestion Charge zone, and will apply Monday – Friday 7am until 6pm, excluding bank holidays.

Vehicles that do not meet the minimum emission standards will have to pay both the T-Charge and the Congestion Charge. The minimum emissions standards and applicable charges are set out in the table below:

Vehicle Type (includes hybrids)	Minimum Emission Standard	Congestion Charge Amount	T-Charge Amount	Total Daily Payment
Motorised tricycles and quadricycles	Euro 3	£11.50 (£10.50 Auto Pay)	£10	£21.50 (£20.50 Auto Pay)
Cars and small vans (not exceeding 1,205kg unladen and not exceeding 3,500kg GVW)	Euro 4	£11.50 (£10.50 Auto Pay)	£10	£21.50 (£20.50 Auto Pay)
Vans (exceeding 1,205kg unladen and not exceeding 5,000kg GVW)	Euro 4	£11.50 (£10.50 Auto Pay)	£10	£21.50 (£20.50 Auto Pay)
HGVs (exceeding 3,500kg GVW)	Euro IV	£11.50 (£10.50 Auto Pay)	£10	£21.50 (£20.50 Auto Pay)
Coaches and buses (exceeding 3,500kg GVW)	Euro IV	£0	£10	£10
Vehicles registered for Residents' discount	As above depending on vehicle type	£1.05 (Auto Pay)	£1	£2.05 (Auto Pay)

ULTRA LOW EMISSION ZONE (ULEZ)

In March 2015 the London Mayor announced the introduction of the ULEZ starting in September 2020. All cars, motorcycles, vans, minibuses, buses, coaches and HGVs operating within the zone will need to meet minimum exhaust emission standards or pay a daily charge. The zone will be enforced 24 hours a day, 7 days a week and will cover the same area as the Congestion Charge zone.

The emissions standards for the ULEZ are tighter than that of the T-Charge and the current Low Emission Zone (LEZ). The ULEZ minimum emission standards will be Euro 3 for motorcycles, Euro 4 for petrol vehicles, Euro 6 for diesel vehicles and Euro VI for HGVs, buses and coaches. As of yet, the daily charge amount has not been set.

ULEZ DATE CONSULTATION

The date of the introduction of the ULEZ is currently under consultation. The ULEZ was originally planned to be introduced in September 2020, however, London Mayor Sadiq Khan wants to bring this date forward to April 2019. The consultation also proposes that the emission standard required for the ULEZ includes Particulate Matter as well as nitrogen dioxide, to align with the standards set in the Government's Air Quality Plan. To have your say on the plans, [respond](#) to the consultation by 25th June 2017.

The Mayor also plans to extend the ULEZ up to the North/South circular roads for all vehicles except taxis from 2021. The consultation for this is expected to open in Autumn 2017.

CONSIDERATIONS FOR FLEETS

- When purchasing new vehicles for your fleet, make sure they are in line with or better than the emission standards set by the ULEZ, to avoid paying any ULEZ charge. This would mean Euro 6 or above for diesel vehicles, and Euro 4 or above for petrol vehicles.
- Consider investing in Ultra Low Emission Vehicles. These types of vehicles will be exempt from any charges caused by entering or driving within the ULEZ. For commercial vehicles, you could consider schemes such as enabling the 'last mile' to be provided by electric vans or e-cargo bikes.
- Encourage employees to use public transport where possible when travelling to or within London. You could also consider car sharing schemes, to reduce the number of vehicles entering the ULEZ.

FURTHER INFORMATION

For more information or should you have any immediate questions about the changes, please contact your account management team who will be pleased to help.

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