

REPORT TO:	Executive Board
DATE:	24th October 2024
REPORTING OFFICER:	Director – Legal & Democratic Services
PORTFOLIO:	Environment and Urban Renewal
SUBJECT:	Mersey Gateway
WARD(S)	Borough wide

1.0 PURPOSE OF THE REPORT

- 1.1 Mersey Gateway Bridge opened to traffic on the 14th October 2017. The Silver Jubilee Bridge reopened to traffic in February 2020.
- 1.2 Since the opening of the Mersey Gateway Bridge, as at the 30th September 2024 there have been approximately 160m 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 To achieve this, there is a requirement to replace the existing Road User Charging Scheme Order (RUCSO) with a new RUCSO, to reflect the increased toll charges.
- 1.6 There is a statutory requirement under the Transport Act 2000 to carry out consultation before making a RUCSO.
- 1.7 The new RUCSO and associated consultation also presents the opportunity to introduce other changes, either in the drafting of the RUCSO or in the day to day operation of the charging scheme.

- 1.8 This report asks the Executive Board to agree to a process of consultation –
- 1.6.1 To make a RUCSO, revoking the current RUCSO and replacing it with an updated RUCSO.
 - 1.6.2 To consider several other associated matters, as detailed in this report.

2.0 **RECOMMENDATION: That the Board should**

- 1) consult on making an updated RUCSO based on the working draft enclosed at Appendix 1 on the basis prescribed in this report.¹**
- 2) after giving full and proper consideration to any responses received, and having taken them into account, recommend the Council to make the updated RUCSO based on the working draft enclosed at Appendix 1 and delegate to the Director, Legal and Democratic Services, in consultation with the Portfolio Holder, the authority to make any non-material or consequential amendments as are necessary to give it effect.**
- 3) authorise the Director, Legal and Democratic Services, in consultation with the Portfolio Holder, to take all necessary steps to bring the RUCSO into effect, provided that any material amendments or considerations shall be considered by the Council and subject to its determination before the RUCSO is brought into effect.**

3.0 **SUPPORTING INFORMATION**

- 3.1 In line with the original financial projections, the Mersey Gateway Project continues to operate with a financial loss, hence the requirement for Central Government grants as outlined in the Funding Letter of February 2016. Details of the income and expenditure of the scheme from Oct 2017 to March 2024 can be found at Appendix 2 to this report.

In agreeing this financial assistance package, it was envisaged that the tolls would increase annually by Retail Price Index. However, the

¹ The Board should note that the consultation process in respect of the revised RUCSO is ongoing. This will inform the completion of drafting of the RUCSO that will have been presented as part of the consultation.

Funding Letter provides the option for the tolls not to be so increased, with the agreement of Central Government. To date, tolls have not been increased as there has not been a requirement to do so. However, if the Council does not increase tolls when required then the Council must 'make good' on the difference between the actual income and the expected income if the tolls had increased.

The Funding Letter provides details of the maximum amount of grant that Central Government is willing to provide to Halton to support the Project. However, to continue to operate within this financial envelope it is now necessary to increase the tolls for the first time since the Mersey Gateway Bridge opened in 2017.

Having carefully considered all relevant factors; it is proposed that tolls are increased by 20% from the 1st April 2025. Further details as to how this increase has been calculated can be found in Appendix 3 to this report. The reasoning for a 20% increase will also be presented as part of the proposed consultation in relation to a replacement RUCSO.

The below sections list ancillary matters that are being considered for inclusion in the proposed consultation. However, it should be noted that the option development process is ongoing, such that this is not an exhaustive list. Not all of these ancillary matters require to be addressed in the replacement RUCSO, but properly can be considered alongside that proposal.

3.2 Blue Badges

As part of the consultation process there is the opportunity to consider if the current scheme of users with Blue Badges having to apply for their vehicle to be added to the register of exempt vehicles should be changed to a scheme whereby those vehicles which are exempt from Vehicle Exercise Duty (VED) due to being used by a disabled person, are automatically detected and exempt from the toll.

This would mean that those who are eligible will no longer need to apply to be entered onto the register of exempt vehicles.

The rationale for this is that the exemption from VED is capable of being established from DVLA databases, meaning that establishing the exemption is much more straightforward in relation to each vehicle. This is advantageous both to users and the Project. This would require an amendment to the existing RUCSO.

3.3 Encouraging Accounts

It is proposed that the consultation will ask unregistered users, those that pay via the Quick Pay App or website etc, what would encourage them to open an account.

