

**The Tamar Crossings – the Tamar Bridge and the Torpoint Ferry – are operated by the Tamar Bridge and Torpoint Ferry Joint Committee on behalf of Cornwall Council and Plymouth City Council which jointly own them. Like many other organisations across the country, the impact of Covid 19 pandemic has left Tamar Crossings facing a significant financial shortfall. It has been particularly challenging for an organisation which pre Covid had placed to continue operating on a break-even basis.**

The March lockdown caused a major drop in the levels of traffic at both crossings, whilst services and maintenance continued. The reduction in traffic volumes has caused a much greater loss of income than the safety related decision to temporarily suspend tolls.

Income continues to be lower than anticipated pre-Covid and, as funding for the crossings comes almost entirely from toll, this loss of income means our modest reserves have been exhausted and we are facing a growing financial deficit.

The Joint Committee and the two Councils have requested additional funding from the Government to offset the impacts of Covid 19 on the organisation, but to date there has been no commitment to financial support.

The Joint Committee has made a decision to stabilise finances by starting the process to revise prices. The Committee and the two Councils will

continue to lobby central government for financial support and will modify or halt the plans to revise prices if support is provided.

This leaflet explains how the operation, maintenance and improvement of the Tamar Bridge and Torpoint Ferry are funded. It also sets out the details of the proposal being put forward by the Joint Committee for addressing the financial shortfall and ensuring that we continue to keep both crossings operating.

### Why is there a charge to use the Tamar Bridge and Torpoint Ferry?

The Tamar Bridge and Torpoint Ferry are jointly owned and operated by Cornwall Council and Plymouth City Council.

In accordance with the Tamar Bridge Act both crossings are funded on a “user pays” principle. This means that all the money needed to operate, maintain and improve the two crossings comes from toll charges - no funding is received from central government or from the two councils. The finances of the crossings are ‘ring-fenced’. This means that any surplus is retained in reserves and any deficit depletes those reserves.

The maximum toll that we can charge for each class of vehicle is authorised by central government, based on a business case justifying our requirements. We are allowed to discount toll charges, for example for the pre-paid TamarTag electronic payment system.

Our income is the product of toll charges and the traffic volume. Although 60% of crossings are paid for by the TamarTag, the majority of our income still comes from cash payments.

### What is the toll income spent on ?

The money from the tolls is used to operate, maintain and improve the two crossings. Over 100 staff are employed at the two crossings to deliver the service 24 hours a day, 365 days a year.

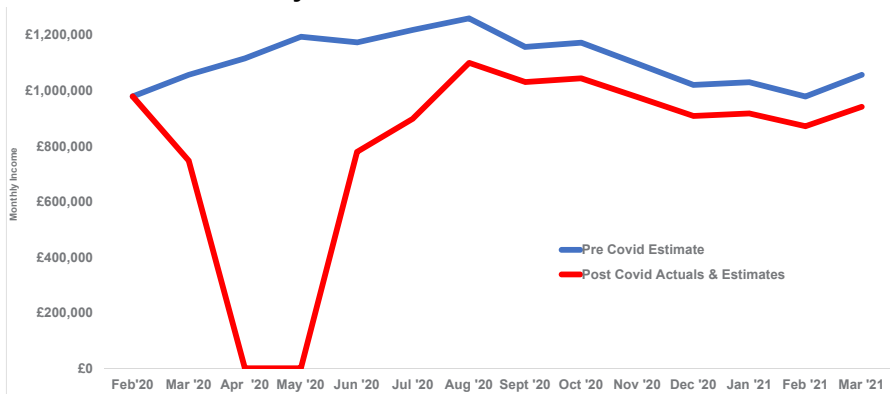
During the past few years significant works have been carried out at the bridge and the ferries.

We are in the final stages of the £3.8 million scheme to renew part of the bridge deck waterproofing system on the bridge. A major update of our tolling systems is also nearing completion, which includes contactless payment at the booths.

