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Email: nationalcasework@dft.gov.uk

CC: Anna Gelderd, MP for Southeast Cornwall

August 21st, 2024

Ref: Tamar Crossings Toll Revision Order Application, May 2nd, 2024

Dear Ms Zamenzadeh

Thank you for your email dated 23rd July 2024 which contained details of the public inquiry and the option to submit further evidence to the inquiry prior to September 6th, 2024.

I copy my new MP for Southeast Cornwall, Anna Gelderd, on my reply to you with additional evidence for the Inspector. I ask Anna that in parallel to reviewing my original objection (that was copied to Sheryll Murray, ex MP Southeast Cornwall and I attach again here for her benefit) and additional evidence here presented, she also considers standing with her constituents in opposition to this toll rise, just as her predecessor was doing before the election.

Please can I draw the inquiry Inspector's attention to the attached two Tamar Crossings General Manager's reports from [December 2018](#) and [July 2024](#) which I attach as Annexes A & B to this letter. Though I submit these reports as further evidence in general, I would like to highlight specifically:

- Annex 3 in the report dated 7th December 2018.
- Annex 3b in the report dated 18th July 2024.

Assessed together, these two report annexes give the Inspector an opportunity to view figures for combined traffic and revenue using the two crossings over a 12-month period approximately 5 years apart in 2018 and 2024. I summarise the figures from the reports below in Table 1.

Table 1: Total Combined Traffic and Revenue figures from 2017/18 vs 2023/2024

Year	Traffic	% +/-	Revenue	% +/-
Oct 2017 – Oct 2018	9,098,874		£10,108,092	
April 2023 – April 2024	8,287,455	-8.91%	£15,968,483	+57.98%

Also notable in the Oct 2017 – 18 report is that traffic and revenue had fallen since 2016/17. Is the claim that traffic reduction is all due to Covid believable therefore?

Comparing the figures in Table 1, whilst traffic has dropped by just under 9%, revenue has in fact increased by 58%. If revenue has increased by 58% over 6 years then it needs to be assessed where that additional income has been spent and whether all the items of expenditure, and particularly any additional borrowing (in the recent past, the present and planned for the future) that has occurred was both necessary and also directly connected to the maintenance and operation of the Bridge and Ferries. I draw the Inspector's attention to four matters which arguably are not yet allocated funding (borrowed capital funding for points three and four) to the tune of nearly £8 million over the coming years. Costs in question are detailed [here](#) as part of the attached Annex C, Revenue Budget 2024/25 and Indicative Projections for 2025/26 to 2027/28 (which I submit as evidence to the inquiry).

1. Toll Booth replacement - £400k 2023/2024
2. The Learning Centre – £0.94 million across 2023 - 2028
3. Ferry Decarbonisation study - £3 million across 2024 - 2026
4. Bridge Fire Protection - £3.5 million 2024 - 2025

I ask the Inspector to evaluate all historical financial figures in detail to assess all spending and borrowing by the Tamar Crossings in order to evaluate the reasons for it and the efficiency of management of the crossings whereby revenue can increase by nearly 60% over less than 6 years but still leave the crossings claiming to be facing a financial shortfall and needing to raise the toll again so soon after the last increase.

In 2018 the toll was £1.50 for cash and £0.75 for concession but in the intervening 5 years, there have been three toll rises that combined with this proposed 4th increase, amount to a 100% uplift in the toll since early 2020. The resulting increase in annual crossing costs for those businesses and members of the public reliant on the crossings has a directly proportional impact on the local economy of Southeast Cornwall; an impact that has had no study of it commissioned. I also highlight that the toll, and the congestion its collection causes, impacts residents and businesses in Southeast Cornwall in ways further reaching than just the financial transaction that occurs at the booth on crossing. I ask that the Inspector commission an independent study of this impact that he can consider in detail as part of assessing the latest application for a further toll rise. Historical toll increases are shown in the table prepared by the Tamar Toll Action Group that I attach here as Annex D to this letter (the same information was attached to my objection letter of June 14th as Annex B) but are detailed in my bullet points below:

1. In May 2020 it increased to £2.00 for cash and £1.00 concession
2. In May 2022 it was increased to £1.30 for concession (with around 2 weeks' notice) but remained £2.00 for cash
3. In January 2023 it was increased to £2.60 for cash but remained £1.30 for concession.

The Tamar Crossings have stated in their [Toll revision application](#) dated 15th April 2024 that the reason for the Toll increase being necessary is primarily because revenue has been reduced by a reduction in traffic volume caused by Covid and the subsequent working from home that has

been adopted by many. Their assumptions from page 2 of their 2024 application that the application states they based their financial planning on for the 2022 toll revision application are copied below. These are assumptions that the 2024 application goes on to say proved incorrect, hence the need for a toll revision order:

1. *cost inflation of 3.5% during financial year 2022/23, reducing to 3% in the short-term before returning to the 2% level targeted by the Bank of England in the long-term*
2. *salary budgets would increase at no more than 0.5% more than assumed cost inflation.*
3. *traffic levels would increase to 90% of pre-Covid levels during 2022 and revert to 100% of pre Covid levels by April 2025,*

My comments on the validity of the above referenced assumptions are:

- Assumption 1: Inflation has now dropped to 2.2%, i.e. below where it was assumed in 2022.
- Assumption 2: Awarding above inflation salary increases was a choice. Not a choice that many private businesses were able to make over the same period.
- Assumption 3: the figures offered in table 1 below show that traffic is in fact at 91% of pre-covid levels. It may yet recover further before April 2025. A further toll increase would likely negatively impact that (this is supported by the responses to their consultation questionnaire).

