



5 February 2014

Dear Councillor,

At your Budget meeting on Thursday you will be considering the level of Tunnel tolls from April. We are contacting you to ask that you do not support any increase in tolls.

Those members who were on the Authority a year ago may recall that the MTUA emailed you just before and just after the February 2013 meeting which approved a toll increase.

The documents that we sent can be seen here -

<http://www.tunnelusers.org.uk/tomitamembers2feb2013.pdf>

<http://www.tunnelusers.org.uk/tomitamembers10feb2013.pdf>

After the second message your chairman invited us to a meeting to discuss some of the Tunnels issues. That meeting took place in early April and there was a further meeting in the middle of October, but no members of the authority were present at the second meeting.

The fact that there we were invited to meetings indicated that there had been some changes at Merseytravel, though it is not clear that those changes have had much impact on how Merseytravel regards users of the Tunnels.

The issues that were detailed in our two messages a year ago remain largely the same. I will not go through it all in detail as you can still access what we said then, but our reasons for asking that tolls are not increased are summarised on the next two pages.

Yours sincerely,

Dave Loudon
Chairman
Mersey Tunnels Users Association

a) There is no legal requirement that the tolls payable be increased.

MITA members are usually told about the “Section 92C discretion to reduce the tolls” but are also usually told that “this discretion should be (used) under exceptional circumstances of an economic or social nature”.

In our message to MITA members a year ago we pointed out that the power to reduce tolls and even set them at zero was not limited. The power has been there for a long time but after Merseytravel had the law changed, it is in subsection 1 of Section 92C of the 2004 Act. We suggested last year that this wide power must have been the one that was used as the authority for -

- i) The lower toll for “tag” users,
- ii) The concessions for disabled drivers,
- iii) Certain drivers at certain times apparently not being expected to pay,
- iv) Class 2 vehicles only having to pay class 1 tolls between April 2005 and March 2008; and class 4 vehicles only having to pay class 3 tolls between April 2005 and March 2006,
- v) The tolls that were specified in the “Tunnels (Revision of Tolls and Traffic Classification) Order 1991”, which is the base level for the current tolls, not being applied in full till 1999

In an email on the 8th May, Merseytravel agreed that the Section 92C powers had indeed been the basis for the above concessions. We ask that you remember this power when you are told that MITA is legally required to increase the tolls that are actually paid.

b) The Tunnels make a large profit without a tolls increase

The documents supplied to MITA members and those available to Council Tax payers have for some years indicated that the Tunnels only break even. That was wrong, and we are pleased that in the Budget for 2014/15, Merseytravel have at least partly made it clear that there is a surplus or profit on the Tunnels. The surplus for 2013/14 is shown as £7,099K and that for 2014/15 is shown as £9,756K, the increase in the surplus will be mainly because of the tolls increase.

There are three issues here -

The first issue is that when you look at the 2014/14 Budget it seems as if it has already been decided that there will be a tolls increase. In our view it is totally inappropriate that the same meeting of an authority should be going through the theatre of deciding on tolls when they have before it what seems to be the final draft of the budget. It would be better if the question of tolls was decided at a meeting before the February budget meeting.

The second issue is that this tolls increase is clearly not to meet increased expenditure, because the Tunnels expenditure is shown as forecast to fall slightly.

The third issue is that though Merseytravel are being more open than in the past, the budget understates the true surplus or profit as it still includes a charge of £3,663k for “Levy Repayment”. There is in fact no repayment of levy and this money goes to Merseytravel, just like the £9,756K which is being declared. If you doubt this, then we suggest that you look at line 12 of the Funds Management budget where you can see that this money goes to Merseytravel. The debit entry in the Tunnels account is offset by the credit entry in the Funds Management account, and the pair of entries have no effect on the overall

Merseytravel budget, they just mask the full amount that Merseytravel is making from the Tunnels - which in the proposed budget is really over £13 million pounds, i.e. the £9,765K plus the £3,663K. Merseytravel use the Tunnels as a cash cow though they had nothing to do with the building of either tunnel and almost almost all of the construction, maintenance and policing costs have been met by the users of the Tunnels. This is unfair.

c) The Mersey Tunnels are the joint third most expensive tolled road crossing for cars in England and Wales (there are no tolled road crossings in Northern Ireland or Scotland).

d) It is usually suggested that tolls need to rise in line with fare increases on passenger transport. In fact that there are massive subsidies from MITA and the Government towards the use of public transport while the Tunnels receive no subsidy.

In our message to you on the 2nd February 2013, we detailed some of these subsidies which excluding travel concessions for the elderly etc amounted to - £2 per passenger for those bus services that are supported by MITA, £2.50 per passenger for local rail journeys, and £5 per passenger for each use of the Ferries.

MITA members are also usually given a table of “Other Transport Cost Comparisons” (at paragraph 6.1 of the tolls increase report). The figures quoted are not really comparable at all -

The Tunnels user has all the costs associated with their vehicle, whereas passengers only have the cost of the fare, and in many cases not even that as they may be using a concessionary travel pass.

In the case of the rail and bus passengers, many of them will be making a longer journey on the bus or train than just crossing the river and many of them may be using return tickets or day and other season tickets, so the cost to them of the element of their journey which is crossing the river will be far less than the figures quoted by Merseytravel.

To give an example of the above, MITA members are told that the cost of just crossing the Mersey by bus is £2.95, which would work out at £5.90 for a return journey. In fact according to Arriva, bus passengers can purchase a day ticket for £4 which allows for unlimited journeys by Arriva bus within Wirral (including Ellesmere Port and Neston) and cross river to Liverpool City Centre. There are various other Arriva saver tickets available including a weekly Merseyside Zone saver for £15 and a North West Day Rider for £4.80 which covers, Merseyside, Manchester, Deeside and a large part of Cheshire.

It is evident from the above that the costs of using public transport for a journey which includes crossing the Mersey at Liverpool is less than that for the driver of a motor vehicle.

e) Liverpool and Wirral are two of the worst places in England for employment, and toll increases will not help.

That will still be the case, and members will be aware of the study recently published by Public Health England, which showed that life expectancy in this area was significantly lower than the average for England, with the average male life expectancy in Tranmere being the worst in the UK. Some of this may well be due to long term social and economic deprivation.

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