

NORTH LINCOLNSHIRE COUNCIL

CABINET

HUMBER BRIDGE – PROPOSED TOLL INCREASE

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 The Humber Bridge Board is seeking approval from the Secretary of State for Transport to increase the toll for all classes of vehicle, under Section 10(1) of the Humber Bridge Act 1971.
- 1.2 The key points in this report are as follows:
- Cabinet in a number of reports over recent years has made clear its objection to the level of tolls on the Humber Bridge – for individuals, business and investment;
 - Cabinet has joined with the other three unitary councils in the Hull and Humber City Ports Region to commission independent research into the impact of tolls on residents and businesses in the sub region;
 - Cabinet on 27 February 2008 gave approval for a ‘comprehensive communications and lobbying campaign on receipt of the research’;
 - Cabinet needs to maintain a consistent approach on Humber Bridge tolls in the light of the proposed increase.

2. BACKGROUND INFORMATION

- 2.1 The Humber Bridge Board on 21 August 2008 stated it is seeking ministerial approval to increase tolls on the Humber Bridge. If approved the bridge board would implement the increase ‘as soon as practically possible’. Individuals and organisations have until 6 October 2008 to object in writing to the Secretary of State for Transport. A copy must be sent to the Humber Bridge Board.

- 2.2 If the increase sought by the Humber Bridge Board is approved the crossing by car rises from £2.70 to £2.90. For a heavy goods vehicle over 7.5 tonnes with four or more axles, the cost rises from £18.30 to £19.90. The increase in tolls is part of an agreement with the Government in meeting debt repayments under the Humber Bridge (Debts) Order 1988. The decision to seek ministerial approval to increase the tolls was made by the Bridge Board on 13 February 2008. Further increases would follow every two years.
- 2.3 The Secretary of State for Transport, before making an Order under Section 10 of the Humber Bridge Act 1971 – and having considered the level of objections – can require a local public inquiry to be held.
- 2.4 The Hull and Humber Chamber of Commerce, and the Federation of Small Businesses (FSB) support the four Humber unitary councils' opposition to the level of tolls on the Humber Bridge. The FSB in July 2008 consulted its members on both banks of Humber. A total of 84 per cent said scrapping the tolls would be of 'great benefit' or 'some benefit' to them. Over 8 out of 10 businesses (83 per cent) said removal of the tolls would encourage greater economic activity on the other side of the bridge than is presently the case.
- 2.5 In light of Cabinet's long-held opposition to high tolls on the Humber Bridge – and the adverse impact they have on local residents and businesses – it would be consistent with this to call on the Secretary of State for Transport to hold a local public inquiry on the proposal to increase tolls, under Section 10 of the Humber Bridge Act 1971.
- 2.6 Cabinet has long held the view that high tolls on the Humber Bridge are inconsistent with the objectives behind the Hull and Humber City Ports Region. These seek to close the considerable prosperity gap that exists between the sub-region and the more prosperous parts of the country.
- 2.7 The research commissioned by the four Humber unitary councils into the impact tolls have on economic prosperity and social mobility is due to report next month. Should a public inquiry be called the research may prove to be of assistance to evidence the concerns of the four unitary councils and other partners.
- 2.8 Further toll increases will make it more difficult for local residents needing to visit hospitals on the north bank. High toll charges clearly have the greatest impact on low-income groups and those on fixed incomes in North Lincolnshire and other parts of the City Region.

3. OPTIONS FOR CONSIDERATION

- 3.1 **Option 1:** Cabinet has long taken the view that the present level of tolls to cross the Humber Bridge hold back the economic potential of the Hull and Humber City Ports Region and penalise North Lincolnshire

residents who need to access health care on the north bank. Further toll increases will do nothing to help the matter. Cabinet deciding to object to the proposed toll increase is consistent with the council's policy position over recent years and its leading role in ensuring a major research project was commissioned on the impact of tolls on business and individuals. This is due to report in October 2008 and is funded by the four Humber unitary councils.

- 3.2 **Option 2:** Cabinet decides not to object to the planned toll increase sought by the Humber Bridge Board. If it adopted this approach and other interested parties took a similar approach, it is likely the Secretary of State for Transport would accede to the board's request and approve an increase in tolls. It is unlikely a public inquiry would be called.

