User charge consultation – Silvertown and Blackwall tunnel

03 September 2024

Summary

- Electric vans up to 4.25tn should not be charged at the higher HGV rate.
- Toll levels for HGVs and large vans should be lowered and focussed on modes of transport that have alternative options.
- High levels of tolls on commercial vehicles will damage London's economy.
- Toll levels should not be greater than the Dartford Crossing.
- Tolls should be levied at a flat rate for fleet operators, with a discount for cleaner zero-emission vehicles.

About Logistics UK

Logistics UK is one of the country's largest business groups, and the only trade association which represents all of logistics. Our mission is to support, shape and stand up for safe and efficient logistics. Our membership of more than 20,000 includes global, national and regional businesses and SMEs spanning road, rail, inland waterways, sea and air as well as the buyers of freight services, such as retailers and manufacturers. We deliver services, representation and thought leadership, helping members and policy makers to seize new opportunities for the sector and the economy as a whole, right across the country.

The logistics sector

The logistics sector underpins the economy, safely and efficiently delivering for its households, businesses and public services, every day. It is critical, national infrastructure, comprising road, rail, maritime and air transport, together with warehousing, ports and other logistics hubs.

There is widespread consensus that UK productivity and growth is too low. By putting logistics first, with the right partnerships, regulations and investment, government can deliver productivity gains that will supercharge the UK economy by up to £8 billion per year by 2030.

- Logistics delivers big public value on small margins, ensuring the availability of the products households, businesses and public services rely on, every day. This strengthens connections between businesses and their customers, facilitating market expansion, boosting competition, and encouraging innovation.
- Logistics is a major sector in its own right. It contributes £185 billion to the economy each year (12% of UK non-financial GVA), is one of the UK's largest employers, providing good jobs with strong career progression – 2.7 million people (8% of the UK workforce) are employed in logistics roles, and its key hubs provide a catalyst for further growth and investment, helping places to thrive.
- Logistics has transformed the UK and is now delivering for the future. It helped deliver the country's canals, roads, railways, airports and ports, has driven revolutions in global trade and e-commerce and is now innovating to deliver decarbonisation and even greater efficiency.

Consultation response

Logistics UK has consistently supported the Silvertown tunnel project since its inception, with it about to play a key part of London's road infrastructure. Road users experience significant bottlenecks at the Blackwall Tunnel and surrounding approach roads as there are few alternative locations to cross the Thames to the east of Tower Bridge. For HGVs, this is compounded by height issues at the Blackwall Tunnel. This adds additional time and cost to transport companies

servicing the capital and results in higher prices for London's businesses, residents and visitors. The new tunnel at Silvertown will provide greater resilience for the capital's road network and spread the traffic flow rather than funnelling it along one route and we applaud TfL for delivery of this new infrastructure.

Logistics UK also welcomes the continuing commitment from TfL to include a dedicated HGV/Bus Lane through the tunnel as this will help commercial vehicles avoid congestion caused by private motorists who have other transport options available to them in London.

We would like to offer our comments to this consultation on the proposed user charges to be levied on vehicles using both the Silvertown and Blackwall tunnels.

- Battery electric vans can be heavier simply due to the weight of the battery unit, and this has been recognised in law, with the driver licensing regulations being amended to permit the holder of a category B (car) licence to drive a van up to 4.25tn, which is above the usual threshold of 3.5tn. These vans will be pushed into the significantly more expensive banding for HGVs, so Logistics UK calls for a review of these thresholds to avoid this situation.
- The tolls for large vans and HGVs are significantly higher than those for small vans and private cars. These larger vehicles do not have the options open to switch to other modes of transport, such as private motorists. The tolls should be levied to encourage modal shift by those who are able to do so. Private motorists using the crossing at peak times should be required to pay more than a commercial vehicle. The tolls on vehicles that are delivering for London's businesses and residents should be lowered.
- High tolls for vehicles that are being used to deliver the goods and services that London requires will simply mean residents and businesses in the capital will be charged more, as the costs will be passed down. This will be especially felt during the proposed peak time crossing charges.
- The proposed charges should not be greater than those at the Dartford crossing.
- TfL should consider introducing a flat rate of tolls for those operators using a fleet of vehicles, and a discount for those using cleaner zero emission vehicles which would be more in line than the current Congestion Charge scheme.

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