3.4 Penalty Charge Notices (PCNs)

At present the PCN rate for the Mersey Gateway at £40, reduced to £20 if paid within 14 days is set at the lowest rate possible, and significantly lower than other schemes. The purpose of the PCN is to deter non-compliance, encourage people to pay on time for their crossings and ensure fairness for those that pay for their crossings

The consultation will ask for commentary on a proposed increase in the PCN rate from £40 to £50, having regard to the fact that user charges are increasing. It will propose an increase in the PCN rate to enable respondents to comment.

3.5 Local User Discount Scheme (LUDS)

With the introduction of Auto Renewal for the LUDS making it easier for eligible Halton residents to renew their accounts, the consultation will ask whether there should be a discount for those that sign up for Auto Renewal via Direct Debit.

3.6 RUCSO

The proposed amendments to the 2020 Order will be achieved by the revocation of the 2020 Order and making of an updated RUCSO to replace that order.

The following process will be applied when considering, making and bringing into effect the RUCSO.

Following this meeting a consultation will be commenced, which will be advertised in the local newspapers and on the Council and Mersey Gateway websites. The consultation will run for six weeks in November and December 2024.

After the close of consultation, the output will be reported to the Council at a meeting to be scheduled but expected to take place in February 2025. The Council is required to take conscientious account of the responses to the consultation.

If the Council is satisfied that it is appropriate to do so, it will resolve to make the updated RUCSO, taking the output of the consultation into account, which will then be sealed.

Once the updated RUCSO has been made, it is intended that it will Come into effect from the 1st April 2025, and this will be advertised.

4.0 POLICY IMPLICATIONS

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

5.0 FINANCIAL IMPLICATIONS

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

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Improving Health, Promoting Wellbeing and Supporting Greater Independence

None

6.2 Building a Strong, Sustainable Local Economy

None

6.3 Supporting Children, Young People and Families

None

6.4 Tackling Inequality and Helping Those Who Are Most In Need

None

6.5 Working Towards a Greener Future

None

6.6 Valuing and Appreciating Halton and Our Community

None

7.0 RISK ANALYSIS

7.1 Removing the risk of the project becoming financially unsustainable through a combination of decreasing or withdrawn 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.

8.0 EQUALITY AND DIVERSITY ISSUES

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

9.0 CLIMATE CHANGE IMPLICATIONS

9.1 None.

10.0 REASON FOR DECISION

Without increase the toll charges the Council would not be able to meet its contractual finance obligations from the Project Account and need to use its general funding to meet any shortfall.

11.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

None, as there are no alternative funding streams to meet the anticipated shortfall. The detailed options in the context of a new RUCSO and toll increase will be presented as part of the proposed consultation.

12.0 IMPLEMENTATION DATE

It is intended that the new RUCSO will come into effect from the 1st April 2025, while the proposed consultation would take place in November and December 2024.

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

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

TRANSPORT ACT 2000

The A533 (Mersey Gateway Bridge) and the A557 (Silver Jubilee Bridge) Road User Charging Scheme Order [2025]

Made - - - - - [**]

Coming into force - - - [**]

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Halton Borough Council makes the following Order, which contains a road user charging scheme, in exercise of the powers conferred by sections 163(3)(a), 164, 168(1) and (2), 170, 171(1) and 172(2) of the Transport Act 2000⁽²⁾ and by regulations 4, 5, 22, 23, 24, 25 and 27 of the Road User Charging Schemes (Penalty Charges, Adjudication and Enforcement) (England) Regulations 2013⁽³⁾.

Appropriate persons have been consulted in accordance with section 170(1A) and (1C) of the Transport Act 2000.

Preliminary

Citation and commencement

1.—(1) This Order may be cited as The A533 (Mersey Gateway Bridge) and the A557 (Silver Jubilee Bridge) Road User Charging Scheme Order [2025].

(2) The scheme set out in this Order shall have effect.

(3) The Council shall publish notice of the making of this Order in the London Gazette and in at least one newspaper circulating in the Borough of Halton.

*Scheme for imposing charges in respect of the use of The Mersey Gateway Bridge
and The Silver Jubilee Bridge*

Interpretation

2.—(1) In this Order—

“the 2000 Act” means the Transport Act 2000;

“the 2020 Order” means The A533 (Mersey Gateway Bridge) and the A557 (Silver Jubilee Bridge) Roads User Charging Scheme Order 2020;

“appointed day” means the date of this Order;

"authorised person" means the Council or any person so authorised by the Council under article 14(1) to exercise any one or more of the powers in articles 15 to 19;

“concession agreement” means a legally binding arrangement which may be comprised within one or more documents that makes provision for the design, construction, financing, refinancing, operation and maintenance of either the Silver Jubilee Bridge and the scheme roads or a new road crossing over the River Mersey or any of them;

“concessionaire” means any person with whom the Council enters into a concession agreement from time to time together with the successors and assigns of any such person;

“Council” means the Council of the Borough of Halton;

⁽²⁾ 2000 c.38. There are amendments to section 167, 168, 171 and 172 which are not relevant to this Order.