4. **ANALYSIS OF OPTIONS**

- 4.1 Option 1 would have the benefit of allowing interested parties to make their views known at a public inquiry, which is likely to take place if there are a sufficient number of objections. Given the council's concern at the adverse consequences high tolls have on the economy of the Humber sub-region – and the social mobility of individuals – this option has considerable benefits.
- 4.2 Option 2 would mean the council taking no action at a time when it is seeking to demonstrate its wider community leadership role. It would in effect be acquiescing to toll increases while also maintaining the high cost of travel across the bridge is damaging to the area's long-term prosperity.
- 4.3 Option 1 is therefore consistent with Cabinet's long-term ambitions for the area's prosperity and its role as community leader.

5. **RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)**

5.1 Financial

5.1.1 There are no direct financial implications arising from this report. However, if the council were to be represented at a subsequent public inquiry there would be a cost. This would depend on the level of representation. There may be an opportunity to share costs with other unitary councils and partners in the Humber region. This is the approach successfully adopted on the current research into the impact of tolls.

5.2 Staffing

5.2.1 There are no direct staffing implications arising from this report.

6. OTHER IMPLICATIONS (STATUTORY, ENVIRONMENTAL, DIVERSITY, SECTION 17 - CRIME AND DISORDER, RISK AND OTHER)

6.1 Statutory

6.1.1 There are no statutory implications arising from this report.

6.2 Environmental & Other

6.2.1 There is growing concern on the part of the business community, including the Federation of Small Businesses, on the number of vehicles, especially HGVs, travelling greater distances to avoid the cost of toll charges on the Humber Bridge. A further increase in the cost of HGV tolls is likely to increase the trend to bypass the bridge. Environmentally, this is a concern. In recent years, public service bus operators have made clear their concern on the viability of routes across the bridge given the cost involved.

6.3 Diversity

6.4.1 Previous Cabinet and Scrutiny reports have highlighted the adverse impact high toll charges to cross the Humber Bridge have on low income families, including the unemployed and those on fixed incomes. Those on the lowest incomes are obviously the most affected by high tolls. The prospect of another increase for those visiting hospitals on the north bank or looking for employment and training opportunities on the other bank is not helpful for North Lincolnshire residents. Given the council's wider community leadership role and the economic targets in the current Local Area Agreement (LAA) high toll charges are a barrier.

7 OUTCOMES OF CONSULTATION

7.1 Discussions have taken place with a range of interested parties. These include local MPs, trade unions, unitary leaders, Local Government Yorkshire & Humber, the Federation of Small Businesses (FSB), and the Hull and Humber Chamber of Commerce. The discussions have centred on the impact of high toll charges to use the Humber Bridge and the prospect of another increase. The general consensus is that the prospect of another increase, especially in the current economic climate, is not welcome and should be resisted and that the Secretary of State for Transport should be urged to call a local public inquiry to debate the issues.

7.1 The FSB consulted its members on both banks of the Humber in July 2008 on the impact of tolls. Paragraph 2.4 above indicates the widespread opposition on the part of FSB members to the present level

of tolls. The organisation will object to the proposed toll increase and call for a public inquiry.

8. RECOMMENDATIONS

- 8.1 That Cabinet agrees to make representations on the proposed toll increase on the Humber Bridge, citing the adverse economic, social and environmental consequences likely to arise if the increase is approved.
- 8.2 That Cabinet calls on the Secretary of State for Transport to hold a public inquiry to allow the council and other interested parties to make known their opposition to a further increase in the tolls.
- 8.3 That the Leader and Chief Executive agree the content of the council's objections to the planned toll increase.
- 8.4 That Cabinet agrees the council is formally represented if a local public inquiry is held and that discussions with the other unitary councils and partners in the sub-region be held on how best to pool resources and expertise.

CHIEF EXECUTIVE

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Background Papers used in the preparation of this report

Cabinet report, Humber Bridge Tolls, 6 June 2006

Cabinet report, Humber Bridge Tolls – 23 March 2007

Special meeting of Unitary Leaders' Group on Humber Bridge research, 8 November 2007

Cabinet report; Humber Bridge Tolls Research – 27 February 2008

Humber Bridge Board, Public Notice on Proposed Toll Increase – 21 August 2008: