The Abolition of Bridge Tolls (Scotland) Bill seeks to remove the power to demand tolls charged to users of the Forth Road Bridge and Tay Road Bridge. This briefing describes the ownership and management of the two bridges and explains the operation of the current tolling systems. It also provides details on annual toll income, results of the Scottish Government commissioned Toll Impact Study and outstanding debt on the Tay Road Bridge. Finally, it explains the provisions in the Bill plus associated costs and highlights views expressed by key stakeholders on these proposals.
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KEY POINTS

- The Abolition of Bridge Tolls (Scotland) Bill proposes the removal of the power to demand tolls on the Forth and Tay Road Bridge as soon as practicable.

- The Forth Estuary Transport Authority (FETA) and Tay Road Bridge Joint Board (TRBJB) would be funded through direct grant from the Scottish Executive rather than through toll funding and borrowing, although existing borrowing powers would be left in place.

- Research commissioned by the previous administration, the Toll Impact Study, recommended that tolls be retained on both the Forth and Tay Road Bridge due to predicted negative economic, financial and transport outcomes from the removal of tolls.

INTRODUCTION

The Abolition of Bridge Tolls (Scotland) Bill was introduced in the Scottish Parliament on 3 September 2007 by John Swinney MSP, Cabinet Secretary for Finance and Sustainable Growth. The Bill seeks to abolish tolls charged to users of the Forth Road Bridge and Tay Road Bridge. This briefing outlines the ownership and management of the two bridges and explains the operation of the current tolling systems. It also provides details on annual toll income, results of the Toll Impact Study commissioned by the previous administration and outstanding debt on the Tay Road Bridge. Finally, it explains the provisions in the Bill plus associated costs and highlights views expressed by key stakeholders on these proposals.

WHO OWNS AND OPERATES THE FORTH ROAD BRIDGE?

The Forth Road Bridge is managed, operated and maintained by the Forth Estuary Transport Authority (FETA), a joint board made up of councillors from four local authorities, namely:

- City of Edinburgh Council: 4 members
- Fife Council: 4 members
- Perth & Kinross Council: 1 member
- West Lothian Council: 1 member

In addition to the management and maintenance of the Forth Road Bridge FETA can develop, fund or support schemes to reduce congestion on the bridge and encourage the use of public transport across the Firth of Forth. In order to implement any such schemes FETA can enter into agreements with any authority or organisation it considers appropriate.

FETA does not receive revenue from the Scottish Government or local authorities. Funding for bridge operation and maintenance comes solely from toll revenue. FETA has received capital grant for funding of the newly opened M9 spur.

FETA has set out its plans for the period 2002 to 2020 in its Local Transport Strategy (FETA 2005) which was published on 27 October 2005.
FORTH ROAD BRIDGE TOLLING REGIME

FETA's power to charge tolls on the Forth Road Bridge derives from Orders made under the Forth Road Bridge Order Confirmation Act 1958 (c. iv). This Act requires both the tolling scheme and toll amounts to be established by Order. The 1958 Act set a cut-off date for the levying of tolls of 28 May 1995. However, the tolling regime has been extended three times to pay for improvements to the Bridge and ongoing maintenance. The cut-off point for tolling is currently 31 March 2010, as set out in the Forth Road Bridge (Toll Period) Extension Order 2006.

Since 1997 bridge tolls have been levied on northbound vehicles only. The previous two-way tolling regime resulted in peak time queues on the bridge as vehicles waited to pass through the toll booths at its southern end, which was potentially damaging to the bridge structure.

The toll level for cars and light goods vehicles was increased on 1 May 2005, although tolls for HGVs and buses and coaches remain unchanged since 1986. The current tolls are:

- Cars and Light Goods Vehicles £1.00
- Heavy Goods Vehicles £2.00
- Bus/Coach £1.40
- Vehicles requiring an escort £26.00
- Motorcycles, pedal cycles and pedestrians free
- Blue Badge holders free

Regular bridge users can apply for frequent user discount vouchers, which reduces the toll to £0.90 for cars and £1.30 for HGVs. Tolls totalling £11.87m (Scottish Government 2007) were collected during financial year 2006-07.

FETA indicated in its Local Transport Strategy (FETA 2005) that it intended to introduce road user charging, as opposed to bridge tolls, under powers granted by the Transport (Scotland) Act 2001 (asp 2). The charges were to form part of a wider ‘Integrated Transport Initiative’ that aimed to improve road transport across the Forth. The proposed road user charging options were as follows:

- £1 charge for car users, with extra charges for peak times rising to a maximum of £4 for single occupancy vehicles between 4 pm and 6 pm.
- 50% discount to be applied to cars with driver and at least one passenger at set times.
- Exemptions for emergency vehicles, buses and blue badge holders
- Set charges for goods vehicles based on size and height of vehicle; goods vehicles would not qualify for demand charges or multi-occupant discount.

However, Scottish Ministers (Scottish Executive 2006) rejected FETA's proposals for road user charging, instead extending the operation of the tolling system until 31 March 2010 with no revision of charges.
FORTH ROAD BRIDGE TOLLING STATISTICS

Table 1: Forth Road Bridge Tolls collected by Year (£000’s)

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<td>2006</td>
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2006 prices

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<tr>
<td>2015</td>
<td>11,544</td>
</tr>
<tr>
<td>2016</td>
<td>11,816</td>
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WHO OWNS AND OPERATES THE TAY ROAD BRIDGE?

The Tay Road Bridge is owned, managed, operated and maintained by the Tay Road Bridge Joint Board (TRBJB), which is made up of councillors from three local authorities, namely:

- Dundee City Council: 6 members
- Fife Council: 5 members
- Angus Council: 1 member

The TRBJB is limited in its responsibilities to the management and maintenance of the Tay Road Bridge. Unlike FETA the TRBJB cannot develop schemes to reduce congestion on the bridge or encourage the use of public transport as it operates under a different legislative framework. The TRBJB does not receive revenue from the Scottish Government or local authorities. Funding for bridge operation, maintenance and loan repayments comes solely from toll revenue. It has in recent years received capital grant from the Scottish Executive to support major capital works.

TAY ROAD BRIDGE TOLLING REGIME

The Tay Road Bridge Order Confirmation Order Act 1991 (c. iv) provides the legislative basis for the imposition of tolls on the Tay Road Bridge. The current Tay Road Bridge tolling regime was established on 1 June 1995, although tolls for cars, light goods vehicles and minibuses have not increased since December 1991, when two-way tolling was replaced with southbound only tolling.

The current Tay Road Bridge tolls are:

- Motorcycles free
- Cars, buses (up to 16 passengers) and goods vehicles under 3.5 tonnes £0.80
- Buses (16+ passengers) £1.40
- Goods (vehicles 3.5 tonnes +) £2.00

Official TRBJB vehicles, blue badge holders and emergency service vehicles have are exempt from tolls.

The Tay Road Bridge Order Confirmation Act 1991 provides for the levying of tolls until all loan charges, and other specified payments, made to the TRBJB by local councils and the Scottish Government (formerly the Secretary for State for Scotland) have been repaid with interest. Even once these debts have been repaid the Act requires that Scottish Ministers are satisfied that adequate provision has been made for the continued administration, management, operation, maintenance and repair of the Bridge prior to abolishing tolls.
TAY ROAD BRIDGE TOLLING STATISTICS

Table 2: Tay Road Bridge Tolls Collected by Year (£000’s)

|------|------|------|------|------|------|------|------|------|------|------|------|

OUTSTANDING DEBT FROM THE CONSTRUCTION OF THE TAY ROAD BRIDGE

The Tay Road Bridge cost £4.8m to build in the early 1960s, although subsequent work on the bridge has added significant amounts to the original construction costs. The Financial Memorandum which accompanies the Bill states that as of 31 March 2007 the outstanding debt on the Tay Road Bridge was £15.422m. Monies are due to be repaid to Angus Council, Dundee City Council, Fife Council and the Scottish Government. The Tay Road Bridge Order Confirmation Act 1991 requires that all debts are repaid by the fiftieth anniversary of the Bridge in August 2016.