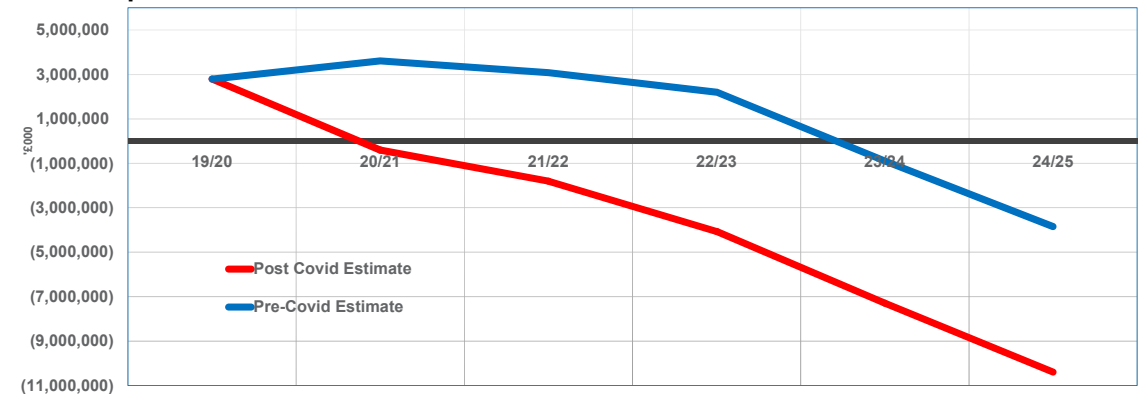
At the same time we have been carrying out routine maintenance on the bridge, including painting and recoating the railings and decks, and are finalising plans for a major bridge resurfacing scheme in 2021 which has been delayed due to the coronavirus pandemic.

At the Torpoint Ferry we completed a major refit on LYNHER earlier this year, as well as carrying out urgent repairs to the shoreside chain tensioning gantries following the discovery of a significant amount of wear on some of the pulleys.

**Covid effect on monthly income**



**Covid impact on forecast reserve with current tolls**



## Why do you need to revise your prices now?

Following last year's increase in toll charges, we had not expected to have to introduce any further changes until at least 2023. The business model assumed steady levels of traffic which provided income that matched expenditure.

The Joint Committee and the two Councils have written to the Government and to local MPs seeking additional funding. As yet, there has been no offer of immediate financial support.

Unfortunately the loss of traffic and therefore income caused by the pandemic means that without additional funding from the Government or a significant increase in traffic levels, we have no choice but to revise prices for the crossings.

In the initial phase of lockdown traffic dropped to around one-third of previous levels, and remains 10% less than anticipated. With the temporary suspension of tolls we anticipate income for the financial year being £3 million lower than was anticipated at the start of 2020. It is also likely that traffic will not return to pre-Covid levels for some considerable time.

If we wait to see if traffic levels improve or whether there is support from the Government, we risk creating a larger budget deficit which the parent authorities would be unable to cover, and therefore a bigger rise in tolls next year would be likely.

As things stand our only short-term option to increase income is to reduce pre-paid TamarTag discount. Increasing cash tolls involves applying to the Department for Transport under a statutory process, and typically takes around a year to get approval.

Unless prices are revised now, we are facing a significant and growing financial shortfall which without intervention would lead to a reduction in services.

## What is the proposal?

After considering and ruling out a number of potential options, including significantly reducing the ferry service, the Joint Committee is proposing a temporary 10% reduction in the pre-payment

TamarTag discount (from 50% to 40% ) from January 2021.

At the same time it is proposing to begin a formal application to the Government to increase the charge for cash tolls by 20% in January 2022. If the application is approved and cash tolls are increased, the level of the TamarTag discount would then return to 50%.

These changes would mean the discount toll for a car increase would increase from £1 to £1.20, with the cash toll increasing from £2 to £2.40.

The final decision on revising prices is due to be made in December. However if circumstances change in the meantime and a toll increase is no longer needed, the process can be halted at any time.

## How you can have your say:

We understand that this necessary proposal will be unwelcome but we want to hear the views of customers and other stakeholders to ensure that all relevant factors are taken into account in finalising any changes to toll levels.

To make sure your views are taken into account please complete the questionnaire and return it to us by **3 November 2020**.

You can also download an electronic version of the questionnaire from our website, [www.tamarcrossings.org.uk](http://www.tamarcrossings.org.uk), where you can also find more information about the proposal.

Additional information can also be obtained by emailing us at [consultation@tamarcrossings.org.uk](mailto:consultation@tamarcrossings.org.uk) or calling us on 01752 361577.

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# FUNDING THE CROSSINGS

## Consultation 2020

