

Cllr Colin Martin

Cornwall Councillor for Lostwithiel
Leader of the Liberal Democrat Group on Cornwall Council
Former Parliamentary Candidate for South East Cornwall
Also speaking on behalf of Ben Maguire, Liberal Democrat MP for North Cornwall

My original objection, submitted by email in June 2024:

“The application for the toll increase was based on the Conservative Government’s refusal to provide any direct funding for the crossings.

So, before any final decision is made on the toll increase, time should be allowed for the new Transport Secretary to consider providing full, direct funding for the crossings, which would enable tolls to be abolished altogether.

This would eliminate the costs associated with collecting and administering the tolls, as well as significantly reducing congestion on the bridge. This, along with the savings to local drivers, would reduce unnecessary vehicle emissions and boost the local economy.

This proposal would increase overall Government expenditure by just 1/1,000th of 1%, so it is eminently affordable.

Therefore, please reject the current application so that the situation can be reassessed in the light of any new funding settlement.”

My closing statement at the end of the Public Inquiry on 15th October:

The figures upon which this application is based are fundamentally flawed:

- On the spending side, the officers would have you believe that the electrification of one of the ferries is essential, as is the fire protection system and the major refurbishment of the toll booths. They even want to factor in an early date for replacing the ferries. But today we have learned that these are all discretionary projects which don’t need to be brought forward right now:
 - The toll booths could be patched
 - The electrification doesn’t need to be done just yet, the cost of doing it is just a vague estimate, a first-of-a-kind prototype
 - The fire protection coating might not be necessary at all: It seems like a tiny number of fires have been a trigger to spend millions on mitigating a tiny risk.
 - The ferry maintenance programme appears to be gold-plated and the ferry replacement schedule is potentially decades ahead of where it needs to be.
- The revenue projections fail to consider several significant factors affecting vehicle numbers:
 - We have heard that after the tolls were last increased in November 2019, there was a global drop in vehicle numbers due to COVID, but whilst other crossings have recovered closer to pre-pandemic levels, the Tamar Crossings are persistently stuck at lower levels.
 - It is also abundantly clear that those responsible for managing the crossings are either oblivious to or dismissive of the commitment in Cornwall Council’s own Transport Strategy that car journeys should fall by 5% per year from now to 2030.
 - On the flip side, there are thousands of new houses under construction which may lead to higher demand.

- Before the Inspector can assess whether this toll increase is appropriate, we need to know which of these factors will dominate: If the upside factors are greater, this increase might not be necessary at all; If the downside factors are greater, this 15% increase might not be enough, and we'll be back here again soon to hear the case for another toll rise. But rather than doing the research to come up with robust figures, the officers have just assumed that traffic levels will remain steady. This seems like a dangerous and unforgivable oversimplification.
- And in terms of potential other sources of revenue, we have heard that a cross-party coalition of local MPs is meeting soon to take forward the case for central Government to support the crossings. There are several potential avenues for them to pursue:
 - A precedent has been set at other crossings where significant debts have been written off in order to put them on a stable financial trajectory.
 - Labour's manifesto makes economic growth its #1 priority, supported by a £7.3 billion national wealth fund. If a tiny fraction of this were used to fund the toll booths, the ferry electrification, or even the next generation of ferries, the tolls could be frozen.
 - Labour criticised the Conservative Government for cutting Cornwall's dedicated economic development funding from £100m to £44m after Brexit. If this cut was reversed, Cornwall could easily afford to abolish the tolls altogether.
 - National Highways spent £17 billion over the past 5 years on the "Strategic Road Network", which includes the A38, but did not pay a penny towards the Tamar Crossings. If the crossings were adopted by National Highways, they could easily afford to abolish the tolls.
 - The Labour Government is promising to take "devolution" further than ever before. If our fair share of the National Highways budget was devolved to Cornwall Highways, we'd have enough money to abolish the tolls AND upgrade the A38!

We now have lots of Labour and Liberal Democrat MPs, who all got elected promising to deliver "our fair share" of Government funding.

For over 100 days, we have been waiting to find out what the new Government has in store for the nation's finances. Just two weeks from now, the Chancellor will give us the first indication of what this will mean for the Strategic Highway Network, for devolution and for our local Council budgets. But right now, we simply don't know.

So, whilst we all agree that the bridge and ferry need to be paid for one way or another, the case simply hasn't been made that this particular increase at this particular time is justified.

- Some of the costs in this budget are not justified
- The projection of vehicle numbers and therefore revenue is woefully inadequate, with major factors simply swept into a grand assumption that "vehicle numbers will remain flat"
- Potential sources of significant new investment could be just around the corner, with a new set of MPs and a new Government embarking on a mission for growth and devolution.

This application before you today has been rushed:

- Too much haste to spend on unnecessary bells and whistles, and gold-plated ferry maintenance

- Too little time taken to properly investigate the factors around future vehicle numbers
- No time has been allowed to establish a relationship with the new Government and ascertain what sources of funding might be possible.

