



4 February 2018

Dear Councillor,

We have recently sent you two letters about the setting of the tolls for 2018-19. This third letter follows on from Friday's meeting of the Combined Authority and from what the Metro Mayor has recently said.

On behalf of the MTUA I thank the two people (Ann O'Byrne for Liverpool and Phil Davies for Wirral) who on Friday voted against the toll increase.

The only other positive item is that the public were able to clearly hear most of what was said at Friday's meeting.

We noticed that again on Friday there were no declarations as to whether members had Tunnel Tags or not.

We also again point out that the whole toll setting process is not dealt with properly, with the Budget report to the Authority on Friday including "Table 6 **Agreed** Tunnel Tolls 2018/19 (our emphasis).

Our other comments are on the following pages and were mainly drafted by John McGoldrick who was at both of the meetings.

As usual the MTUA invite you to tell us if you think that anything we say is untrue, inaccurate or misleading.

Yours sincerely,

Dave Loudon
Chair
Mersey Tunnels Users Association

To Council Leaders who are full members of the Combined Authority
copy to Councillors on Transport Committee

MTUA Comments

MTUA lobbying

At Thursday's meeting there was mention of lobbying by the MTUA. We have been involved in fighting the tolls since 2003. Though our efforts have probably had some effect on the level of tolls, they have had little or no effect on the obscuring of the real state of Tunnels finances, or on Merseytravel ignoring proposals that might benefit users of the Tunnels or help the traffic to flow better.

We mentioned in our letter of 27th Merseytravel turning down the proposal for one way tolling. Another example is that we have complained over the years about the system that was introduced over 30 years ago of drivers who get change having themselves to throw the money in the basket and about the inadequate distance of the basket from the booth so that the following vehicle could not get change till the first vehicle's coins had been accepted and the vehicle had cleared the barrier. Over thirty years this terrible system added to delays, congestion and pollution. It has only recently been changed. If not no tolls, then can we look forward to one way tolls in another 30 years?

Spending pressures

The meetings of the Authority and the Transport Committee blamed the Government for "austerity" and referred to "spending pressures". That seems plausible, but is difficult to reconcile with the Metro Mayor on Friday saying that since elected last May he had "secured almost half a billion pounds of additional Government funding for the City Region". It was also said on Friday that the capital programme is the "largest investment in transport that Merseytravel has ever undertaken".

It is even more difficult to comprehend how despite these "pressures", which presumably go back to at least 2008, Merseytravel and the Authority had accumulated £211.5 million of 'useable reserves' by March 2017. Some of those reserves may have come from gifts and grants, but the bulk of it is likely to have come from the Council Tax levy and Tunnels tolls that go into the general fund of the Authority.

And given the austerity and the pressures, it is beyond belief that the Authority decided to spend £460 million on Swiss built trains when everywhere else in Britain, trains are supplied by ROSCOs. When this was approved at the end of 2016 the public were told that the cost "will not be passed on to travellers or council tax payers". So presumably the cost of the trains is coming from Tunnels tolls.

Gateway

Having now heard (with the volume raised) what is on John Brace's video of Thursday's meeting, we are aware that at the Transport Committee it was said that a Conservative Government "put the system of tolls" on the new bridge.

It was the Coalition Government that in 2014 approved Halton Council's tolled crossing scheme and shortly afterwards agreed to increase the Government's contribution to this scheme to over £650 million.

But the decision that this crossing would be a privately financed toll bridge and that the existing Silver Jubilee bridge would be tolled, was made long before 2014.

Our letter of the 1st Feb mentioned (page 4) a decision in 2001 by Halton Council that only made sense if the new crossing was to be a privately financed toll bridge. That this was to be the case became public in 2004. And in 2008, Halton Council issued an Order for the tolling of the new bridge and a separate Order for the tolling of the existing bridge.

All of this was of course under a Labour Government that was keen on a) private finance, b) tolling, and in particular c) protecting the Mersey Tunnels tolls regime.

Over the years, the public have been inundated with PR material about the Gateway scheme. Scrap Mersey Tolls have been lobbying Labour MPs to get a change in Labour's tolls policy, and you may care to look at [what Scrap Mersey Tolls sent to MPs before 'Tolls on the Mersey Crossings' debate on 5th December](#).