KEY POINTS FROM THE TOLL IMPACT STUDY

The Scottish Parliament agreed a motion, on 30 March 2006, which called for a study into the economic, social and environmental impact of retaining or removing the tolls on the Forth and Tay Road Bridge. The Scottish Executive subsequently commissioned independent consultants Steer Davies Gleave to undertake a Toll Impact Study (Steer Davies Gleave 2007). Prior to commissioning the consultants the Scottish Executive launched a wide ranging public consultation on the abolition or retention of Forth and Tay Road Bridge tolls on 17 May 2006. The Government received 89 responses to this consultation by the closing date of 17 August 2006. The consultants used these responses as a basis for undertaking more targeted market research. The result of this research was then used as a basis for detailed transport modelling of the possible outcomes of keeping or removing the tolls.

The final Toll Impact Study report was published by the Scottish Government on 16 August 2007. The report recommended that tolls be retained on both the Forth and Tay Road Bridge. More detail on the reasoning behind this conclusion is supplied below:

Forth Road Bridge: The likely outcome of the removal of tolls would be to extend the current period of peak congestion which would result in increased traffic emissions and noise pollution. In addition the consultants calculate that any economic benefit from removing the tolls would be outweighed by the economic impact of increased congestion. The factors influencing these conclusions include:

- Possible increase in leisure travel over the bridge, principally outside peak times
- Increasing congestion might encourage people to travel at different times, although few people would change to alternative forms of transport
- Possible increase in bridge users at peak times caused by drivers who currently use the toll-free Kincardine Bridge switching to the Forth Road Bridge
- Current bridge tolls do not influence travel decisions made by freight or business users
Tay Road Bridge: The consultants concluded that removal of the tolls was likely to increase traffic emissions and noise pollution due to increased congestion on single carriageway roads near the bridge. In addition the financial loss to the public sector through the removal of tolls is twice the level of benefit experienced by the private sector from their removal. The factors influencing these conclusions include:

- Possible increase in leisure travel over the bridge, some at peak or near peak periods
- Drivers may switch from the A90 through Perth to use the Tay Road Bridge and the A91 and A92 through Fife

PROPOSALS IN THE ABOLITION OF BRIDGE TOLLS (SCOTLAND) BILL

The Abolition of Bridge Tolls (Scotland) Bill would do the following:

**Forth Road Bridge:** The Bill would remove the legislative basis under which Forth Road Bridge tolling orders are made. The Bill also removes all other legislative reference to these tolling powers. In addition the current bridge tolling Orders would be revoked and the Order establishing FETA is amended to remove reference to tolls.

**Tay Road Bridge:** The Bill would remove the legislative basis under which Tay Road Bridge tolling orders are made. The Bill would also remove all other legislative reference to these tolling powers. In addition the current bridge tolling Orders would be revoked along with the legislative requirement that bridge-related debt be fully repaid within 50 years of the bridge’s opening.

**Erskine Bridge:** The Bill would revoke all primary and secondary legislation relating to the charging of tolls on the Erskine Bridge.

COSTS ASSOCIATED WITH THE ABOLITION OF TOLLS

The abolition of tolls on the Forth and Tay Road Bridge would result in the Scottish Government funding one-off payments associated with the abolition of tolls, e.g. redundancy payments for toll collecting staff, as well as providing revenue grants for the day-to-day operation of the bridges plus capital grants for major repair and refurbishment works. The table below outlines the Scottish Government’s financial predictions for the operation of both bridges for financial years 2007-08 to 2010-11, plus an estimate of the toll revenue that would have been collected were tolls not to be abolished.

Table 3: Annual Combined Forth and Tay Road Bridge Running Costs (£000’s)

<table>
<thead>
<tr>
<th></th>
<th>2007-08</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-2011</th>
</tr>
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<tbody>
<tr>
<td>Revenue</td>
<td>4,350</td>
<td>8,188</td>
<td>5,950</td>
<td>6,095</td>
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<tr>
<td>Capital</td>
<td>22,000</td>
<td>21,241</td>
<td>14,667</td>
<td>4,651</td>
</tr>
<tr>
<td>Total</td>
<td>26,350</td>
<td>29,429</td>
<td>20,617</td>
<td>10,746</td>
</tr>
<tr>
<td>Tolls</td>
<td>3,800</td>
<td>15,900</td>
<td>15,700</td>
<td>15,900</td>
</tr>
</tbody>
</table>

