

# **TRANSform Scotland**

*the campaign for sustainable transport*

## **Consultation on proposed Forth and Tay Road Bridges (Removal of Tolls) Bill by Bruce Crawford MSP**

Consultation response

30th August 2006

### **1. Introduction**

- 1.1 TRANSform Scotland is the national sustainable transport alliance, campaigning for a more sustainable and more socially-just transport system. Our membership includes bus, rail and shipping operators, local authorities, national environment and conservation groups, consultancies and local transport campaigns.
- 1.2 We welcome the opportunity to comment on the proposed Bill. We trust that you will take these comments into account during consideration of your bill.

### **2. Summary of main points**

- 2.1 We do not agree that tolls on either the Forth or Tay Road Bridges should be removed.
- 2.2 Removing the tolls on either bridge would have a negative economic impact.
- 2.3 Removing the tolls on either bridge would have a substantial negative environmental impact, and would worsen Scotland's record on climate change.
- 2.4 Removing the tolls on either bridge would have a negative social impact.

### **3. Specific comments**

#### **3.1 Question 1: Do you agree that tolls on the Forth Road Bridge should be removed?**

No. The only condition under which we would support removal of tolls is where they were replaced by a road user charging scheme.

#### **3.2 Question 2: Do you agree that tolls on the Tay Road Bridge should be removed?**

No. The only condition under which we would support removal of tolls is where they were replaced by a road user charging scheme.

#### **3.3 Question 3: If tolls are removed how should the maintenance and improvements for the Forth and Tay Road Bridges be funded?**

This is not applicable: we believe that maintenance and improvements should be funded through road tolls (or road user charging).

#### **3.4 Question 4: Should the Scottish Executive pay for the outstanding debt on the Tay Road Bridge? If not, how should the debt be paid?**

No. The outstanding debt on the Tay Road Bridge should be paid through road tolls (or road user charging) levied on bridge users.

### **3.5 Question 5: What is your view on the economic impact of removing the tolls?**

3.5.1 Removing tolls on either bridge would have a negative economic impact.

3.5.2 We note the findings from the Scottish Executive-commissioned *Tolled Bridges Study: Phase One TMfS Model runs final report* that removing bridge tolls would increase traffic levels on the Forth Road Bridge by 15% southbound and by 20% northbound<sup>i</sup>, and FETA's own response to the recent Scottish Executive consultation on tolled bridges, which indicated that removal of Forth Bridge tolls would increase traffic levels by 21%<sup>ii</sup>. This would have a severe impact on the environment, and would generate increased levels of congestion than there is currently.

3.5.3 It is understood that part of this forecast increase in traffic levels would be as a result of trips being made via the Forth Road Bridge rather than via the Kincardine Bridge. This would be a perverse response, especially in the context of the Scottish Executive's action to increase road capacity at the Kincardine Bridge by the construction of a second bridge. Action should be taken to remove traffic flows from the Forth Road Bridge, not to increase them.

3.5.4 In the case of the Tay, the Executive's *Tolled Bridges Review: Phase Two Report* states:

*"Modelling indicates that the existing congestion problems on [the] Tay [Bridge] would be exacerbated without tolls, and that increased tolls could help to ease congestion problems."*<sup>iii</sup>

3.5.5 It is very clear from the available evidence that removal of tolls on either bridge would lead to increased congestion, with resultant negative economic impacts. We are therefore opposed to the removal of tolls on economic grounds.

### **3.6 Questions 6: What is your view on the environmental impact of removing the tolls?**

3.6.1 The environmental cost of removing tolls on either bridge would be completely unacceptable.

3.6.2 As has been identified above, removal of tolls would lead to increased traffic levels and increased congestion. This will have negative environmental impacts.

3.6.3 Removing tolls from either or both bridges would further damage prospects of meeting the Executive's road traffic stabilisation target, would exacerbate existing local air quality issues, and would lead to increased climate change emissions.

3.6.4 It is therefore vital that some form of road tolling (or, preferably, road user charging) remain in place on both bridges in order to constrain traffic growth and limit congestion.

3.6.5 Removing road tolls would worsen Scotland's record on climate change. The transport sector is one of the principal contributors to climate change. There is now widespread acceptance that climate change is real, that it is already having damaging impacts across the planet, and that these impacts will worsen. Yet despite a now high level of awareness of this issue, there is however little evidence that the Scottish transport sector is taking measures to reduce emissions: car use and road freight levels continue to increase, while progress on vehicle efficiency is limited at best.

