

Scrap Mersey Tolls note for information of MPs

## **Scrap Mersey Tolls**

This information has been prepared by campaigners against the Tunnels and bridges tolls.

There have been organised local campaigns against tolls going back to at least the 1990s. More recently the Mersey Tunnels Users Association was formed in 2003, 'Halton Against Tolls' was formed about 2009 and 'Residents Against Bridge Tolls' in 2014. The latter two groups were mainly opposed to the tolling of the existing (Silver Jubilee) bridge between Runcorn and Widnes, but the effect of their campaign was that instead of keeping that bridge toll free for all, the Government decided to fund the cost of almost all Halton residents being exempted from any bridge tolls.

Near the start of 2017 there was a petition to Parliament calling for an end to all tolls on the Mersey, that petition closed prematurely due to the calling of the General election. The petition acted as a catalyst, and we now have 'Scrap Mersey Tolls' which opposes the tolls on all the Mersey crossings.

We believe that the Mersey Tunnels provide important economic strategic links and they should be taken over by Highways England and funded from existing road-use taxes and not from tolls.

We want the Government to buy-out the private finance contract for the new bridge. This is likely to cost no more than the Government are already committed to spend to support the Gateway tolls, and the cost would be less than one week of one year of the taxes on drivers. The bridge should then be maintained by Highways England as part of the national road network.

## **Background**

With the opening of the tolled Mersey Gateway Bridge, and the planned tolling of the Silver Jubilee Bridge and the Mersey Tunnels, there is now a toll 'barrier' stretching along the river from Liverpool city centre towards Warrington 20 miles away. This divides the City Region into two and has an effect on neighbouring areas such as West Cheshire, North Wales and West Lancashire.

It is most unusual to have such an extensive toll barrier, as Steve Rotherham, the Liverpool City region Mayor said in his 2017 election manifesto, "We are the only City Region in Europe where in the future all cross-river traffic movements will be subject to expensive tolls..... we need to ensure that our river ceases to be a barrier to movement and commerce."

River crossings should bring people and businesses closer together, but tolling reduces this effect. Tolling divides communities, families and friends, and damages both the local and wider economies. Obviously the damage is greater when a previously free crossing is tolled.

Halton Council and governments have claimed that tolled crossings are good for the economy, but that flies in the face of studies done at other crossings including the Skye bridge, Erskine bridge (over the Clyde) and Humber crossing. It is also contradicted by one of the reasons given by the government for removing the Severn tolls - to boost the economy of South Wales. The claims are also being proved wrong by the recent stories of the effect of the new tolls on small businesses.

## **Tolls Policy in this region**

Before the 2015 General election, the Liverpool City Region Combined Authority indicated that there would be an end to Tunnels tolls being used to finance other schemes. This would have meant that the Tunnels toll could have been reduced to about £1.00 for all cars, with equivalent reductions for other toll classes.

At the same time the then Chancellor of the Exchequer said that he was looking at reducing Tunnels tolls and that he was "confident they could be abolished all together".

Since then all that has happened is that there has been a reduction in tolls for drivers who pay in advance and use a tag, but most car drivers (making up about half of car journeys) do not use a tag and are still paying £1.70.

For two years we have been making Freedom of Information requests to HM Treasury to find out what discussion on the tolls there has been between the authority and the Government. The HMT have fought against releasing any information. It is a reasonable assumption that instead of looking at reducing or removing tolls, the authority and the Government have instead discussed how the authority will continue to use the Tunnels to finance other spending.

There is of course an overlap between the bridges and the Tunnels. It is in the interest of maximising toll income from the Tunnels that the bridges are tolled, and it is in the interest of maximising toll income from the bridges that the Tunnel tolls are high.

## **How Tolls Policy in this area compares with rest of UK**

The claim is sometimes made that it is Government policy that crossings over estuaries should be tolled. It is not clear on which tablet of stone this policy was carved, but in any case it is a policy which is ignored more often than it is followed.

