FEATURE

Keeping London moving

Transport for London’s Gareth Powell on congestion charging, new mobility solutions, and the future of transportation

Simon Dixon and Derek Pankratz

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Introduction: Minding the gap

London has one of the world’s largest, most sophisticated, and best-functioning transportation systems. What lessons can other cities learn from its successes and challenges? We sat down at Transport for London’s headquarters with Gareth Powell, head of Surface Transport—responsible for the city’s roads, light rail, cycling system, iconic double-decker buses, and more—to hear about congestion charging, new mobility services, open data, and what he’s most excited about.

DEREK PANKRATZ: Congestion charging has been in the news lately, with New York most recently announcing plans to implement a plan to charge vehicles entering particular areas of Manhattan. London was certainly one of the leaders in this area, and its congestion charging scheme is now a decade-and-a-half old. What are some of the big lessons learned? If you could start with a blank slate, how would you change the plan?

GARETH POWELL: The first thing I would say is that it is imperative to have very firm and clear political backing for anything like this. You have to bring the citizens—Londoners in our case—with you. You can’t impose it from on high. It just doesn’t work.

The second thing is that you need to be really clear about the objectives you’re trying to achieve with any charging scheme. You have to put a lot of effort into communication before, during, and after launch or you risk people seeing it as just a money-raising exercise. And you have to focus on the benefits and the purpose of the plan. At the heart of London’s original congestion charge was being able to free up road space and to be able to produce more public transport to make sure that people had alternative trip options, businesses could thrive, and the economy could grow. So that made it obvious that there was an end goal which wasn’t about raising money. It was about modal shift, about freeing up road space for bus transit, and making sure that other forms of traffic could get about in the very center of the city.

If you fast-forward to the ultra-low emission zone [ULEZ] we’re implementing today, you can say exactly the same thing. What is it for? What objectives are you trying to achieve? In this case, it is not directly about reducing the volume of cars on the road—it’s about very clearly defined objectives around air quality and specifically NOx [nitrous oxide] concentrations. We have very clear targets and a very clear understanding about what success looks like and what the alternatives are. Londoners now understand that the air is toxic due to road vehicle fumes, and we are doing something radical to address that issue.

The third thing, and equally important, is what you do with the money. In the case of road user charging in London, it’s set up so you must spend that revenue on transport activities. We’ve been very clear that it’s not a tax—it’s a charge for using that piece of road infrastructure. And the ULEZ is specifically a charge for driving a vehicle which is not compliant. It is not a fine—it’s about charging for the impact or economic value of what you are consuming. It’s really important to have it that way around. It’s no good to say that we’re going to charge you for something that yesterday was free.

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Another lesson learned about the congestion charge is that it had quite a few exemptions and discounts, and those can be quite hard to change. When the congestion charge was introduced, there were many fewer private hire vehicles than today. They were exempt from the charge originally, and now the numbers are so high that they are part of the congestion problem, so we have just removed their exemption and they need to pay just like other cars. Obviously, that is not a straightforward decision to make.

SIMON DIXON: What about the role of home delivery—the “white van man”—and the emergence of ridesharing services?

GP: We’re expecting roughly a 20 percent rise in delivery traffic between 2011 and 2031 as people change their shopping habits. You’ve got to be able to adjust your scheme to cope. In the case of freight, the key challenge for us is to make sure that we have fewer nonessential deliveries going into central London. And the sponsoring organization has to serve as a role model and lead by example. With freight, we do not allow anybody who works for TfL [Transport for London] to have any personal deliveries made to an office. We similarly lead with the ULEZ—all of our vehicles are compliant. We then encourage large businesses in central London to adopt similar policies, some of which have. But we also work to enable shipment consolidation centers. We’ve turned one of our buildings into a fully electric mini-consolidation depot used by one of the delivery companies in London.

SD: London’s scheme is now 15 years old. Where do you see this going?

GP: The first thing to note is that, while the charge initially reduced congestion in the zone by 30 percent, congestion is now comparable to what it was before the charge was put in. Part of that might be more freight delivery, but a big part is because of the other policy objectives we’ve pursued: We have gradually reduced the amount of space given over to vehicles and increased the amount of space given over to cyclists and pedestrians and corner cafés and so forth. Even if the actual congestion of the roads—as defined by the queuing or speed of traffic—is not reducing, the policy has been to give space back to people, to make the city a better place to live and work and—through the ULEZ—a healthier place to be, too. I think we’ve achieved that.

But I think the future will be in developing more flexible technologies, such as GPS tracking and so forth, that will allow for more policy levers to be incorporated. We might be able to do things by time of day, by emission standard, by ambient air quality, or by type of road, as well as by movement. You can think of all sorts of different options you could do in the future with that sort of technology that you can’t do with a straight area-based system. The next generation of road user charging, and in fact the evolution of this scheme into the future, will almost certainly have those characteristics as part of it.