⁽³⁾ S.I. 2013/1783.

“custodian” means a person authorised in writing by the Council to perform the functions of a custodian described in Part 6 of the Enforcement Regulations;

“deposited plans” means the plans numbered 61034234/RUCO/01 (Rev B), 61034234/RUCO/02 (Rev B), 61034234/RUCO/03 (Rev A), 61034234/RUCO/04 and 61034234/RUCO/05 deposited at the offices of the Council at Municipal Building, Kingsway, Widnes WA8 7QF signed by the Chief Executive of the Council;

“Enforcement Regulations” means the Road User Charging Schemes (Penalty Charges, Adjudication and Enforcement) (England Regulations) 2013;

“new crossing” means the bridge and other roads and structures built pursuant to the River Mersey (Mersey Gateway Bridge) Order 2011⁽⁴⁾;

“register” means the register of vehicles being exempt from charges pursuant to the scheme maintained by the Council under article 9;

“scheme” means the scheme for imposing charges for the use or keeping of a vehicle on the scheme roads pursuant to this Order;

“scheme roads” means those parts of:

- (i) the road that approaches and crosses the new crossing; and
 - (ii) the road that approaches and crosses the Silver Jubilee Bridge,
- as are shown on the deposited plans.

“website” means the website maintained by the Mersey Gateway Crossings Board Ltd containing information about the operation of the scheme⁽⁵⁾.

Revocation

3. The 2020 Order is hereby revoked.

Duration of the Order

4. This Order shall remain in force indefinitely.

Designation of scheme roads, vehicles and charges

The scheme roads

5. The roads in respect of which this Order applies are the scheme roads.

Imposition of charges

- 6.—(1) A charge is to be imposed in respect of a vehicle where—

- (a) the vehicle has been used or kept on the scheme roads; and
- (b) the vehicle falls within a class of vehicles in respect of which a charge is imposed by this Order.

- (2) The charge imposed is determined by reference to Part 1 of Schedule 1.

- (3) The class of vehicles or classes of vehicles in respect of which charges may be levied under this Order shall be those set out in Part 3 of Schedule 1.

- (4) Where any vehicle would fall within the description of more than one classification of vehicles or class of vehicles it shall be deemed to fall in the class of vehicles bearing the highest number in Part 3 of Schedule 1.

⁽⁴⁾ S.I. 2011/41.

⁽⁵⁾ www.merseyflow.co.uk

Payment of charges

7.—(1) Subject to paragraph **Error! Reference source not found.** a charge imposed by this scheme, the amount of which is specified in article 6 paragraph (2) (imposition of charges), shall be paid no later than 23:59 hours on the day immediately following the day upon which the charge has been incurred by a means and by such method as may be specified by the Council on the website or in a document available on application from the Council or such other means or method as the Council may in the particular circumstances of the case accept.

(2) Subject to such regulations as the Secretary of State may make pursuant to section 172(1) of the 2000 Act, the Council may waive charges (or any part of such charges) and may suspend the charging of charges in whole or in part.

(3) The Council or its agent may enter into an agreement (“composition agreement”) under which persons contract for the payment of charges in respect of the use of the scheme roads by them, by other persons or by any vehicles on such terms as may be provided by the agreement.

(4) A composition agreement may relate to use of the scheme roads on such number of occasions or during such period as may be provided for by the agreement.

(5) Any composition agreement entered into prior to the appointed day and whether or not in respect of this Order shall have effect from that day and from the appointed day this scheme shall apply to that composition agreement and nothing in this scheme shall render a composition agreement entered into other than during the currency of this scheme invalid.

(6) Without prejudice to the generality of paragraph (3), a composition agreement may be entered into for such of the following periods as the Council may agree:

- (a) the duration of a single journey;
- (b) a number of single journeys specified in the composition agreement;
- (c) a single day or any number of single days;
- (d) a period of 5 or 7 consecutive days;
- (e) a period of a single month; or
- (f) a period of one year.

(7) The following provisions shall apply to composition agreements—

- (a) a composition agreement shall be specific to a particular vehicle;
- (b) that vehicle shall be identified by its registration mark; and
- (c) a person entering into a composition agreement with the Council shall specify to the Council or its agent the registration mark of the vehicle to which the composition agreement relates.

(8) Where a composition agreement is entered into or purported to be entered into, and payment is to be made to the Council otherwise than in cash, and payment is not received by the Council or its agent (whether because a cheque is dishonoured or otherwise), the charge or charges to which the composition agreement relates shall be treated as not paid and the composition agreement may be voided by the Council.

