

**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. The crossings are operated together as a single business and are funded on a ‘user pays’ principle from toll income in accordance with the Tamar Bridge Act. This means that all of the money needed to operate, maintain and improve the two crossings comes from toll charges - no funding is received from the Government or from the two councils. The finances of the crossings are ‘ring-fenced’ which means that any surplus is retained in reserves and any deficit depletes those reserves. Before the pandemic struck we had not expected to have to increase tolls until 2023, but this leaflet explains why we need to bring that forward.**

### The Effects of Covid

Like many other organisations across the country, the impact of the pandemic has left Tamar Crossings facing a significant financial shortfall. It has been particularly challenging for an organisation which had planned to continue operating on a break-even basis. The various lockdowns and the longer term changes in travel patterns like working from home have caused a major drop in the levels of traffic at both crossings - see graph on the left below. Traffic levels

and income are still only around 90% of pre-Covid levels – and at current toll prices this represents around £1.4 million a year of lost income.

By the end of 2020 our reserves had already been fully depleted, but fortunately the Government came to our aid and provided some financial support totalling approximately £3m which has offset some of the losses, but even with this help we are still around £3m worse off than pre-Covid forecasts. There is currently no prospect of further support from Government, but the Joint Committee and the two Councils are continuing to lobby for that support.

Our income depends on toll prices and traffic volume. The maximum cash toll that we can charge for each type of vehicle is fixed by the Government but we can vary the discount that we give for pre-paid TamarTag crossings. Although 60% of crossings are paid for using TamarTags, over half of our income still comes from cash tolls.

As a result of the pandemic Tamar Crossings are now running at a loss and reserves will be fully depleted by the end of 2022. The Joint Committee has therefore been forced to make a decision to stabilise finances by reducing discounts, and apply to Government to increase cash tolls.

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 can continue to keep both crossings operating safely, reliably and efficiently.

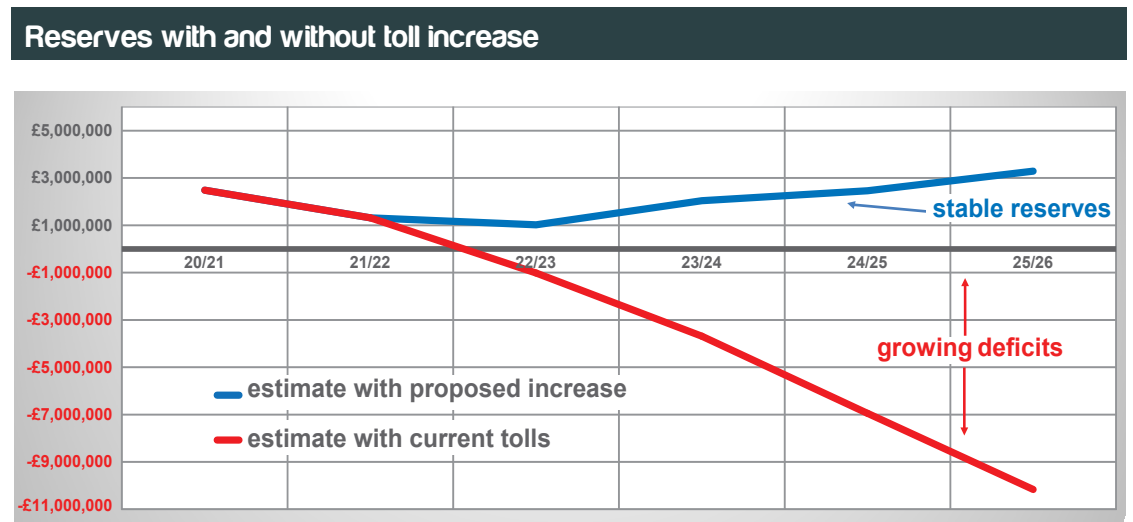
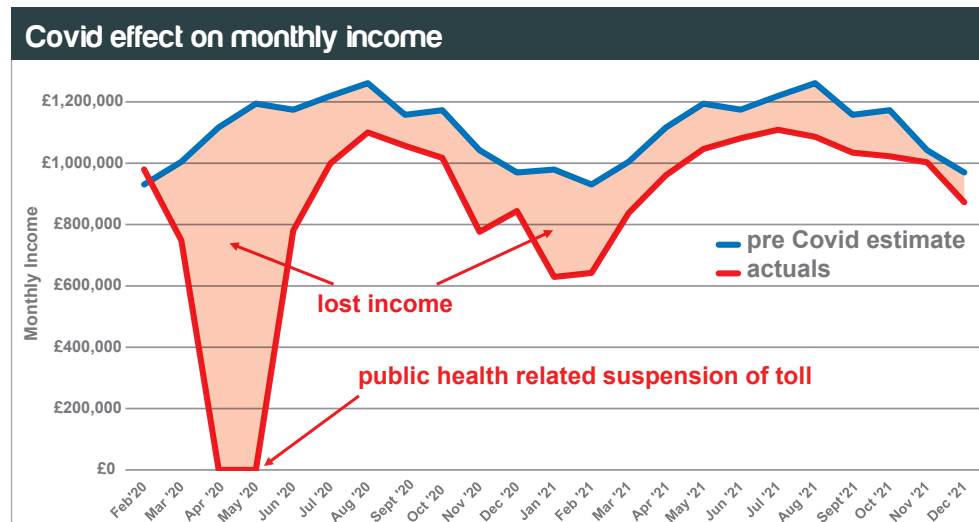
### What is the toll income spent on?

The money from the tolls is used to operate, maintain and improve the two crossings. Over 100 staff are employed to deliver the service 24 hours a day, 365 days a year at the two crossings. Despite the pandemic we have continued to fully operate and maintain the crossings to deliver this critical service, and our costs have actually gone up with the higher levels of inflation including energy and fuel prices.

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

We have just finished major projects on the Bridge - painting, kerbs and resurfacing totalling nearly £17m. A major update of our tolling systems has also been completed, which included contactless payment at the toll booths, with plans to provide contactless payment at the Ferry in 2022.

At the Torpoint Ferry we have completed a cycle of refits for the three vessels and are gearing up for the next three-year cycle starting in 2023. During that next refit cycle we will also be replacing the chain gantries that support the tensioning weights for the chains. The refit cycle and the gantry work represent around £6m of investment.



## Why do you need to revise your prices at this difficult time?

Unfortunately the loss of traffic and therefore income caused by the pandemic means that without further funding support from the Government or a significant increase in traffic levels, we have no choice but to revise prices for the crossings as soon as possible. Both owning Councils are themselves in extremely difficult financial positions and are unable to provide financial support.

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 formal statutory process, and typically takes several months to get approval.

Unless prices are revised soon, we will face 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 and bigger toll increases of 35%, the Joint Committee is proposing a uniform 30% increase on TamarTag and cash tolls for all vehicle classes. The effect of this proposal on our finances can be seen in the graph on the right overleaf.

If a final decision is made to proceed with the increases, TamarTag tolls would most likely increase in May 2022, and at the same time we would submit an application to increase cash tolls which we expect could be implemented in January 2023.

The proposed 30% increase would apply to all vehicle classes, and would mean the TamarTag toll for a car would increase from £1 to £1.30, with the cash toll increasing from £2 to £2.60.

The final decision on revising prices is due to be made in March. However if circumstances change the proposal could be amended or 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 **14 February 2022**.

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.

**This document is available in other languages and accessible formats.**

**Please call or email using the contacts above.**

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# FUNDING THE CROSSINGS

## Consultation 2022