None of the crossings in Northern Ireland are tolled and out of the 100 or so crossings that go over tidal water (estuaries or sea) around Britain there are only nine places where the crossing is tolled - Mersey, Tyne (North Shields to Jarrow), Humber, Thames at Dartford, Itchen (Southampton), Tamar (from Devon to Cornwall), Clifton (near Bristol), Severn and Cleddau (Milford Haven).

None of the road crossings in Scotland are tolled, including the new Forth road bridge which the Queen opened on the 4th September.

None of the 18 estuarial road crossings in London are tolled (the Dartford crossing is outside the Greater London Authority area).

There are no tolls in North Wales, even though they have two bridges to an island (Anglesey) and have had new river crossings such as the Flintshire bridge over the Dee (opened in 1998) and the Conwy tunnel (opened in 1991).

And if it was government policy that you had to have tolls on estuarial crossings, then how come that when the Silver Jubilee bridge opened in 1961 it was not tolled?

Two of the nine existing tolls on estuarial crossings are due to be removed. The Government have said that the tolls on the Severn crossing will be removed by the end of 2018, and the Welsh Assembly say that the tolls on the Cleddau bridge will be removed by 2019.

The Mersey region is moving in the opposite direction to the rest of the UK. Plans for more tolls and 'congestion charges' in other parts of UK, have been abandoned, including at the end of 2013 dropping the plan to toll the new A14.

When the 'Gateway bridge' opened in October, the Transport Secretary was quoted as saying that the tolls would be removed when the new bridge had been paid for in about 25 years. This begs the question as to why there have been tolls on the Tunnels for nearly 84 years, and that Halton Council have said that there will be no costs related to the new bridge falling on the authorities for at least 60 years. Indeed, despite the comment from the Transport Secretary, the only interest of any government in Mersey crossings seems to be to support tolling.

## **Mersey Tunnels**

The toll for a car is £1.70 each way, larger vehicles pay up to £6.80 each way. There is a discount for drivers who prepay and use a tag.

The tunnel from Birkenhead to Liverpool was opened to traffic in December 1933. The £7 million cost of construction was supposed to be shared between the Government, the local authorities and the users of the tunnels. The tolls were only intended to be for a limited period and according to the original formula the tolls should have ended before 1950.

A twin-tube tunnel between Wallasey and Liverpool was completed and opened in 1971. The construction cost was £37 million. This tunnel was also tolled and the Tunnel toll charges have continued increasing ever since.

Prior to 2004, the tolls paid by Tunnels users were already paying for many costs that did not apply at other crossings. For a very long period the Tunnels had to subsidise the Birkenhead ferries. The Tunnels also have had to bear the cost of policing - it is the only crossing or road in UK that has its own police force. Users of the Tunnels also had to bear the cost of concessions such as those for Blue Badge holders etc. And of course being tolled, a very large part of the tolls has had to go into the cost of collecting them. Assets and funds paid for out of tolls were appropriated without compensation while the County Council was administering the Tunnels, and interest on Tunnels cash reserves has gone to the authority rather than being spent on the Tunnels.

The monies taken over the last eighty years is many millions but the amount is dwarfed by what has happened since the Mersey Tunnels Act 2004 became law. Since 2004 the authority have taken about £140 million of tolls for their own use. And in 2016, the total Tunnel tolls collected passed the one billion pounds mark. The tolls collected to date are now 23 times the original construction costs of the two tunnels. Money has been wasted and as already indicated the Tunnels have been used on a massive scale to fund other activities.

## **Silver Jubilee Bridge**

The bridge linking the north bank of the Mersey at Widnes with the south bank at Runcorn was opened in 1961 and carried the A533. The £3 million cost was mainly met by the Government with contributions from Cheshire and Lancashire County Councils. Responsibility for the bridge passed from Cheshire County to Halton in 1998, but the bridge maintenance and repairs have always been financed from Government highways grants. It was never tolled in its 56 year history. The bridge has now been closed to traffic; it will not reopen for at least a year and when it does it will be tolled.