The figures for financial year 2007-08 are based on a notional toll abolition date of 1 January 2008. The high capital costs experienced during 2007-08 and 2008-09 reflect the one-off costs of abolishing the tolls, e.g. removal of toll plazas, plus the cost of repaying the existing debt on the Tay Road Bridge.
ISSUES RAISED BY KEY STAKEHOLDERS ON THE PROPOSALS IN THE BILL

There has been no formal consultation on the proposals in the Abolition of Bridge Tolls (Scotland) Bill and, despite the fact that the abolition of tolls was the subject of a parliamentary debate (Scottish Parliament 2007) on 31 May 2007, there is little in the way of recent published comment from key stakeholders on the proposals in the Bill. However, four local authorities, two bridge authorities, two businesses, nine organisations, 63 individuals and 8 MSPs responded to the Scottish Executive’s call for evidence at the start of the Toll Impact Study.

From the responses made public by the Scottish Government it is clear that the proposals have the support of much of the local business community, e.g. Fife Chamber of Commerce (2006) states that “If the Scottish Executive is serious about the development of the Scottish Economy in a positive and equitable way it will remove tolls on both bridges” while the Federation of Small Businesses in Scotland (2006) considers that “Removing the tolls on the Tay and Forth Bridges would send a strong signal that the Scottish Executive is determined to support small businesses, and would give those businesses and the economy a real boost.”

However, there is no consensus amongst local authorities on the removal of tolls on the Forth Road Bridge. The City of Edinburgh Council (2006) argues that:

Removing tolls would be unhelpful to many motorists who would suffer greater delays as a result of increased congestion, and adding extra time to journeys is costly for businesses and commuters alike.

While Fife Council (2006) has a “…principled opposition to bridge tolls”. No such division exists between Fife Council and Dundee City Council with regards the Tay Road Bridge, with Dundee City Council (2006) indicating a clear “…desire to remove the tolls from the Tay Road Bridge”.

The Confederation of Passenger Transport (2006) makes clear the support of the bus industry for retaining a charge for car drivers using the two bridges, with a view to encouraging public transport use and easing the passage of buses over the bridges. CPT states that it “…supports differentiated tolling - with exemption for PSVs - and better management of the road space by the introduction of road user charging. It is essential that car drivers appreciate the real cost of motoring if they are to consider public transport as a viable choice.” This view is strongly supported by Stagecoach (2006), the principal bus operator in Fife and over the two bridges.

The views of environmental organisations were set out in a joint response from TRANSform Scotland and Friends of the Earth Scotland (2006) which consider that “…it would be irresponsible and unacceptable for the Scottish Executive to remove bridge tolls”. These organisations list a number of reasons as to why they reached this view, e.g. the removal of tolls would increase congestion and pollution, pass the cost for bridge maintenance from commuters onto all taxpayers and further damage the credibility of the Scottish Government’s Climate Change Programme.

Taking an opposing view to the environmental organisations was the National Alliance Against Tolls – Scotland (2006), which argued that tolls should be removed for a number of reasons, including the negative impact of tolls on businesses that use the two bridges, the disproportionate impact of tolls on low income drivers and the negative environmental impact of vehicles queuing to pay tolls.
Of the 63 responses received from individuals by the Scottish Executive, 61 argued that tolls should be removed and only two argued for their retention. The reasons for supporting the removal of tolls were wide-ranging but the main arguments included:

- It is unfair/illogical that the tolls remain when they have been removed from other bridges in Scotland
- The tolls cause congestion
- The tolls place an unfair additional cost on the people who use the bridges
- The tolls cause air pollution
- The bridges have already been paid for


Forth Estuary Transport Authority [online]. Available at: http://www.feta.gov.uk/


Forth Road Bridge Order Confirmation Act 1958 (c. iv). London: HMSO

Forth Road Bridge (Toll Period) Extension Order 2006. Edinburgh: Scottish Executive


Tay Road Bridge Joint Board [online]: Available at: [http://www.tayroadbridge.co.uk/trb-home.html#](http://www.tayroadbridge.co.uk/trb-home.html#)