DP: How difficult would that transition be? There’s a policy question as well as questions about the physical and digital infrastructure.

GP: It’s a question we’ve been wrestling with. I think it’s not as hard as you might imagine. At some point or other, there will start to be integration of customer accounts at the front end between public transport and private car use. That will be an important part of the direction in London. Behind that, how you pay for what form of mobility—be it moving your vehicle or getting onto a public transport service—can vary as long as you’ve engaged in the front end.

SD: Switching gears a bit, is there anything London can tell other cities about the acceptability of
buses? Around the world, there’s a perception of, “Ugh, why would you get on a bus?” My perception is that everyone in London gets on the bus.

**GP:** It did require a shift in mindset. Around the time of putting in the congestion charge was the time when we shifted significant numbers of top-income bracket people onto bus use: When they could not use their private cars without the charge, they saw the bus as a reasonably high-quality, reasonably frequent alternative. Ride-hailing services are a potential challenge. That particular segment of bus user is not traveling on the bus because it’s cost-effective—they’re doing it because it’s the most convenient choice for them. We start to lose that mindset a little bit if there is an alternative trip choice they can book easily that might cost 10 times the price but is a private environment and takes them from A to B without going outside and is potentially faster or more convenient. I’m concerned that the bus service remains competitive for all user types across London. We have worked quite hard to put bus service at the heart of a responsible lifestyle in London.

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And there’s more for us to do going forward. London’s got roughly 9,300 buses. It’s the biggest form of public transport in London by volume of journeys. Of those 9,300 buses, 75 percent are at the highest, cleanest standard, and by 2020 every bus will be either ultra-low or fully zero-emission. That allows us to make a material impact on air quality. Alongside that, we’ve deployed new technology to limit buses to the speed limit and developed a world-leading bus safety standard for vehicle design. We want buses to continue to appeal to those who want to behave in a socially responsible way. We have a goal of having 80 percent of trips taken on public transit or via walking and cycling. That’s up from about 64 percent today. To do that requires making the bus system attractive, addressing what customers want, and preserving the speed and reliability of the service.

**SD:** To that end, one of the things people point to as a way to reduce private car trips and connect people to public transit is micromobility, specifically e-scooters, which are effectively illegal here. Could they have a role to play eventually?

**GP:** Yes, electric scooters are illegal on both the road and the pavement [sidewalk], because they’re not captured in the legislation. One of the underpinning challenges we have is that a lot of the legislation dates from a time when these sorts of things were not envisaged; we’re working with the national government to update some of those laws. There is one deployment of scooters in London on private land on Elizabeth Park, where the Olympics were held, and we’re trying to learn from their experience and from the research being done in American cities and elsewhere.

On the specifics of scooters, the first and foremost issue is safety. More broadly, we have a duty to work out how any of these new modes fit with existing transport services. We have worked with the London Councils, which own the majority of the roads and spaces in London, and industry to put out codes of practice for dockless bikes, for example. London is an old city, and we haven’t got much pavement space. If you drop a bike somewhere, a wheelchair might not be able to get through. So, we want to be able to control how these services integrate into the wider forms of transport.
Our position is: Anybody who wants to do anything like this, the first thing we say is come talk to us. We’ll advise you. And we literally do advise you: *This is the way you should do it. These are the legal issues to consider. These are the people you need to talk to.* We try and make the path as easy as possible to deploy technology in London that is commensurate with and consistent with the broad policies of the city. And we’ve had many people in here representing many different types of mobility services, and we speak to all of them equally about the constraints and expectations. It’s for them to then work out whether London is the right place to deploy and how to do it.

**SD:** You even have a director of innovation trying to think through these things so you’re not blindsided.

**GP:** Yes, and he and his team know all of the key players in this area and, increasingly, the equity backers of those entities, because ultimately we want to harness the investment flows to achieve the strategic outcomes that we have.

**DP:** Have you found those providers pretty open to the conversation? Some of them have had rocky relationships with some cities.

**GP:** I think when ride-hailing first happened, the idea was to be somewhat hostile to regulators, to disrupt the system. That arguably starts from the premise that public transport is broken. We don’t believe that is the case in London, although it’s been fantastic to see how the new business models are able to open up more trip opportunities for people and engage some customer segments in a different way. Our basic point has been that if you want to operate here, you need to be a responsible and safe operator. Our job is to educate as to what that means. So rather than come and be hostile to us, come and explain what it is you want to achieve, and we’ll try to suggest to you how you can do it. And most companies that come, whether they’ve got two people or 200 people, are hugely grateful for our conversations about how they can adapt their business model to the situation in London. In the vast majority of cases, it’s been a very positive set of conversations.

