

REPORT TO: Council

DATE: 10 February 2025

REPORTING OFFICER: Director – Legal & Democratic Services

PORTFOLIO: Environment and Urban Renewal

SUBJECT: Mersey Gateway

WARD(S) Borough wide

1.0 EXECUTIVE SUMMARY

- 1.1 Mersey Gateway Bridge opened to traffic on 14 October 2017. The Silver Jubilee Bridge reopened to traffic in February 2020.
- 1.2 Since the opening of the Mersey Gateway Bridge, as at 31 December 2024 there have been approximately 166m crossings of the bridges.
- 1.3 Both bridges are often described as being operated as tolled crossings, but strictly speaking motorists pay in the form of a road user charge under the Transport Act 2000. The charges are anticipated to remain on the crossing until the Mersey Gateway Bridge, improvements to the Silver Jubilee Bridge and other associated highway network improvements are paid for.
- 1.4 Since tolls were introduced in 2017, they have remained unchanged and there is now a need to increase the tolls by 20% to ensure that in line with the original proposals the project remains financially robust without the need for additional local or central funding beyond that already agreed.
- 1.5 On 24 October 2024, the Council's Executive Board received a report that outlined the requirement to increase tolls in more detail. That report also set out a number of other proposed changes to the current arrangements. The proposals were addressed in an updated draft Road User Charging Scheme Order ("RUCSO") that was appended to that report and Council resolved to conduct a consultation on the proposed revised RUCSO.
- 1.6 The consultation duly ran from 4 November 2024 to 16 December 2024 (inclusive). The Mersey Gateway Crossings

Board has prepared a report on the consultation responses, which is appended to this report at Appendix 2.

1.7 This report asks the Council to make the RUCSO in the form at Appendix 1.

2.0 **RECOMMENDATION: That the Council should, after giving full and proper consideration to the responses received to the consultation, and having taken them into account**

- 1) **confirm that no further consultation is required in respect of the updated RUCSO;**
- 2) **confirm that no public inquiry is required to be held into the making of the updated RUCSO; and**
- 3) **make the updated RUCSO in the form (or substantially the same form) as that at Appendix 1 and delegate to the Director (Legal & Democratic Services) in consultation with the Portfolio Holder, the authority to take all necessary steps to bring the RUCSO into effect and make any non-material or consequential amendments as are necessary to enable the updated RUCSO to be made.**

3.0 **BACKGROUND**

3.1 At the Council meeting on 24 October 2024, its Members agreed that a consultation be held into a proposed updated RUCSO.

3.2 The background to the updated RUCSO as proposed prior to the consultation is detailed in the 24 October 2024 report and is not repeated here.

3.3 The reasons for making the updated RUCSO remain unchanged since the resolution made by the Council at the 24 October 2024 meeting.

4.0 **CONSULTATION**

4.1 The consultation concluded on 16 December 2024 (inclusive). The Mersey Gateway Crossings Board has prepared a report on the consultation responses, which is appended to this report at Appendix 2.

4.2 The below text summarises the consultation responses received in respect of each of the topics outlined in the 24 October 2024 report. It should be read alongside the report at Appendix 2, which contains a fuller analysis of how the feedback received has been taken into

account and it is proposed by officers that the Council should likewise take it into account.

4.3 *Toll Increase*

Having considered the consultation responses alongside other relevant factors, particularly the long-term financial viability of the project, the Mersey Gateway Crossings Board recommends the 20% increase to Halton Borough Council as a necessary measure. It is clear that the majority of respondents to this question would rather that toll charges do not rise at all, and that if a rise is necessary, then the majority would prefer as small a rise as possible. Many felt that the proposed 20% increase was too large and would significantly impact bridge users.

A number of respondents strongly objected to the principle of tolling, saying that the project should be funded through general taxation, and some believed (incorrectly) that the bridge has already been paid for so that tolls should be removed.

Some respondents understood and provided support for the proposed increase on the basis that:

- tolls hadn't been increased since the bridge opened in 2017
- the proposed increase was less than cumulative inflation during that time, and
- they felt that the investment in the essential infrastructure was important

The Mersey Gateway Crossings Board and officers understand the concerns raised by many respondents about the impact of the proposed 20% toll charge increase. However, after over 7 years of price stability, a minimum increase of 20% is required to ensure the financial robustness of the scheme without additional Government grants.

As a result of good management of resources in an uncertain economic environment, this increase represents less than half of a comparison with inflation via RPI over the same timescale.

A range of smaller increases were considered as part of the preparation for this consultation and have been considered again following consultee feedback. However, as above, a minimum

increase of 20% is required to ensure the financial robustness of the scheme without additional Government grants.