3.6.6 Reducing the price of car commuting across the Forth and Tay could only be read as a specific encouragement towards long-distance car commuting. This is the very policy that the sustainable transport policies espoused by the Scottish Executive (in its Climate Change Programme and its draft National Transport Strategy) seeks to deter.

### **3.7 Question 7: What is your view on the social impact of removing the tolls?**

- 3.7.1 Removing tolls on either Forth or Tay bridges would have a negative social impact, since it would have the effect of reducing the price paid by car drivers (a group who already fail to pay the true costs of their transport) and shifting the financial burden onto taxpayers.
- 3.7.2 It is well established that car ownership and use is significantly higher amongst higher income groups, so the effect of this transfer is likely to be socially regressive. The cost of this is set out in the *Phase Two Report*: on the Forth Bridge, this is estimated as a loss of tolling income of £10m per annum in the context of a cost of maintenance and investment of £141m up to 2020-21. On the Tay Bridge, the cost is estimated as a loss of tolling income of £3.5m per annum in the context of maintenance and investment cost of £56m to 2023-4 and an outstanding debt of around £13m.
- 3.7.3 Taking the two bridges together, removal of tolls would amount to an effective subsidy for motorists of £13.5m per annum. In the absence of tolls, the Scottish Executive would be expected to fund the planned maintenance and investment, as well as writing off the remaining debt on the Tay bridge, this would cost the taxpayer £210m. At a time when the Executive is rightly prioritising investment in public transport, we find the Bill's proposed subsidy of private motoring completely unacceptable, and deeply socially regressive.

### **3.8 Question 8: Do you have any comments on the Draft Bill and the Explanatory Notes?**

- 3.8.1 No. We would, however, like to respond in detail to a number of points raised in the consultation paper:

#### 3.8.2 Equality

We reject the claim that removal of tolls would "*bring equality to the people of the east of Scotland*". We submit that bridge tolls must be considered on a case-by-case basis, considering the individual circumstances of a crossing and any impact on traffic and communities. Removal of tolls in one set of circumstances does not logically mean that removal of tolls in a different set of circumstances should be supported. We believe, for the reasons laid out here, that given the circumstances on the Forth and Tay, removal of tolls cannot be supported.

#### 3.8.3 Toll barriers causing congestion

We reject the claim that toll barriers are a cause of congestion on both Forth and Tay bridges. The facts, laid out in the *Tolled Bridges Review Phase Two Report*, do not support this claim. This is because, on the Forth, the capacity of the toll plaza is higher than the capacity of the bridge itself; and on the Tay, the congestion issue is the relationship between traffic waiting to cross the bridge and other city centre traffic. Clearly, the tollbooths themselves are not contributing to congestion.

#### 3.8.4 Public opposition to tolls

We believe that the public opposition to tolls has been overstated by the media and certain politicians. This is underlined by the fact that, despite the thousands of users of the Forth Road Bridge, only two individuals objected when the £0.80 toll was proposed to be raised to £1.00. As was underlined by the Scottish Executive's consultations in July 1999 and February 2000, there is general public acceptance of tolls so long as they are seen to be fair.

According to the consultation responses, a fair tolling regime is one where the revenue is ring-fenced for local transport projects; where the revenue is genuine additional transport investment, and where there is transparency in the regime. It is also clear

from consultations that most respondents support the use of tolls to encourage modal shift.

However, despite any perceived or genuine public opposition to tolls, we believe that public perception should not determine the future of any tolling regime. Other factors, such as managing traffic demand; funding maintenance and operational costs; managing the environmental and social impacts of traffic and investing in transport networks are, we believe, of greater importance.

### 3.8.5 Shifting the burden of cost

As is correctly identified in the consultation paper, the proposal to remove tolls would shift the burden of cost from the private motorist to the Scottish Executive, and hence the general taxpayer. We believe this to be unacceptable, for reasons set out below.

The pressing economic, social and environmental problems of traffic congestion, air pollution and climate change are to a large extent caused by over-dependence on the private car and road freight. This situation has come about for a number of reasons, but the most transparent of these is the failure of private motoring and road haulage to reflect the cost they impose on the environment.

