

TO: ALL MEMBERS OF THE LEADER'S CONSULTATIVE COMMITTEE

Following Wednesday's discussion on toll bridges in Scotland, I enclose a paper by Mr. Norman Fowler for discussion at the Leader's Consultative Committee meeting on Monday 31st July at the end of the main discussion on the Manifesto.

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TOLL CROSSINGS

A Paper by Norman Fowler

1. It has been the policy of successive governments that large and expensive estuarial crossings which produce considerable savings in time and cost to users should be subject to tolls. These have not been imposed however, where construction costs and likely traffic flow are too small to justify the cost of collection, or where charging would cause excessive diversions of traffic to other roads. There are 11 major crossings of this kind. (Table 1).
2. Most of the crossings are in major financial difficulties. (Table 2). As a result the Mersey, Tyne, Dartford and Humber crossing authorities have joined in a consortium with the aim of getting help from central government. Basically they are asking for help with the burden of loan debt and interest charges. They are not asking for the crossings to be made toll-free, but they estimate that for about £10 million a year of government help most of the crossings could be made viable and that steep increases in toll charges could be avoided. As Tables 2 and 3 suggest, the cost of making all toll crossings free would be enormous - the major part would consist of writing off loans.
3. The current government have resisted any attempt to make all crossings free. The Secretary of State's policy, set out in January 1978, is that: "Users of estuary crossings like the Mersey tunnels receive exceptional benefits from these expensive facilities and I, like my predecessors, think it right that those who benefit should meet the cost".
4. The obvious difficulty in making a pledge to scrap all tolls in Scotland is that it would be extremely difficult to resist the case for doing it elsewhere. At present a pledge to review the position generally would be welcomed by the English authorities particularly if we agreed to the proposals to help authorities with their interest charges. On the other hand if we abolish tolls in Scotland and do not do the same in England, then we are unlikely to receive any praise, and simply to be accused of inconsistency. It should be added that the Tay Bridge is one of the few viable bridges.
5. The total cost of abolishing tolls in Scotland should take account of £30 million of loans outstanding on the three bridges; £14 million in interest which has not been paid as well as the operating costs of around £1.5 million.
6. Clearly we would like to meet the case of Scotland but we should also seek to take into account the interests of other parts of the country. It is proposed therefore that we should pledge a review of the position of all toll crossings in Britain, and in principle say that we will

give help with the burden of loan debt and interest charges. In addition we could argue that in the case of the Erskine Bridge in Scotland and the Cleddau Bridge in Wales the toll income is now so small that it hardly justifies the cost of collection. In these two cases tolls could be abolished immediately and prior to the general review.

TABLE 1

TOLL CROSSINGS

Crossing	Date tolls fixed	Current Toll Level				Annual Traffic	Annual Toll Income
		motor-cycles	cars	light goods	heavy goods		
Consortium							
Mersey Tunnels	1977*	15p	25p	25p	60p	20m	£5.3m
Dartford Tunnel	1976*	10p	25p	40p	80p	10m	£2.8m
Tyne Tunnel	1976*	5p	15p	40p	40p	7m	£1.4m
Humber Bridge (estimated)	1979*	40p/50p	80p/£1.20	£1.50/£2.30	£3.00/£6.50	4m	£4.0m
						41m	£13.5m
Other Crossings							
Severn Bridge	1966*	5p	12p	12p	12p	11m	£1.3m
Erskine Bridge	1971	free	15p	50p	90p	3m	£0.5m
Tamar Bridge	1971	4p	15p	40p	70p	8m	£1.0m
Forth Bridge	1969	free	15p	50p	50p	9m	£1.6m
Tay Bridge	1966	5p	12½p	50p	50p	5m	£0.6m
Itchen Bridge	1977	5p	10p or 15p	25p	£1 or £10	4m	£0.4m
Claddau Bridge	1976	15p	30p	30p	60p	1m	£0.4m
*being reviewed at present						82m	£19.3m

TABLE 2

OUTSTANDING LOANS

Crossing	Grants		Loans		Total Cost
	Govt.	L. Auth.	Govt.	Other	
Consortium					
Mersey Tunnels—					
Liverpool/Birkenhead	2%	—	—	5%	8
Liverpool/Wallasey	—	—	30	7	37
Dartford Tunnel—					
1st tube	2%	½	8%	—	11%
2nd tube*	—	—	—	31	31
Tyne Tunnel	3	1	7	2%	13%
Humber Bridge*	—	—	46%	15%	62
Other Crossings					
Severn Bridge	—	—	92	61%	163
Erskine Bridge	—	—	12%	—	12%
Tamar Bridge	—	—	7%	—	7%
Taylor Bridge	—	—	—	2	2
Forth Bridge	4%	½	15%	—	20%
Tay Bridge	—	—	3	4	7
Itchen Bridge	—	—	—	12	12
Claddau Bridge	—	—	—	12	12
*Estimated.					
12%	2	130%	91%	236%	

TABLE 3

OPERATING LOSSES & ACCUMULATED DEFICIT

Crossing	Expenditure			Toll Income	Deficit		
	Operating Costs	Debt Charges	Total		for year	brought forward	carried forward
Consortium							
Mersey Tunnels	2.8	6.1	8.7	5.3	3.4	19.5	22.9
Dartford Tunnel	1.1	3.9	5.0	2.8	2.2	3.2	5.4
Tyne Tunnel	0.9	1.6	2.4	1.4	1.0	6.5	7.5
Humber Bridge (opening 1979)	—	5.0	5.0	—	5.0	7.0	12.0
Other Crossings							
Erskine Bridge	0.6	1.7	2.3	0.5	1.8	8.3	10.1
Forth Bridge	0.6	1.4	2.0	1.6	0.4	3.3	3.7
Itchen Bridge (opened July 1977)	0.1	1.3	1.4	0.4	1.0		
Claddau Bridge	0.2	1.5	1.7	0.4	1.3		
						financed by ratepayers	
6.1	22.4	28.5	12.4	16.1	47.8	61.8	