**DP:** That’s my sense globally. I feel like providers and public agencies are moving toward a more cooperative relationship. Everybody’s learned a lot in the last few years.

**GP:** I think it’s entirely possible, if you’re a public agency, to take a narrow view and see these operators as a competitive threat. And that’s somewhat true for TfL—we have severe funding difficulties like every public transport agency worldwide, and of course this is in some sense competitive for us—private mobility operators are our competitors. But we’re also the transport authority for London, and we have a duty to integrate all forms of transport, and indeed we are investing heavily in walking and cycling measures. So, we try to take the broader view.

**SD:** And there’s a balance between you, the government, piloting things rather than just letting the market do everything and also enabling the private sector to take the lead.

**GP:** Absolutely. For instance, we’re a pioneer of open data. We took the view that it’s publicly owned and that the market will be faster and quicker at delivering these things than we ever would be. Soon after the release of smartphones, we decided that we should not be in the business of writing apps ourselves, that instead we would make all the data available and see how the market replied. We don’t, though, have a reciprocal requirement to share data back with us, which some cities do. Instead we adopt specific partnerships for specific purposes. We have a partnership with a popular traffic app where they share data with us, and we use it in our control center downstairs where we manage all the traffic lights. They quite often give us early indication of an issue. We then share all of our data back with them, and we
all benefit. We haven’t yet made it a requirement of using our data to give us data back, and we’ll see whether we need to do that at some point. There’s a lot of talk about open data and whether it’s a good or a bad thing. I think we ubiquitously believe it’s a good thing in London, and we’re proud to be pioneering it.

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**DP:** But it can also enable competitive threats, right? What do you think about mobility-as-a-service offerings that integrate trip planning, payments, and ticketing across modes?

**GP:** We have quite a high degree of public transport integration already, not only across TfL services but also across services we don’t operate, like National Rail and privately owned train companies. You can travel anywhere you like with your smartphone, your bank card, or your Oyster card. The next step is integrating services like ridesharing, taxi user, docked bicycles, even paying for the congestion charge. Why might a city like London want to have that? It’s all about retaining sufficient levers to implement our broader strategies. But there are two worries with a private provider adding public transit onto its platform. One is if the algorithms drive people to less policy-compliant forms of transport. The second is if you start to see regular discounting of public transit fares. Most public transport agencies are already working at a loss, and with discounting, the acceptability of the cost of public transport and the need to therefore pay for the full cost of providing that public transport would become even less acceptable to the public than it is already. I just don’t think it’s as big a risk for London as perhaps for others, because we already have quite a lot of integration.

**DP:** What’s just over the horizon at TfL that really excites you? And conversely, what keeps you up at night?

**GP:** What keeps me awake at night? The fear that we may take for granted certain aspects of our transport system and begin prioritizing funding elsewhere. When I started working here around 2002, the London Underground was often cited as a negative for the city, and that was turned around with a lot of investment and operational focus. For many of the younger users of our system now, that’s a nonexistent memory. Similarly, with the bus service or the 15 years of congestion charge, many Londoners don’t remember life without the services we now provide. And if we take for granted the things that are keeping us going, funding will get diverted to other priorities, the quality will gradually decrease, and we’ll have to start the cycle over again. And I really, really don’t want to be party to history repeating itself.

**DP:** You can see New York City in some ways coming out the other end of that cycle right now.

**GP:** Precisely. A system can get so broken that it must be fixed. Resources get prioritized to it, and then it becomes good, and then it gets taken for granted and degrades again. I think London’s at the top of that cycle, potentially. Our funding at TfL is considerably less than it was three years ago, so you can see the risk of that materializing.

But there are also exciting opportunities. The movement in London to uncover the air quality emergency and climate change emergency has come very much to the foreground. Why do I say that’s an opportunity, not a threat? Because the type of activities that public transport covers can
work to solve some of those issues. The move from fossil fuels to electrification is a fantastic chance to provide mobility in a sustainable way and, in a sense, to reinvent the sector from being one that’s of huge economic value for connectivity and jobs to one that’s also of future health and environmental benefit.

And that’s contributing to all of the excitement and funding pouring into the sector. When I started working in public transport, it was a slightly dull thing to do. Many of my compatriots went into advertising. Now, many of them would love to be working in the mobility sector because of the energy—and because what it means for people in terms of their movement, society, the climate, and the world at large is so important. I’m hugely excited about that. I think it’s a great opportunity to leverage investment and ensure our sector is a great place for all talents to thrive. It’s a great opportunity to leverage innovation. It’s a great opportunity to make sustainable growth really happen in many ways. And I think TfL is in a good place to do all those things.

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Endnotes


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