(9) The Council may require a vehicle that is subject to a composition agreement to display a document in that vehicle or to carry in or fix equipment to that vehicle.

(10) Where a composition agreement provides for a discount or waiver of any charge or part of any charge and is calculated solely by reference to the use of the scheme roads—

- (a) for a number of journeys; or
- (b) for any period

a user or prospective user of the scheme roads shall not be prevented from entering into such a composition agreement by reason of their place of residence or business.

(11) Where any scheme of discount or waiver is proposed in respect of charges payable or prospectively payable under this scheme the Council shall have regard to the most appropriate

means of providing the benefit of such a scheme to those socio-economic groups within the Borough of Halton least able to afford the full price of charges in deciding to apply any such scheme.

(12) The Council may impose such reasonable conditions upon the making of a composition agreement as it considers appropriate including in relation to the transfer of the benefit of composition agreements or the refund of payments.

Classification of vehicles and charges payable

8. Schedule 1 to this Order, which sets out the classification of vehicles in respect of which a charge is imposed by this scheme together with the specification of the charges and penalty charges payable by reference to those classes, shall have effect.

Vehicles exempt from charges

9.—(1) Subject to, and to the extent not inconsistent with, such regulations as the Secretary of State may make pursuant to section 172(1) of the 2000 Act, Part 1 of Schedule 2 to this Order, which sets out the vehicles exempt from charges, shall have effect.

(2) The exemptions from the charges set out in this scheme shall have effect subject to the particulars of the vehicle in respect of which an exemption is claimed being entered upon the register.

(3) The Council may require a vehicle exempt from charges to display a document in that vehicle or to carry in or fix equipment to that vehicle.

(4) The provisions of Part 2 of Schedule 2 shall apply.

10 year plan for net proceeds

10. Schedule 3 to this Order constitutes the general plan of the Council under paragraph 10(1)(a) of Schedule 12 to the 2000 Act for applying the net proceeds of this scheme during the period which begins with the date on which this Order comes into force and ends with the tenth financial year that commences on or after that date.

Detailed programme for net proceeds

11. Schedule 4 to this Order constitutes the detailed programme of the Council under paragraph 10(1)(b) of Schedule 12 to the 2000 Act for applying the net proceeds of this scheme during the period which begins with the date on which this Order comes into force and ends at the time by which the Council's local transport plan is next required to be replaced.

Penalty charges

Penalty charges

12.—(1) A penalty charge is payable in respect of a vehicle upon which a charge has been imposed under this Order and where such charge has not been paid in full at or before 23:59 hours on the day immediately following the day upon which the charge was incurred.

(2) Where a penalty charge has become payable in respect of a vehicle under paragraph (1), the penalty charge rate applicable is determined by reference to Part 2 of Schedule 1.

(3) A penalty charge payable under paragraph (1) is—

- (a) payable in addition to the charge imposed under article 6;
- (b) to be paid in full within the period of 28 days beginning with the date on which a penalty charge notice relating to the charge that has not been paid in full is served;
- (c) reduced by one half provided it is paid in full prior to the end of the fourteenth day of the period referred to in sub-paragraph (3)(b);

- (d) increased by one half if not paid in full before a charge certificate to which it relates is served by or on behalf of the Council (as the charging authority) in accordance with regulation 17 of the Enforcement Regulations.

Additional penalty charges where powers exercised in respect of vehicles

13.—(1) An additional penalty charge in accordance with the table of penalty charge rates displayed on the website will be payable under the charging scheme for the—

- (a) release of a motor vehicle immobilised in accordance with article 18;
- (b) removal of a motor vehicle in accordance with article 19(1);
- (c) storage and release from storage of a vehicle so removed; and
- (d) disposal of a vehicle in accordance with article 19(2).

(2) Any penalty charge payable under paragraph (1) is payable in addition to the charge imposed under article 6.

Powers in respect of motor vehicles

Powers in respect of motor vehicles

14.—(1) The Council may authorise in writing a person to exercise any one or more of the powers in articles 15 to 19.

(2) An authorised person under this Order is an authorised person within the meaning of regulation 21 of the Enforcement Regulations.

Examination of vehicles

15. An authorised person may examine a motor vehicle whilst it is on a road to ascertain if any of the circumstances described in regulation 22 of the Enforcement Regulations exists.

Entering vehicles

16. An authorised person may enter a vehicle whilst it is on a road where the authorised person has reasonable grounds for suspecting that any of the circumstances described in regulation 23(1) of the Enforcement Regulations exists provided that the condition referred to in regulation 23(2) of those Regulations is met.