Looking forward, the Mersey Gateway Crossings Board recommends that Halton Borough Council typically considers changes to toll charges every three years, unless required by unforeseen circumstances. Over 60% of respondents to this consultation question supported this proposed timeframe.

4.4 *Encouraging Accounts*

The Mersey Gateway Crossings Board also asked for feedback as to whether greater discounts on the standard toll charges would encourage people to open an account with merseyflow.

Just over 70% of respondents to this question, who didn't already have an account, responded that a higher discount would encourage them to open an account with merseyflow. The remaining 30% stated a range of reasons as to why this wouldn't encourage them to do so, e.g. they didn't use the bridges enough, they found the process difficult, they didn't trust the system.

It is helpful to receive feedback regarding the relationship between the level of discount and willingness to open an account. Although a higher discount may encourage more users to open a Merseyflow account, a higher discount would also result in reduced revenues which would require an even larger increase in toll, hence it is something recommended for consideration in the future but not as part of the proposed RUCSO.

4.5 *Penalty Charge Notices (PCNs)*

Having considered the consultation responses alongside other relevant factors, the Mersey Gateway Crossings Board recommends that the PCN rate increases from £40 to £50.

The vast majority - over 97% - of users pay for their crossings and the PCN is there as a deterrent to encourage users to pay for their crossings, and so as the cost of the toll for compliant users increases, it is appropriate that a proportionate increase in the penalty for non-compliance is applied. There are multiple ways of paying for the crossing for both the regular and infrequent users

Just over two-thirds (67%) of respondents to this question disagreed with the proposal. Just under a quarter (25%) supported it, whilst the remaining 8% felt that PCNs should increase by a greater amount.

As the PCN is intended as a deterrent to non-payment, and to encourage users to open accounts, the Council could offer the opportunity for unregistered users in receipt of their first PCN at the new rate to pay the penalty fee, with the proceeds to be converted into an account for that user's future use. The Director (Legal & Democratic Services) would need to, in consultation with the Portfolio Holder, agree the details of the implementation and acceptable circumstances of this offer to those who incur a PCN for the first time following the increase on 1st April 2025.

4.6 *Local User Discount Scheme (LUDS)*

Having considered the consultation responses alongside other relevant factors, the Mersey Gateway Crossings Board recommends an increase in the registration fee cost of LUDS in line with proposed price increase of 20%.

This would be accompanied by an associated discount for those customers signed up to Auto Renewal with a Direct Debit.

5.0 **PROPOSALS**

5.1 For the reasons detailed above and in the consultation report, it is not considered that any substantive amendment is required to the draft updated RUCSO published for consultation as a result of the feedback received.

5.2 Accordingly, it is considered that:

5.2.1 as nothing has materially altered from the consultation no new or additional consultation is required and sufficient consultation has already been undertaken by the Council in respect of the updated RUCSO; and

5.2.2 an inquiry does not need to be held into the making of the updated RUCSO because all issues have been addressed and no new issues have been raised.

6.0 **POLICY IMPLICATIONS**

The Orders regulate the toll/charge regime and enforcement arrangements.

7.0 **FINANCIAL IMPLICATIONS**

The consequence of not increasing tolls on the Council is clearly identified within the Grant Funding Letter. The impact on the Council's finances would be negative as set out in the Funding Letter.

8.0 **IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

8.1 Improving Health, Promoting Wellbeing and Supporting Greater Independence

None

8.2 Building a Strong, Sustainable Local Economy

None

8.3 Supporting Children, Young People and Families

None

8.4 Tackling Inequality and Helping Those Who Are Most In Need

None

8.5 Working Towards a Greener Future

None

8.6 Valuing and Appreciating Halton and Our Community

None

9.0 **RISK ANALYSIS**

Removing the risk of the project becoming financially unsustainable through a combination of decreasing Central Government grant support and increasing costs, and the Council being exposed to its consequences has been carefully considered in arriving at the recommendations of this report.

The controls and processes of the Board's regular financial reporting to Central Government and Council will mitigate as far as possible any future risk of financial unsustainability developing.

A project risk register covering financial, contractual, operational and

other risks is maintained by the Board.

10.0 EQUALITY AND DIVERSITY ISSUES

Other than the matters identified in the report there are no implications for equality and diversity.

11.0 CLIMATE CHANGE IMPLICATIONS

None

12.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

All existing Orders referred to in this report are public documents, hence there are no Background Papers as described in the Act.

List of Appendices

Appendix 1 – RUCSO

Appendix 2 – Consultation Report