This will be the first time in Britain that a toll has been imposed on the users of a previously untolled free crossing. The then Leader of Halton Council said as the 2009 Public Inquiry opened - *“The two bridges will be so close together that to have one bridge free and the other bridge charged would be a waste of money as people would not use the new bridge and everyone would try and trundle across the present Silver Jubilee bridge.”*

Despite what the Leader of the Council said about what people wanted, the Council still claim that people and businesses had been consulted and had agreed to the toll plans. This consultation was almost invisible, but had concluded that only “a small group,..support...the tolling regime”.

Halton Council and the Government decided that people were not going to be given a choice, they would have to pay a toll or divert on to a longer and more crowded route.

There was indeed a problem of congestion on the bridge in peak periods, and the public aim of the scheme was to reduce congestion on the Silver Jubilee bridge. But what was strange was that Halton Council also said "What we're proposing is almost unique in that it is a new road scheme that will actually reduce traffic levels .."

Perhaps it is just as well that this scheme is unique. Though if the idea was to reduce traffic, then it was odd that Halton Council had supported increased Tunnel tolls, as more traffic would divert from the Tunnels route and use the old bridge. A cheaper and simpler way of reducing bridge traffic would instead have been to reduce or remove tolls on the Mersey Tunnels. The Tunnels had eight lanes against four lanes on the bridge, yet the Tunnels carried less traffic. than the bridge

The official forecast was that, as intended, the traffic between Widnes and Runcorn would fall when the new bridge was open and tolls were introduced. There is no doubt that the forecast is correct. But it is not clear why a new tolled bridge was built, when the effect would be to increase traffic at other crossings, particularly Warrington, and thus lead to demands for more bridges.

### **Mersey Gateway aka Turpin Bridge**

This bridge opened to traffic just after midnight on Friday 13th October 2017. It is a tolled bridge crossing. Almost all Halton residents can cross toll free if they register and pay a £10 annual fee. Car drivers who do not live in Halton pay £2 each way, tolls for bigger vehicles range up to £8 each way. There is a small discount if you prepay. Commuters who do not live in Halton could be paying about £1,000 a year for what was a free crossing.

There are many numerous things wrong with this scheme but we will highlight just a few issues not already mentioned above.

### **The scheme discriminates against people according to where they live**

There is a two class system with nearly half of car drivers not having to pay a toll.

If you live in Halton, then most people pay ten pounds a year. If you live a foot outside then you may have to pay over a thousand pounds year in tolls. Though such discrimination is not unique, it is still unfair. The only other toll that we are aware of where there is difference according to where you live is at the Dartford Crossing,. There is a substantial discount if you live in either of the two local authorities linked by the crossing, though most of the traffic at Dartford is long distance.

The discrimination with the Gateway tolls even applies to the 'hardship scheme' for people who do not qualify for the ten pounds a year scheme, as the scheme only applies if you live in Halton.

This discrimination is particularly unfair as Halton Council did not build or pay for the existing bridge – it was built using money provided by government and Cheshire and Lancashire councils. Even the cost of the new bridge and the local user discount scheme of ten pounds a year is not being financed by Halton, it is mainly financed by the Government and from the tolls charged to drivers who do not live in Halton and businesses.

### **The Government are paying more for extending rather than reducing Mersey tolls barrier**

Amazingly the taxpayer will be paying in cash terms over one hundred million pounds more towards the new bridge than it has cost to build. The Government would have spent less money if the new bridge had been toll free instead of having a PFI scheme partly financed through billions of tolls and penalties.

Scrap Mersey Tolls recently asked the Department for Transport (DfT) to confirm how much the Government was providing towards the new bridge scheme and how much they expected to get back. The answer was that the DfT have paid £86.5 million towards the cost of land and development, and are providing a further £568 million that the DfT call 'Availability Support Grant' towards the sums that Halton Council are paying Merseylink for this Private Finance scheme each year between now and the end of the concession in 2044.

The £568 million 'Availability Support Grant' is more than the cost to Merseylink of designing and building the bridge. The Merseylink accounts at Companies House show that Merseylink contracted out the design and construction of the bridge to three firms (FCC Construcción S.A, Samsung C&T ECUK Limited and Kier Infrastructure & Overseas Ltd) at a total cost of £455 million. So unless the contract overspent the Government will be paying out £113 million more than the bridge cost to design and build.