Motion or amendment moved by Councillor Rowlands being ruled out of Order

This is based on what can be indistinctly heard on John Brace's video of Thursday's meeting.

There was a seconded motion or amendment from Councillor Rowlands though he was not present. It was said that the motion called for the 'scrapping of the Tunnels'. We have not seen the motion but we assume that it actually called for scrapping or reduction of the tolls. The motion was declared invalid apparently because it was contrary to the Tunnels legislation.

Scrapping or reducing tolls is **not** contrary to the legislation.

In our letter of the 28th we referred (page 3) to the law that is never mentioned in Authority reports, as Merseytravel prefer to rely on what they say the law 'implies'

and ignore the powers given by Subsection 1 of Section 92C of the 2004 Act (re-enacting previous legislation). We now quote that sub section in full-

92C Power to cease demanding tolls, etc.

- (1) The Merseyside Passenger Transport Authority may—
- (a) cease to demand, take and recover tolls in respect of traffic or any class of traffic passing through or into any of the tunnels;
 - (b) resume demanding, taking and recovering such tolls; and
 - (c) allow traffic, or any class of traffic, to use any of the tunnels without paying tolls or on payment of tolls at a reduced rate during such hours, on such occasions or in such other circumstances as it may from time to time determine.

It is particularly odd that this power is not mentioned in the latest reports, because the power at 92C (1) (c) must be the one that is now to be used for 'off peak' Tag tolls.

Tolls needed to be increased to pay for Tunnels costs

It is usual for the Authority to imply this to the public but on Friday it was more explicit. It was said "We do however need to ensure that the Tunnels generate sufficient revenue to cover the cost of their operation, and to provide for future investment and maintenance, and **because of this the recommendation is that the cash toll increase**".

Given that the finances of the Tunnels are opaque, it is not clear what members believe. **But the Tunnels do make a substantial profit, AFTER ALL spending on the Tunnels including any contribution to Tunnels reserves**, so it is misleading to suggest that the toll increase was due to the reasons given on Friday.

Other points

As we have pointed out before Merseytravel and the Authority do not reveal to the public the level of profits. In reply to recent questions about the tolls, the standard reply from the Metro Mayor's office says "Any surplus that is generated by the tunnels (after operating costs and debt repayments have been made) is used firstly to support investment in the long term tunnels capital programme."

By saying "**Any surplus**" the public is not only not being told that what the profits are really being used for, they are given the impression that there may be no profits.

The Mayor has said that he is fulfilling his election pledge on tolls or is at least working towards doing so during his full term.

If the Authority is working towards anything then it is to higher and higher tolls. That is evident from para 5.4.6 of Friday's budget report "As part of a three year strategy, **the LCRC is seeking to increase overall revenues from the Tunnels.**"

We have pointed out in previous letters that the real situation is obscured. There was another example on Friday, as it was not made clear that the tolls for Class 2, 3 and 4 would be going up, whether the vehicle has a Tag or not and whether the journey is off peak or not.

Taking Class 4 as an example- the cash toll will rise from £6.80 to £7.20, the Tag toll from £4.80 to £5.20.

The main problem is not of course the increase, the problem is that this area is divided by tolls, whereas Manchester and other cities are not.

The Mayor on Friday said that our area was "stealing a march" on other areas and combined authorities. But given the tolls it is little wonder that our area is one of the worst in the country for 'Multiple Deprivation' and for low 'Gross Value added' (as those of you will know who took the trouble to read the 'Local Economy' section of our letter of the 28th).

The Authority gives the impression that it is helping local businesses, but the businesses in our area are losers from tolls. The main beneficiaries from the decisions made by the Authority, such as on tolls and purchases of trains, and by Halton on the Gateway scheme, have not been local businesses. The gainers are elsewhere in the UK and abroad.

Ends

[John Brace's video of Transport Committee meeting on Thursday - Part 1 \(includes tolls and budget\)](#)

[John Brace's video of Combined Authority meeting on Friday](#)