Seizure

17. An authorised person may seize anything (if necessary by detaching it from a vehicle) as provided for in regulation 24 of the Enforcement Regulations provided that the condition referred to in regulation 24(2) of those Regulations is met.

Immobilisation of vehicles

18. Provided—

- (a) none of the circumstances in paragraph (2) of regulation 25 of the Enforcement Regulations apply; and
- (b) the conditions in paragraph (3) of that regulation do apply,

an authorised person may immobilise a vehicle in accordance with paragraphs (4) and (5) of that regulation.

Removal, storage and disposal of vehicles

19.—(1) Provided regulation 27(1) (a) or (b) of the Enforcement Regulations is satisfied, an authorised person may remove a vehicle and deliver it to a custodian for storage.

(2) The custodian may dispose of the vehicle and its contents in the circumstances described in regulation 28 of the Enforcement Regulations.

THE COMMON SEAL of the **COUNCIL**
OF

THE BOROUGH OF HALTON was
hereunto

affixed the **[**]** day of **[April 2025]** in the
presence of

Authorised Signatory

SCHEDULES

SCHEDULE 1

Articles 6 and 12

PART 1

Road User Charges Payable

1. The charge payable under article 6 in respect of a vehicle falling within a class specified in column 1 of the table below shall be determined by reference to the corresponding entry in column 2 of the table.

<i>Column 1</i>	<i>Column 2</i>
<i>Class of vehicle</i>	<i>Charge for each vehicle each time it is used or kept on the scheme roads</i>
Class 1 vehicles	Nil
Class 2 vehicles	£2.40
Class 3 vehicles	£7.20
Class 4 vehicles	£9.60

PART 2

Penalty Charges Payable

2. The penalty charge payable under article 12 in respect of a vehicle falling within a class specified in column 1 of the table below shall be determined by reference to the corresponding entry in column 2 of the table.

<i>Column 1</i>	<i>Column 2</i>
<i>Class of vehicle</i>	<i>Penalty Charge rate applicable</i>
Class 1 vehicles	Nil
Class 2 vehicles	£50
Class 3 vehicles	£50
Class 4 vehicles	£50

PART 3

Classification of Vehicles for the Purposes of Charges

<i>Class of Vehicle</i>	<i>Classification</i>
“class 1 vehicle”	means a moped falling within classifications A(a) and A(b); motorcycles falling within classifications B(a) and B(b); motor tricycles falling within classifications C(a) and C(b); and quadricycles falling within classifications D(a), D(b), E(a) and E(b).
“class 2 vehicle”	means motor caravans falling within classifications L(a) and L(b); motor vehicles with at least four wheels, used for the carriage of passengers falling within classifications M ₁ (a) and M ₁ (b); and motor vehicles with

at least four wheels used for the carriage of goods falling within classifications N₁(a) and N₁(b).

“class 3 vehicle” means motor vehicles with at least four wheels used for the carriage of passengers falling within classifications M₂(a) and M₂(b); and motor vehicles with at least four wheels used for the carriage of goods falling within classifications N₂(a) and N₂(b).

“class 4 vehicle” means motor vehicles with at least four wheels used for the carriage of passengers falling within classifications M₃(a) and M₃(b); and motor vehicles with at least four wheels used for the carriage of goods falling within classifications N₃(a) and N₃(b).

Reference to “classifications” in this Schedule 1 are references to the classes of motor vehicles contained or referred to in Part II of the Schedule to the Road User Charging and Work Place Parking Levy (Classes of Motor Vehicles) (England) Regulations 2001⁽⁶⁾.

SCHEDULE 2

Article 9

PART 1

Vehicles Exempt from Charges

1. Charges may not be levied in respect of—

- (a) a vehicle whose details have been recorded on the register in accordance with Part 2 of this Schedule and, in the case of those listed in sub-paragraphs 3(a) to 3(e) of Part 2 of this Schedule, being used in the execution of duty; or
- (b) a vehicle being used in connection with—
 - (i) the collection of charges; or
 - (ii) the maintenance, improvement or renewal of, or other dealings with, the Silver Jubilee Bridge or the new crossing or any structure, works or apparatus in, on, under or over any part of the new crossing or Silver Jubilee Bridge; or
- (c) a vehicle which, having broken down on the Silver Jubilee Bridge or the new crossing while travelling in one direction, is travelling in the opposite direction otherwise than under its own power;
- (d) a military vehicle, that is, a vehicle used for army, naval or air force purposes, while being driven by persons for the time being subject to the orders of a member of the armed forces of the Crown;
- (e) invalid carriages as defined by paragraph 18 of Schedule 2 to the Vehicle Excise and Registration Act 1994;
- (f) vehicles used by or kept for use by or for the purpose of a disabled person as defined by paragraph 19 of Schedule 2 to the Vehicle Excise and Registration Act 1994; or
- (g) vehicles used for the carriage of disabled persons by recognised bodies in accordance with paragraph 20 of Schedule 2 to the Vehicle Excise and Registration Act 1994.