In addition to the grants, the Government have provided part of the loan finance and there is also a 'contingent liability' in the DfT annual accounts of £1,546 million "to fund any shortfall in toll revenue".

Despite this massive expenditure, the Government will not share in any of the income from tolls or from penalties. So the Government are paying out a minimum of £654.5 million and possibly up to over two billion pounds and all they are getting in return is the tolling of all crossings in the Liverpool City region.

This perverted use of public money is even worse when you realise that the decision to use private finance and to toll the bridge has meant that the cost has multiplied and the bridge opening delayed.

The untolled bridge scheme that was submitted to the Government in 2003 was estimated to cost only £200 million and to have been completed and in use by 2008.

Instead of paying out £200 million spread over 2004 to 2008 for a toll free crossing, the Government are committed to expenditure of £650 million up to 2044, mainly to pay for Halton's toll local user discount scheme. In addition to that definite commitment, the Government have also provided loan and financial guarantees for over one billion pounds. All this for a bridge which could have been opened nine years ago and which would have been an asset to the people of the region rather than a liability.

## Penalties

If you have to have tolls then the best system is to have toll booths but with the tolls only payable in one direction. This halves the delays to traffic and almost halves the cost of toll collection. Users of the Tunnels have been proposing a one way tolls system since 2003, but the authorities have refused to have such a system, probably because they prefer that drivers are forced to either waste time in toll queues or to pay them in advance.

The new bridge, was originally intended to have toll booths in both directions like the Tunnels, but the authorities eventually decided to have no toll booths. This system is worse than having toll booths as it means that there is more hassle in paying the tolls and there is the spectre of penalties and bailiffs. The aggravation is particularly great when people think that there has been a mistake. This type of system keeps the debt collectors busy and adds to the misery of tolls.

The new tolls are being collected and enforced by a Spanish / French firm Emovis using the name 'Merseyflow', They are using Automatic Number Plate Recognition cameras supplemented by passive Radio Frequency Identification Devices which they are calling 'stickers'.

Emovis also runs the tolling on the Dartford Crossing which has the same cashless tolls system

The experience at Dartford has been horrendous. For the latest year that figures are available, 2015-16, there were 2.7 million fines. That's 50,000 unpleasant surprises being mailed out every week. It is not surprising that the Dartford toll 'system' was recently featured in the 'BBC's Rip-Off' Britain programme.

Toll collection without booths was introduced at Dartford at the end of November 2013. There were tremendous problems with the system and about £30 million of fines had to be written off in 2014 because of unreliable systems.

It is early days at Halton, but there are already reports that drivers are being fined even though either they were nowhere near the crossing or they believe they had paid the toll. There have also been numerous complaints that there is inadequate information about how drivers, some of whom will be visitors to the area, are supposed to pay the tolls. This inadequate information will partly be because the Council rushed to open the bridge and sidestepped the legal requirement to give three months notice of the tolls starting. Instead of three months, drivers and businesses only got a maximum of 55 hours warning of the actual date that the bridge was to be opened. Even if the payment signs are improved they can never be adequate and it seems that there is no intention of ever warning drivers of the tolls until it is realistically too late for them to divert on to another route.

The punishment of drivers does not end with penalties for those who it is claimed have failed to pay the toll. The council has come up with a long list of rules. If you break any of them, then you can be fined up to level three - £1,000. One of the many rules is that if you break down or have a flat tyre on the bridge or approaches then it is an offence to try and fix it or to call for a breakdown service. You are supposed to wait for the Council's contractors to deal with it at a minimum charge of £150 and up to £6,000 for larger vehicles. At most other tolled crossings removing a vehicle from the crossing is free (not surprisingly one exception is the Mersey Tunnels).

**Above is only a selection of some of the many things that are wrong with tolling of the Mersey crossings, but perhaps the most incredible thing of all is that the authorities say that they are proud of what they have done.**

End