

## North Bristol SusCom Tea Break Briefing: Severn Bridge Tolls

### Background:

In January 2017, the Department for Transport & The Wales Office launched a consultation “The Severn Crossings: Reducing Toll Prices and other issues”. The consultation period ran from 13<sup>th</sup> January 2017 – 10<sup>th</sup> March 2017.

The Crossings were due, in 2018, to revert back to public ownership and the Government wanted to explore reducing the amount paid to use them. They announced they wanted to halve the cost to all vehicles. They would look to change the system from a “toll” to a “charge” which would give greater opportunity to vary the costs of a charge going forward.

*“Whilst the Crossings are in a relatively good condition, with any structures of their size and complexity there will always be maintenance costs which have to be paid. We believe that our proposals as set out in this consultation address these issues and offer a fair and sustainable deal for users of the Crossings and the taxpayer.”*

*“The Government is mindful that reducing tolls will increase traffic, and has conducted modelling which suggest 17% more vehicles using the Crossings by 2028 as a result of the toll reduction. The Government has therefore been considering ways to reduce queuing times at toll booths.”*

The consultation document clearly outlined options that the Government was not proposing, which included Abolishing the Tolls:

*“The Government is aware of the views expressed by some stakeholders that the tolls should be abolished altogether. **But this would put at risk the future of the Crossings.** The Crossings cost approximately £15 million each year to operate and maintain. During the course of the concession the Government incurred approximately £63 million to cover the costs of fixing latent defects on the Severn Bridge and this money still needs to be recovered. Furthermore, Highways England estimate that likely resurfacing of the Severn Bridge after the end of the concession period will cost in the region of £12 million. **The reality is that given the size and complexity of these structures there will always be a cost to ensuring their safe operation; and it has long been Government policy that the costs associated with keeping the Crossings functioning should be paid for by the users that benefit, rather than the taxpayer.***

*The Government is also concerned that reduced tolls could result in increased traffic and congestion in areas surrounding the Crossings, both in Bristol and along the M4 in Wales, where there are already concerns about congestion levels. Reducing the tolls by 50% would allow us to assess the impact, on the Crossing and more generally, of increased traffic flows.*

*Impacts of the Government’s proposals: Forecasts indicate that traffic across the Severn Crossings will increase by 28% between 2018 and 2027. But as a result of our proposed toll levels, based on the results of independent modelling commission by the Department, traffic growth will increase by 45%. Consequently because of reduction in tolls traffic volumes are forecast to increase by 17% over and above what they would have done. The Government is considering ways to manage this effect, including considering the options for free-flow tolling and day-time only tolling.”*

The consultation closed on 10<sup>th</sup> March 2017 and the consultation document stated that a summary of responses including next steps would be published within 3 months of the closing date of the consultation (so by 10 June 2017).

On the 16<sup>th</sup> May 2017, the Prime Minister made a pledge to remove the Severn Tolls if the Conservatives were re-elected in June 2017.

On 21<sup>st</sup> July 2017, the Secretary of State for Wales made an announcement confirming that the UK Government will abolish the tolls to all vehicles at the end of 2018.

In September 2017, the consultation report was finally published. It stated:

*“Whilst the consultation did not ask for views on abolishing the tolls, there were a significant number of responses that called for such action alongside respondents who were broadly supportive of the consultation proposals. It is the case the interested local parties, including Members of Parliament, Assembly Members, businesses and commuters have long called for the abolition of the tolls. In view of this we will not press ahead with halving the tolls but instead commit to abolishing the tolls entirely at the end of 2018”.*

The consultation report then goes on to breakdown the responses received.

A wide range of organisations and individuals responded to the questions asked in the consultation:

<b>Table 3: Total number of responses</b>	<b>459</b>
<b>Responses from individuals</b>	<b>428</b>
<b>Responses from business or other organisation</b>	<b>31</b>

The consultation was launched on 13 January 2017 and ran for eight weeks until 10 March 2017. A total of 459 responses were received, 428 from individuals and 31 from business or other organisations. 32 responses were sent by email and 427 responses were sent in via our online response form.

The majority of those responding, both individuals, and those representing businesses or other organisations agreed with our proposals to reduce the tolls by the amounts set out in the Consultation document. Specifically, 72% of respondents agreed with the proposal to reduce the tolls, whilst 28% disagreed with the proposal (See Chart 4 below).

However whilst the vast majority of those that agreed made no further comment, 9% of those in favour actually felt that the tolls should be reduced further or abolished completely. Another common response was that reducing the tolls would help boost the economy of the region.

Furthermore, of the 125 who disagreed with the proposal over 73% thought the tolls should be abolished or reduced further. In total therefore 27% of responses explicitly called for tolls to be reduced by more than 50%, with 54% of those against the proposal calling for their complete abolition.

Both the North Bristol SusCom (representing organisations with 40,000 employees) and the 4 West of England Authorities' submissions (representing over 1 million population) to the Consultation **argued against a reduction** in tolls and **did not** call for the tolls to be completely abolished. North Bristol SusCom suggested any surplus collected through the tolls could be used to invest in improved sustainable transport options between South Wales and the West of England.

The abolition of the tolls is set to benefit the Welsh economy by around £100m a year, according to a report "Welsh Government: The Impact of the Severn Tolls on the Welsh Economy, 30 May 2012".

Luke Hall MP asked a parliamentary question on 6 February 2018 – "*What assessment the Government has made of the potential benefits of removal of the Severn Bridge toll to the surrounding communities and businesses in (a) South Gloucestershire, and (b) the South West*". The response by Jesse Norman, Secretary of State for Transport on 14 February 2018 was "*we do not have specific modelling results for South Gloucestershire or the South West for the wider economic benefits of removing the existing tolls*".

This would infer that they do not have any information about any potential dis-benefits either.

## Key Issues for North Bristol SusCom:

### Impact on current traffic levels

- No analysis/traffic modelling has been undertaken to understand what impact the removal of the tolls will have on traffic and the existing network and transport choices people make.

### What are the wider benefits and dis-benefits

- The Welsh Government carried out research back in 2012 that talked about the growth to the Welsh economy from toll removal – what are the benefits and dis-benefits to the West of England economy?
- What is the likely impact on the South Wales and West of England housing markets?
- We know vehicle drivers will save on the cost of tolls but what will be the cost of increased traffic and congestion?

### Transport Choices

- We are concerned that many employees who currently travel by train, car share, cycle will be attracted to driving when the tolls are removed and this will lead to increased traffic, air pollution and congestion.
- More West of England based staff are likely to now consider South Wales as a commutable place to live and we will see an increase in employees commuting from South Wales adding to the congestion and strains on public transport – with no current plans for improvements to transport choices.

### Justification for toll removal appears political rather than evidence based

- The decision to abolish the tolls is being credited to a small number of people who responded to the consultation. Where has Government made such a big policy/transport decision based on such scant evidence and lack of information on the implications of their decisions?
- We feel the UK Government has ignored the transport issue in their political decision to abolish the tolls and they have not taken the transport impact issue seriously – they have focussed on the perceived economic benefits to South Wales only without understanding the dis-benefits caused by traffic gridlock and lack of alternative transport options to both the South Wales and West of England economies.

### Lack of Investment Plan for sustainable transport

- We know traffic on the M4, M5 corridors and surrounding routes will increase – tolls or no tolls. The Government needs to put an investment plan in place to enhance current public transport infrastructure and additional infrastructure to increase the number of people commuting between South Wales and the West of England (and vice versa) by non-car means.
- A plan should have been developed, put in place and delivered before the toll removal was announced or implemented.

### **We want to see the following:**

- Analysis on traffic levels and traffic flows since the removal of VAT on tolls in January. What impact has this reduction in tolls had on congestion and traffic levels to date?
- A detailed traffic assessment to help everyone understand the likely increase in traffic in the area as a direct result of the removal of the tolls.
- Some analysis undertaken to understand the likelihood of people moving into South Wales and commuting to North Bristol – with the toll removal and lower house prices in Wales this will now appear a more attractive option for people – and what this will mean for traffic generation and the housing market.
- A funded investment plan to improve the existing sustainable transport infrastructure between South Wales and the West of England (rail, buses, cycle routes).
- A funded investment plan for new sustainable transport infrastructure – things to be explored include mass transit connectivity, MetroBus, Bus Lanes/car sharing lanes on the Motorway, commuter coaches, improved cycle routes, Multi-modal interchanges etc.

### **Useful Background Documents/News Articles:**

- The Impact of the Severn Tolls on the Welsh Economy - Executive Summary May 2012
- The Severn Crossings: Reducing tolls prices and other issues - Consultation January 2017
- North Bristol SusCom consultation response
- West of England Authorities Joint consultation response
- BBC News Story: Severn tolls: Conservative election pledge to scrap charges 16 May 2017
- Gov.uk Announcement of free severn crossings 21 July 2017
- The Severn Crossings: Reducing tolls prices and other issues – Government Response (undated but issued in September 2017)

All document are downloadable from the North Bristol SusCom website:

<http://bit.ly/NorthBristolSusComBriefing-SevernCrossings>

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