⁽⁶⁾ S.I. 2001/2793.

PART 2

The Register of Vehicles Exempt from Charges

2. The Council shall maintain the register in respect of exempt vehicles for the purposes of the provisions of this Schedule which requires particulars of a vehicle to be entered in the register.

3. Vehicles falling within the following descriptions of motor vehicles shall be eligible to be entered upon the register—

- (a) a police vehicle, identifiable as such by writing or markings on it or otherwise by its appearance, or being the property of the Service Authority for the Serious Organised Crime Agency or notified to the Council by reference to its registration mark;
- (b) a fire engine as defined by paragraph 4(2) of Schedule 2 to the Vehicle Excise and Registration Act 1994⁽⁷⁾;
- (c) a vehicle which is kept by a fire authority as defined by paragraph 5 of that Schedule;
- (d) an ambulance as defined by paragraph 6(2) or a vehicle falling within paragraph 7 of that Schedule and shall also include vehicles used for the transport of blood, plasma or human organs;
- (e) an emergency response vehicle being the property of Her Majesty's Coastguard notified to the Council by reference to its registration mark;
- (f) an omnibus being used for a local service as defined by section 2 of the Transport Act 1985 in respect of crossing the Silver Jubilee Bridge⁽⁸⁾; or
- (g) an agricultural tractor as defined by paragraph 20B of Schedule 2 to the Vehicle Excise Registration Act 1994 in respect of crossing the Silver Jubilee Bridge.

4. Registration of a vehicle upon the register, and the use to which that vehicle must be put to qualify as exempt from charges, shall be subject to the imposition of such further conditions as the Council may reasonably impose.

5. The Council may require that an application to enter particulars of a vehicle on the register or to renew the registration of a vehicle—

- (a) shall include all such information as the Council may reasonably require; and
- (b) shall be made by such means as the Council may accept.

6. Where the Council receives an application that complies with paragraph 4 to enter particulars of a vehicle on the register, or to renew the registration of a vehicle and the vehicle falls within the descriptions set out in paragraph 2 of this Part it shall enter the particulars of that vehicle upon the register within twenty working days of receiving such an application.

7. The Council shall remove particulars of a vehicle from the register—

- (a) in the case of a vehicle registered in relation to the holder of a disabled person's badge, when that person ceases to be an eligible person for the purposes of sub-paragraph **Error! Reference source not found.** of this Part;
- (b) in the case of any vehicle at the end of the period of 7 consecutive days beginning with the day on which a change in the keeper of the vehicle occurred, unless the Council renews the registration for a further period on application to it by or on behalf of the new keeper.

8. Where the registered keeper of a vehicle is aware that the vehicle has ceased or will cease to be a vehicle eligible to be entered on the register, the keeper shall notify the Council of the fact and the Council shall remove the particulars of the vehicle from the register as soon as reasonably practicable or from the date notified to the Council as the date on which it will cease to be a vehicle eligible to be entered on the register.

9. If the Council is no longer satisfied that a vehicle is an exempt vehicle it shall—

⁽⁷⁾ 1994 c.22.

⁽⁸⁾ 1985 c.67.

- (a) remove the particulars of a vehicle from the register; and
- (b) notify the registered keeper.

10. Nothing in this paragraph shall prevent the making of a fresh application under Schedule 2 for particulars of a vehicle to be entered in the register after they have been removed from it in accordance with any provision of this Part of this Schedule 2.

SCHEDULE 3

Article 10

Halton Borough Council's General Plan for Applying the Net Proceeds of this Scheme During the Opening 10 Year Period

1. Road user charging under this scheme is due to start in 2025. Paragraph 10(1)(a) of Schedule 12 to the Transport Act 2000 applies to the period that is covered partly by the current Local Transport Plan that fully supports the implementation of this scheme.

2. The net proceeds of the road user charging scheme in the ten year period following the start of this charging scheme will be applied, in such proportions to be decided, towards:

- (a) paying the costs and expenses incurred in designing, constructing, managing, operating and maintaining the new crossing and in managing, operating and maintaining the Silver Jubilee Bridge and the scheme roads or any costs associated with financing any or both;
- (b) providing such funds as are or are likely to be necessary to discharge the obligations of the Council or a concessionaire pursuant to a concession agreement;
- (c) paying the interest on, and repaying the principal of, monies borrowed in respect of the new crossing;
- (d) making payment into any maintenance or reserve fund provided in respect of the Silver Jubilee Bridge and the scheme roads or the new crossing;
- (e) making payments to the Council's general fund for the purpose of directly or indirectly facilitating the achievement of policies relating to public transport in its local transport plan; and
- (f) providing funds for, meeting expenses incurred in, or the cost of securing any necessary authority or consent for, constructing or securing the construction, maintenance and operation of the new crossing or securing the maintenance and operation of the Silver Jubilee Bridge and the scheme roads.