The situation with reduced traffic volume is unlikely to be improved by an increase in tolls. This is demonstrated in the [Consultation Questionnaire](#) (which I submit as evidence attached here as Annex E) where 20% of the respondents replied that their use of the crossings would change following an increase in tolls; 57% of those stating they would use the crossings less frequently. It follows that an increased toll is likely to drive use of the crossings even lower by causing people to change their travel habits.

Page 5 of the toll revision application concludes that:

*“The most significant single factor that has impacted the financial model since 2020 has been **the reduction in income as a result of the pandemic**”.*

The conclusion that they had suffered a reduction in income because of the pandemic is not supported by the evidence in Table 1 above comparing their 2018 income with their income in 2024. Following the preceding toll increases in 2020, 2022 and 2023, in fact their income was 58% higher than over the same 12-month duration 5 years previously.

Also stated on page 10 of the Toll Revision Application is the below:

“Both the Bridge and the Ferry charge in one direction only, so a daily commuter using a TamarTag account to pay for a private car for five return crossings per week at either crossing would incur additional weekly expenditure of £1.00 as a result of the proposed toll revision.”

This statement is misleading as it implies or suggests that repeat use of the crossings by individuals is limited. That is not the case, and this claim should be disregarded for the purposes of the inquiry. Many people in Southeast Cornwall have need to cross the Tamar many more times per week than this. Businesses with multiple vehicles will cross many times per day. Private individuals commonly cross not just for work, but also leisure and retail purposes. Collectively these reasons amounting to crossing many more times per week than five. To quote my own recent example, my father was admitted to hospital for a 2-week inpatient stay earlier this year. During his stay, my husband and I often found ourselves crossing four or five times per day, particularly so at weekends. Many of elderly residents requiring regular outpatient appointments (dialysis, oncology etc) also cross far more frequently.

I ask that the reserve revenue trending be assessed in detail as I understand that contrary to the previous projections that the toll revision order application was based on, the figure is currently stable, and in fact slightly increasing.

Please confirm good receipt of my further correspondence and note that I reserve the right to bring further evidence to the attention of the Inspector if I need to prior to September 6th, 2024.

Yours sincerely

Victoria Slavin.

Note: I include hyperlinks to document sources for the Inspector's verification of source.

Enclosures

Annex A: Extract - General Managers Quarterly Report (7-12-2018)

Annex B: General Managers Quarterly Report (19-07-2024)

Annex C: 2024 25 Revenue Budget and Capital Programme Appendix 1 to 3

Annex D: Tamar Toll Action Group assessment of Toll Increases to cross the Tamar since 1992.

Annex E: 2023 Tamar Toll Consultation results extracted from public reports pack 8th December.

Annex D: Tamar Toll Action Group assessment of Toll Increases to cross the Tamar since 1992.



Analysis of Toll Increases on the Bridge and Ferry since 1992

Date of toll uplift	Ferry Tolls		Bridge Tolls		% uplift since 1992 (cash rate)		% uplift since 1992 (Concession rate)		Tolls if 1992 toll rates had been increased by inflation since then (rounded to 2 decimal places)				Comments / notes
	Cash	Concession	Cash	Concession	Ferry	Bridge	Ferry	Bridge	Cash		Concession		
									Ferry	Bridge	Ferry	Bridge	
									Ferry	Bridge	Ferry	Bridge	
Feb 92	£0.40	£0.40	£0.40	£0.20	0		0			0			No concession on ferry
May 94	£1.00	£0.50	£1.00	£0.25	150%		25%		£0.42	£0.42	£0.42	£0.21	50% concession on ferry 75% on bridge
Jan 97	£1.00	£0.50	£1.00	£0.50	150%		25%	150%	£0.45	£0.45	£0.45	£0.23	50% concession parity between Bridge & Ferry
Mar 10	£1.50	£0.75	£1.50	£0.75	275%		87.5%	275%	£0.57	£0.57	£0.57	£0.29	
May 20	£2.00	£1.00	£2.00	£1.00	400%		150%	400%	£0.70	£0.70	£0.70	£0.35	
May 22	£2.00	£1.30	£2.00	£1.30	400%		225%	550%	£0.78	£0.78	£0.78	£0.39	
Jan 23	£2.60	£1.30	£2.60	£1.30	550%		225%	550%	£0.81	£0.81	£0.81	£0.40	
Nov 24	£3.00	£1.50	£3.00	£1.50	650%		275%	650%					Proposed 2024 toll uplift

The average annual salary in 1992 was around £13,500 per annum.

- This increased by 550% (based on percentage toll increase to date since then) would equate to £87,750 today.
- This increased by 650% (based on the proposed 2024 toll increase) would equate to £101,250 today.
- The mean average salary for workers in the UK in 2023 was £33,402 (up from £31,447 in 2021).
- Average Salaries in Southeast Cornwall are typically below the national average.
- Cornwall has an above average number of seasonal workers and unpaid carers who can't, or don't, work full time.