



30 January 2010

Dear Councillor,

From what was published in the press last Friday, the MTUA are aware that at your Budget meeting this Thursday you will be considering a possible increase in Tunnel tolls.

We have heard from the press what the gist of the report is, and I am writing to you to remind you of some things (below) which may not be in the report.

If you have any doubts about what we say, then please let me know and we will try to resolve them

Yours sincerely,

Dave Loudon
Chairman
Mersey Tunnels Users Association

1. The legal framework for the Mersey Tunnels is unique because of the Bill that Merseytravel managed to get through Parliament in 2004. At other tolled crossings in the UK (the only exception being the Severn Crossing) any toll increase has to be justified. With the Mersey Tunnels there is an automatic annual revision, though you can decide not to apply any “automatic” increase, and under part of the law which was not affected by the 2004 Act the authority can decide to end tolling.
2. The original intention was that the Tunnels tolls should at some stage be removed. In a letter to the Echo on 23 July last year the chair of Merseytravel challenged me to “produce evidence of this”. I wrote to the Echo replying to that letter. Part of my letter (none of which was published) suggested that the chair “digs out a copy of the first Mersey Tunnels Act of 1925, he will see at section 65 that tolls could only be collected “until the expiration of a period not exceeding twenty years from the opening of the tunnel”. The tolls were to be removed earlier if a certain amount of tolls (one million two hundred and fifty thousand pounds) had been collected.” Since 1925 there have been numerous Acts which have moved the goal posts, but it was only in 1980 that the County of Merseyside Act removed the obligation to eventually remove tolls.
3. You will know that this is the only city in Britain where you have to pay a toll to cross a river. What you may not know is that the Mersey Tunnel tolls are - before any increase - the 4th most expensive tolled crossing in Britain (arguably the third most, as though the Dartford toll is now £1.50, locals pay 20 pence and at certain times of night no one pays anything).
4. It is sometimes suggested that if tolls are frozen or reduced or removed then there will be a vast increase in congestion and in the Daily Post on 29th September the Merseytravel chair said that Tunnels tolls were a -“mechanism for demand management”. In our view this is wrong, and congestion is caused by two things – tolls payment and the poor road system at the Liverpool end of the Tunnels, and it is unfair that travellers from the Wirral are penalised whilst those from, say Sefton, are not.

5. In any case the experience in Scotland where all tolls have been removed is that there is less congestion when tolls are removed, as they delayed traffic and distorted traffic flows. An example nearer to home is the Runcorn bridge which with 4 lanes carries as much traffic as the 8 Tunnels lanes. The Runcorn traffic is indeed at times congested and as you will know there is a proposal to add a new six lane bridge. What you may not know is that because they plan to toll both old and new bridges, there will be less traffic than there is now.
6. As part of their case for a second bridge, Halton Council pointed to the relatively high deprivation in their area. But at last summer's Public Inquiry into the toll plans we and the National Alliance Against Tolls compared Halton with the local authorities at either end of the Mersey Tunnels, using the same statistics that Halton had used - English Indices of Deprivation 2007.

Under the "Rank of employment scale", Halton was indeed one the worst local authorities (77th out of 354), but Liverpool was the 2nd worst and Wirral was the 8th worst in England. Halton Council at the Inquiry also referred to "Super Output Areas" which are used in the Indices of Deprivation to show the position at a lower level. The Indices divide England into 32,482 SOAs. If you look at the 100 most deprived SOAs in England. Halton has none, Liverpool has 28 of them and Wirral has 5.

Though Halton supports tolling the crossing (they have said 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") they told the Inquiry that -"Liverpool is identified as having the lowest employment rate to March 2008 (65.2) of all the major cities considered, the lowest IMD 2007 median score, and the lowest ranking on the Social Deprivation Index."

All of this is a strange advert for the benefit of tolls as against a free crossing.

7. At the end of 2008 a report "Humber Bridge Tolls Impact Assessment" from Colin Buchanan was published. The report, which was commissioned by the four local authorities in the area, concluded that abolishing the tolls would benefit the area to the extent of one billion pounds. In our view any independent research here would also conclude that tolls have a significant negative economic impact.
8. We have not seen the draft budget for the coming year, but in recent years the Tunnels have been making a profit of about six million pounds which under the 2004 Act, Merseytravel are able to transfer to the authority's General fund and the ferries.

This profit being made from people and businesses using the Tunnels is in stark contrast to the situation with users of other Merseytravel services who receive about £170 million in subsidies - around £70 million from Council Tax (excluding the Concessionary travel element) and around £100 million from the Government towards the cost of rail franchises.