

Changes to TamarTag discount to come into operation on 1 May

8 April 2022

Following the decision of the Tamar Bridge and Torpoint Ferry Joint Committee to reluctantly increase tolls to secure the long-term future of the two crossings, the reduction in the pre-payment TamarTag discount will come into operation on May 1.

Tag discount rates are set locally by the two parent authorities - Cornwall Council and Plymouth City Council – both of which supported the proposal to revise tolls at their meetings in January and February. The 30% reduction in the discount equates to an extra 30 pence per crossing for a TamarTag car user.

Cash tolls cannot be increased until authorisation is gained from the Department for Transport. A formal application to increase cash tolls by 30% was submitted to the Government earlier this week. If approved this increase is expected to come into effect in January 2023. A copy of the application to the Government is available to view on the Tamar Crossings website :

<https://www.tamarcrossings.org.uk/toll-revision-application-7th-april-2022/>

In coming to their decision, members of the Joint Committee noted the undertaking's growing level of debt - £43.085m at the end of January 2022 – that had funded capital projects. They also noted that the repayments and interest on this debt represented 33% of toll income by the end of March 2022.

“The reluctant decision to increase tolls had to be made to secure the future of the two crossings” said Joint Chairs Plymouth City Councillor Jonathan Drean and Cornwall Councillor Martin Worth . **The income needed to operate the crossings relies on traffic numbers, and even now, two years after the first lockdown, our traffic levels are only about 90% of pre-pandemic levels.**

“We have kept the proposed increase as low as possible while still ensuring the quality and sustainability of the service into the future. Even with the increase the crossings are still amongst the cheapest self-financed major tolled crossings in the UK.”

“The additional revenue will address the shortfall in income and provide funding to maintain current service levels and carry out further essential works on both the bridge and the ferries into the future.

Members of the Joint Committee and both parent authorities are continuing to lobby the Government to provide more funding for the crossings.

The Committee is appointing an independent consultancy to carry out a review of the effectiveness, efficiency and governance of Tamar Crossings to inform, amongst other things, a long-term pricing strategy that will reflect the need to manage future demand support the wider climate change agenda.

Members also asked for a report into the feasibility of providing an additional toll discount for zero emissions vehicles. This will be considered at the Joint Committee meeting in June.

Ends

Notes to editors

The 30% reduction in the TamarTag pre-payment discount will equate to an extra 30 pence per crossing – £1.50 per week for a Tamar Tag car user crossing five times a week.

For those paying by cash the car toll will increase from £2 to £2.60 per crossing. The price of discount tolls will not increase in January.

Between them the Tamar Bridge and Torpoint Ferry carry around 18 million vehicles a year (16 million on the bridge and 2 million on the ferries), with the two crossings recognised as uniquely important to the economy of the region. The Tamar Crossings are almost entirely funded by toll income, which is used to operate, maintain and improve the bridge and ferries.

Before the coronavirus pandemic tolls were not expected to increase before 2023. However, traffic levels at both crossings remain significantly below those recorded prior to the pandemic and are expected to remain so for some years. A proposal to increase tolls last Autumn was deferred in December 2020 following financial COVID support from the Government. This support has now ended, with no prospect of any additional external funding.

Without a toll increase, the organisation's reserves would be completely depleted during 2022, and Tamar Crossings are facing a significant and growing financial deficit unless there is intervention to increase income. The latest figures forecast an annual funding gap of £3.2m by March 2024, with an accumulated reserve deficit of £6.9m by March 2025.

The crossings receive no financial subsidy from either of the two Councils or from Central Government and are entirely self-financed through the tolls charged. This means that the crossings would not have been sustainable without the additional income from an increase in tolls.