

Mr Andrew Vallance Governance and Finance Manager Tamar Bridge and Torpoint Ferry Joint Committee Tamar Bridge Office Pemros Road, St Budeaux Plymouth PL5 1LP **National Transport Casework Team** 

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Date: 25 March 2025

Dear Mr Vallance

### TAMAR BRIDGE AND TORPOINT FERRY - TOLL REVIEW APPLICATION

### SECRETARY OF STATE'S DECISION - ORDER TO BE MADE

1. In accordance with Section 6 of The Transport Charges &c. (Miscellaneous Provisions) Act 1954 (1954 Act) and the Tamar Bridge Acts of 1957,1979 and 1998, the Secretary of State for Transport (the Secretary of State) has decided that the application made by the Tamar Bridge and Torpoint Ferry Joint Committee (the Company) for a Toll Revision Order (the Order), should be approved.

### CONSIDERATIONS FOR DECISION

- 2. The application was referred to the Secretary of State for a decision. As 412 objections remained outstanding at the end of the consultation period, it was decided that a local Public Inquiry should be held. The Inquiry was held on 15 October 2024 at The Copthorne Hotel, Armada Way, Plymouth PL1 1AR before Inspector Simon Dean MA MRTPI, an independent Inspector appointed by the Secretary of State.
- 3. The Inspector considered all representations and objections about the Order during the Inquiry and has since submitted a report to the Secretary of State, a copy of which is enclosed with this letter. References to the Inspectors report within this letter are prefixed 'IR'.
- 4. The Secretary of State has considered the Inspector's Report and her obligations under Section 6(3) of the 1954 Act (as amended) that she must:-
  - "...have regard to the financial position and future prospects of the undertaking and shall not make any revision of charges which in his opinion would be likely to result in the undertaking receiving an annual revenue either substantially less or substantially more than adequate to meet such expenditure on the working, management and maintenance of the undertaking and such other costs, charges and expenses of the undertaking as are properly chargeable to revenue, including reasonable

- contributions to any reserve, contingency or other fund and, where appropriate, a reasonable return upon the paid up share capital of the undertaking."
- 5. The Secretary of State has considered information supplied by the Company on past, current and future performance as well as future expenditure on the maintenance of the undertaking. The case for the applicant is outlined in the Inspector's report at IR 7 IR 59.
- 6. The Secretary of State has also considered the various general representations and objections against the application, the material points of which are set out in the Inspector's report at paragraphs IR 60 IR 79. She has specifically noted the cases of the Tamar Toll Action Group at IR 80 IR 99, the Road Haulage Association at IR 100 IR 103, Anna Gelderd MP for South East Cornwall at IR 104 IR 107 and Councillor Martin at IR 108 IR 111.
- 7. The inspector notes a number of differing objection themes (IR 60 IR 78), the Secretary of State is only concerned with the Statutory Criteria listed below and no weighting can be taken into account on matters outside of the Statutory criteria listed below in determining the application.

# **STATUTORY CRITERIA**

- 8. Section 6(3) of the 1954 Act states that in making any order on an application under this section, the Minister shall:
  - have regard to the financial position and future prospects of the undertaking and
  - shall not make any revision of charges which in his opinion would be likely to result in the undertaking receiving an annual revenue either substantially less or substantially more than adequate to meet such:
    - a. expenditure on the working, management and maintenance of the undertaking and such other costs, charges and expenses of the undertaking as are properly chargeable to revenue,
    - b. including reasonable contributions to any reserve, contingency or other fund; and
    - c. where appropriate, a reasonable return upon the paid-up share capital of the investment.

### CONCLUSIONS OF THE INSPECTOR

9. The Secretary of State has noted and agrees with the Inspector's conclusions at IR 175 – IR 177 that without a toll increase, the services would not be sustainable and that the proposed increases are necessary to ensure the continued operation of the crossings. The Secretary of State also agrees that the financial evidence is clear that with the crossings being run as directed by the parent local authorities, income is required, and at present, the level of income is insufficient.

10. The Secretary of State notes and agrees with the Inspector's conclusion that the crossings are, and are required to be, self-financing, whilst providing a safe efficient and reliable service. Toll income makes up over 90% of the company income and this is currently insufficient to meet the expenditure necessary to provide now and into the future, safe, reliable and efficient crossings at the bridge and the ferry. The Secretary of State recognises the effects of a toll increase on users; however, she agrees with the Inspector at IR 176 that the evidence supporting the need for a toll increase is compelling.

## **OTHER MATTERS**

- 11. After the closing of the public inquiry, the Secretary of State received correspondence from the Road Haulage Association (RHA) on 30 October 2024. This correspondence questioned points made during the closing statement of the Company. The RHA believes that three specific points have been misinterpreted or lacked key context. The Secretary of State thanks the RHA for their comments specifically on the subjects of
  - 'Lean businesses'
  - 'Central Government funding'
  - RHA engagement in 2023 public consultation

After further consideration of the closing statement of the Company and the correspondence of 30 October from the RHA, the Secretary of State is satisfied that these comments do not influence her assessment of the Inspector's Report and his considerations and final recommendation.

### CONCLUSIONS OF THE SECRETARY OF STATE

- 12. Based on the evidence before her and having regard to her obligations under section 6 of the 1954 Act the Secretary of State is satisfied that the proposed toll revisions are justified. The proposed revisions would not result in the undertaking receiving an annual revenue either substantially less or more than adequate to meet the necessary costs of working, management and maintenance of the crossings, including costs that are properly chargeable to revenue and reasonable contributions to the reserve.
- 13. The Secretary of State agrees with the recommendation of the Inspector at IR 178 that the order should be made as proposed.
- 14. In making this decision, the Secretary of State has relied on the information that the parties have provided, as contained in the application and related statements and correspondence, as being factually correct.
- 15. A copy of this letter and a copy of the Inspector's report has been sent to the objectors and copies will also be made available, on request, to any other persons directly concerned. Any person entitled to a copy of the Inspector's report may apply to the Secretary of State to view any document appended to the report. This must be done by writing to the above address within 6 weeks of receipt of this letter.

- 16. The Equality Act 2010 established the Public Sector Equality Duty. which requires public authorities to have due regard in the exercise of their functions to the need to eliminate unlawful discrimination, harassment and victimisation and any other conduct prohibited under that Act; advance equality of opportunity between people who share a protected characteristic and those who do not; and foster good relations between people who share a protected characteristic and those who do not in respect of the following "protected characteristics": age; gender; gender reassignment; disability; marriage and civil partnerships; pregnancy and maternity; religion and belief; and race. The Secretary of State has had due regard to the needs identified in the Public Sector Equality Duty in reaching her decision.
- 17. The Order will be made by Statutory Instrument and this office will be in touch with you concerning the details of this.

Yours sincerely,

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**Tim Brimelow** 

Authorised by the Secretary of State for Transport to sign in that behalf