Contrary to the frequent statements by motoring organisations of the "hard-pressed motorist", the simple fact is that over recent decades the real price of motoring has not increased. Private motoring is more affordable today than it was 20 years ago, while the price of public transport has risen: since 1980, bus and rail fares have risen by 37% in real terms.<sup>iv</sup> Future projections suggest that without action being taken, that the price of private motoring will fall by 29% between 2000 and 2010 and a further 24% by 2025.<sup>v</sup>

There have been no increases in taxes on petrol over the last two years. Increases in fuel duty planned by the Treasury have been scrapped in response to rising oil prices and pressure from motoring and road haulage groups. In Scotland the percentage of fuel price that is taken up by taxes is lower today than it was in 1996.<sup>vi</sup>

Furthermore, and crucially, the transport sector does not cover its external costs. It is estimated that road taxation covers only one-third to one-half of the costs private car users and haulage companies currently impose on society and the environment. The University of Leeds' Institute for Transport Studies report, commissioned by the UK Department for Transport, *Surface Transport Costs & Charges*,<sup>vii</sup> in what remains the most comprehensive report of its kind in the UK, reported that:

*"For the British road sector as a whole, taxes and charges in 1998 covered between one third to a half of their relevant marginal social and environmental costs, depending on the range of the cost estimates examined. Congestion costs, making up some two-thirds of overall costs, are the most important cost category, followed by environmental costs, accident costs and infrastructure maintenance."*

The authors were subsequently quoted as saying that "far from being over-taxed, motorists pay only a third to a half of the costs they impose on society... [The report] claims the cost of congestion, pollution, infrastructure maintenance and accidents far outweighs the £32 billion fuel and car taxes collected each year".<sup>viii</sup>

## 4. Conclusion

- 4.1 Existing levels of road traffic are a major problem for the environment, for public health, and for the economy. Traffic levels also have a major damaging impact on the global environment, and in particular as a major contributor to climate change. For progress to be made in reducing traffic congestion, and for tackling emissions from transport, it is imperative that the price of road use rises so that it more closely reflects the costs it imposes on the economy, society and the environment.
- 4.2 The impact of removing bridge tolls would be to:
- Increase road traffic levels, pollution and congestion;
  - Act as a specific encouragement to long-distance car commuting; and
  - Represent a clear financial transfer from the general taxpayer to road users, despite road users failing to pay for the damage they already cause.
- 4.3 Whilst it may be very tempting to support populist demands for reducing the price of road use, such a policy can only lead to an intensification of the problems of the transport sector, and the worsening of the sector's external economic, social and environmental impacts. For these reasons, we can find no case for the tolls on the Forth and Tay road bridges to be removed.

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- i Scottish Executive (2004) *Tolled Bridges Study: Phase One TMFS Model runs Final Report* p.27  
<[http://www.tmfs.org.uk/Model\\_data/Documents/TMFS%20Bridges%20Report%20Phase%201\\_Model%20runs.pdf](http://www.tmfs.org.uk/Model_data/Documents/TMFS%20Bridges%20Report%20Phase%201_Model%20runs.pdf)>
- ii Forth Estuary Transport Authority (2006) *Tolled Bridges Review: Consultation Response*, p.4 -  
<[http://cpol.edinburgh.gov.uk/getdoc\\_ext.asp?DocId=86510](http://cpol.edinburgh.gov.uk/getdoc_ext.asp?DocId=86510)>
- iii Scottish Executive (2006) *Tolled Bridges Review: Phase Two Report*, p.25 -  
<<http://www.scotland.gov.uk/Resource/Doc/95522/0023115.pdf>>
- iv Department for Transport (2005) *Transport Trends 2005* Edition, Trend 2.6 -  
<[http://www.dft.gov.uk/stellent/groups/dft\\_transstats/documents/page/dft\\_transstats\\_026281.hcsp](http://www.dft.gov.uk/stellent/groups/dft_transstats/documents/page/dft_transstats_026281.hcsp)>
- v Department for Transport (2005) *The Future of Transport: Modelling and Analysis* -  
<[http://www.dft.gov.uk/stellent/groups/dft\\_about/documents/downloadable/dft\\_about\\_036814.pdf](http://www.dft.gov.uk/stellent/groups/dft_about/documents/downloadable/dft_about_036814.pdf)>
- vi Scottish Executive (2005) *Scottish Transport Statistics: no 24 2005* Edition, table 11.9 -  
<<http://www.scotland.gov.uk/Publications/2005/08/25100154/01557>>
- vii University of Leeds Institute of Transport Studies (2001): *Surface Transport Costs and Charges: Great Britain 1998* - <[http://www.its.leeds.ac.uk/projects/STCC/surface\\_transport.html](http://www.its.leeds.ac.uk/projects/STCC/surface_transport.html)>
- viii Quoted in Financial Times, 07 August 2001

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