SCHEDULE 4

Article 11

Halton Borough Council's Detailed Programme for Applying the Net Proceeds of this Scheme

1. Road user charging on the Mersey Gateway Bridge began in 2017 to coincide with the opening of the Mersey Gateway Bridge for use by the public. The current third Local Transport Plan (LTP3) runs from 2011/12 to 2025/26. Therefore, paragraph 10(1)(b) of Schedule 12 to the Transport Act 2000 related to the second Local Transport Plan. The Mersey Gateway Bridge is a key element of the LTP3 as its construction and continued operation address—

- (a) the worst congestion in Halton - on the approaches to the Silver Jubilee Bridge and on the Weston Point Expressway approach to M56 Junction 12;
- (b) demand management to maintain free flow traffic conditions on the Mersey Gateway Bridge and the Silver Jubilee Bridge; and
- (c) transport resilience that enhances cross-Mersey linkages.

2. The expenditure plans for receipts from the scheme will complement the current LTP3 programme and contribute towards achieving the following LTP3 objectives—

- (a) tackling congestion;
- (b) delivering accessibility;
- (c) securing safer roads; and
- (d) achieving better air quality.

3. Priorities for the scheme revenue expenditure are—

- (a) paying the costs and expenses incurred in designing, constructing, managing, operating and maintaining the Mersey Gateway Bridge and the new crossing and in managing, operating and maintaining the Silver Jubilee Bridge and the scheme roads or any costs associated with financing any or both of them;
- (b) providing such funds as are or are likely to be necessary to discharge the obligations of the Council or a concessionaire pursuant to a concession agreement;
- (c) paying the interest on, and repaying the principal of, monies borrowed in respect of the new crossing;
- (d) making payment into any maintenance or reserve fund provided in respect of the Silver Jubilee Bridge and the scheme roads or the Mersey Gateway Bridge and the new crossing;
- (e) making payments to the Council's general fund for the purpose of directly or indirectly facilitating the achievement of policies relating to public transport in LTP3; and
- (f) providing funds for, meeting expenses incurred in, or the cost of securing any necessary authority or consent for, the constructing or securing the construction, maintenance and operation of the Mersey Gateway Bridge and the new crossing or securing the maintenance and operation of the Silver Jubilee Bridge and the scheme roads.

EXPLANATORY NOTE

(This note is not part of the Order)

Sections 163(3)(a) and 164 of the Transport Act 2000 authorise the Council of the Borough of Halton to make a charging scheme in respect of roads for which it is the traffic authority. The scheme roads described in article 2 of this Order comprise the Mersey Gateway Bridge and the Silver Jubilee Bridge. Charges are currently levied under the A533 (Mersey Gateway Bridge) and the A557 (Silver Jubilee Bridge) Roads User Charging Scheme Order 2020.

This Order revokes the 2020 Order. It imposes charges for use of either the Mersey Gateway Bridge or the Silver Jubilee Bridge, and contains enforcement provisions.

Article 1 (citation and commencement) deals with preliminary matters.

Article 2 (interpretation) contains interpretation provisions including definitions of the “scheme roads”. It also refers to the Road User Charging Schemes (Penalty Charges, Adjudication and Enforcement) (England) Regulations 2013 (SI 2013/1783) (the “Enforcement Regulations”) which make provision for or in connection with the imposition and payment of charging scheme penalty charges.

Article 3 (revocation) revokes the 2020 Order.

Article 4 (duration of the Order) provides that the Order remains in force indefinitely.

Article 5 (the scheme roads) provides that the scheme roads are the roads to which charges, penalty charges and enforcement provisions apply.

Article 6 (imposition of charges) describes the event by reference to the happening of which a charge is imposed, namely, a vehicle being used or kept on the scheme roads. The charges imposed are set out in Part 1 of Schedule 1.

Article 7 (payment of charges) provides that the Council may specify how a charge should be paid. It also provides that payments may be under an agreement relating to a number of journeys or a number of days. It also provides that displaying a permit may be required. Paragraph (11) of article 7 continues the existing arrangement relating to scheme discounts.

Article 8 (classification of vehicles) specifies classes of vehicles to which the scheme applies, set out in Part 3 of Schedule 1 of this Order.