Therefore I hope you will agree with me that whilst toll increases cannot be permanently ruled out, the case has not yet been made that they are justified now:

- The officers need to go back and look more critically at their spending plans, asking themselves, "Would a local business spend its own hard-earned money this way?"
- They need to go away and take a proper look at the factors affecting future vehicle numbers, both up and down.
- And they need to get on with meeting Ministers to make the case for funding.

In the meantime, the Secretary of State needs to say no to this application, at least for now.

Other notes:

"The letter":

- If the letter was not intended to influence the outcome of the vote, it would not have been written. If it was intended to influence the outcome of the vote, but was not included in the written record of the meeting (either in the public papers or the restricted papers visible only to Councillors) then the legitimacy of the resolution made by the Joint Committee is called into doubt, as are the subsequent votes taken by both Full Councils.
- Just three more abstentions on Cornwall Council would have prevented this Toll Revision application being brought forward.
- If due process has not been followed, could the Secretary of State's decision be open to Judicial Review?

My questions raised during the day:

(I have put my summary of the answers given. This is not a transcript!)

General Manager: David List:

"The single biggest reason we are here today is that vehicle numbers have plateaued at 90% of pre-COVID levels:"

- Mr List asserts that the previous toll increases did not affect the volume of traffic, but states that other crossings elsewhere HAVE seen their vehicle numbers return to pre-covid levels. We've all had covid, but only the Tamar has had a 33% price increase in November 2019.
- **Does Mr List think that the Ukraine war only had an impact on operating costs, or has it also reduced vehicle numbers?** Answer: Both
- Conversely, increasing the toll could drive down the number of crossings, exacerbating the deficit it aims to eliminate. He also asserts that the Ukraine war has reduced vehicle numbers (presumably because the cost of fuel is higher. This is another admission that the cost of travel affects the volume of vehicles. **What price elasticity of demand have you factored into your projections?** Answer: Not much
- On the other hand, Cornwall Council's formal policy is to reduce carbon emissions in Cornwall to zero by 2030, which would require a drastic reduction in the number of cars crossing the Tamar. Page 24 of the Council's 2030 Transport Strategy strategy

calls for a 30% reduction in car travel by 2030. **Have you used the figures from the Council's own Transport Strategy in your projections of vehicle numbers?**

Answer: No

- **Why are you choosing to spend millions on electrifying the ferries, whilst assuming that the Council, the Government and the general public are not going to do their bit for climate change by reducing car journeys?** Answer: We're trying to change what's in our power to change. If others don't do their bit, there's nothing we can do about that.
- Mr List asserts that "we" are getting a 4:1 benefit to cost ratio. **Who does he mean by "we"? Has he asked those who feel this benefit to contribute to the costs?** I didn't actually get around to asking this question, but it seems that whilst value is being created for other stakeholders (e.g. schools), no attempt has been made to bring this value back into the business (e.g. by charging schools for visits)
- The Chancellor is expected to change the "Fiscal Rules" later this month to allow greater investment in infrastructure. The new Government has made economic growth its top priority. If this is achieved, then vehicle numbers will increase and the forecast deficit will improve. Likewise, if the new Government devolves the A30 and A38 to Cornwall, along with the relevant proportion of National Highways funding, this would transform the Council's ability to fund the crossings.
- **What meetings have you had with Ministers from the new Government?**
 - **Transport ministers?**
 - **Treasury ministers?**
 - **Local Government ministers?**
 - Answer: We've had initial meetings with one MP, and plan to meet soon with a group of MPs, but have not yet had any meeting with Labour Government Ministers.
- At the time the 15% increase was proposed, the reserves were forecast to run out by the middle of this year. But Mr List says the reserves will still be in the black at the end of the financial year.
- In the past, when major unexpected costs have arisen, the Councils have provided loan finance to enable works to be funded. **So if the toll increase is paused for 6 months, we won't run out of money whilst we wait to see if the new Government will provide extra investment for our area.**
- Answer: Forecast is for the reserve to be above £500k at the end of this financial year and to go into deficit some time in 2025/26

Accountant: Miss Baker

When you signed off on this model, did you consider that a substantial increase in the toll level might cause a reduction in crossing numbers? Answer: No

When you signed off the revenue projections, were you aware that Cornwall Council's transport strategy calls for a 30% reduction in private car journeys by 2030? Answer: I am [now] aware that the strategy calls for some reduction in car journeys. (My inference: Miss Baker was unaware of the 30% target when she approved the financial modelling)

If vehicle numbers fall by 5% per year as necessary to achieve this target, how soon would revenue fall below expenditure. Answer: Don't know

We've heard that £3m is included in the programme to electrify a ferry. Is this a statutory requirement? Answer: Don't know

What is the cost of the fire study? When was the last one carried out? How often does the law require these to be carried out? Answer: Don't know

Bridge Engineer:

Is the Fire Protection system a legal requirement?

Answer: No, but the Committee has commissioned us to do a study into the possibility of installing one here to mitigate against the possibility of a vehicle fire causing serious structural damage.

Has there ever been a fire on the Tamar Bridge?

Answer: Not that I am aware of.

Naval Architect:

Is decarbonisation of the ferry a legal requirement?

Answer: Not at the moment

What level of confidence do you have in the £3m figure quoted?

Answer: This is just a first-pass feasibility study. The cost could be significantly higher or lower.