Article 9 (vehicles exempt from charges) provides for the exemption of certain vehicles from paying the charge provided conditions are met, set out in Schedule 2.

Articles 10 and 11 explain to what purposes the charges recovered may be applied.

Article 12 deals with the civil enforcement of unpaid charges through the imposition of penalty charges. Paragraph 12(1) imposes a penalty charge where the charge for using the crossing is not paid in accordance with Article 7. The penalty charge rates are set out in Part 2 of Schedule 1. Paragraph 12(3)(a) explains that the penalty charge is payable in addition to the charge imposed. Paragraphs 12(3)(b) to (d) explain that the penalty charge is payable within 28 days of the penalty charge notice relating to it being served, that the amount of the charge is reduced by half if paid within 14 days or is increased by half if not paid before a charge certificate is served in accordance with regulation 17 of the Enforcement Regulations.

Article 13 imposes additional penalty charges of the amounts set out on the project website where the powers in respect of vehicles described in paragraphs 18 and 19 are exercised.

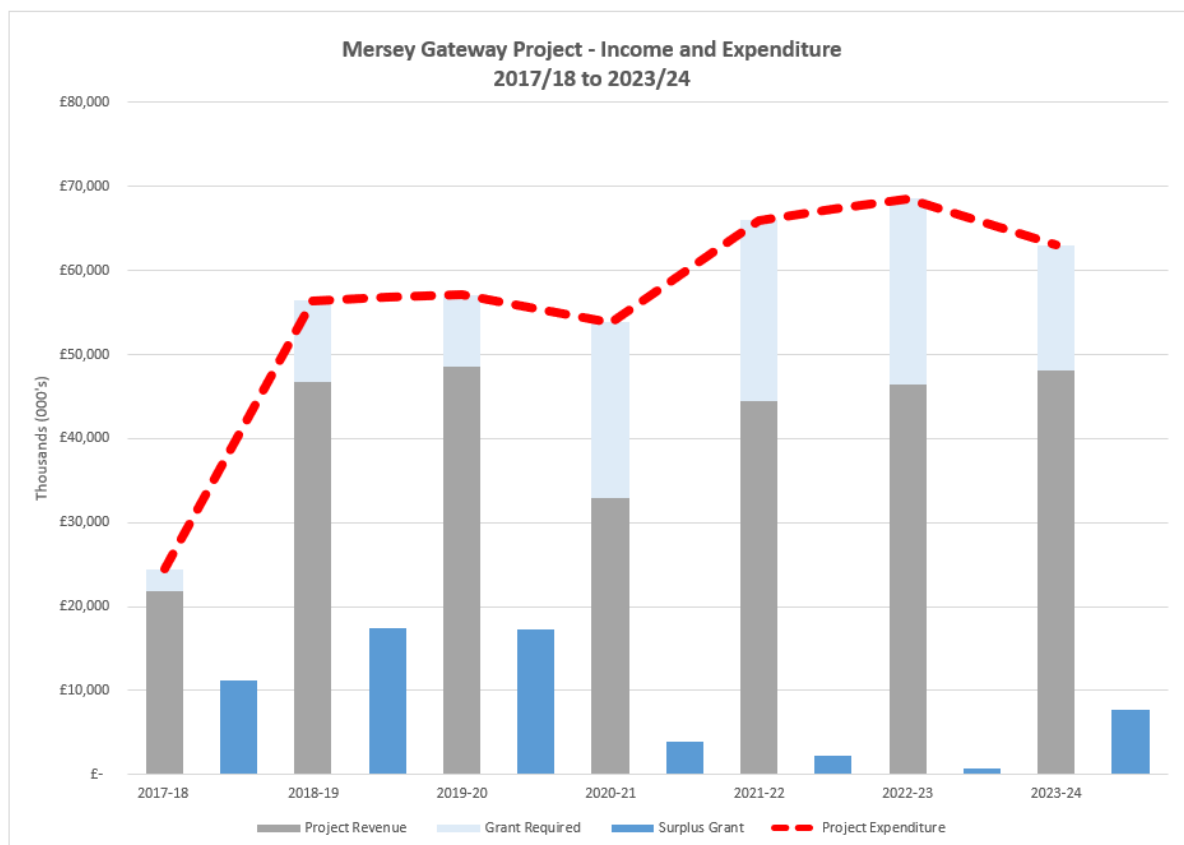
Articles 14 to 19 contain powers that can be exercised in respect of motor vehicles. These powers are to examine vehicles (article 15), enter vehicles (article 16), seize items (article 17), immobilise vehicles (article 18) and remove, store and dispose of vehicles (article 19). The exercise of those powers must be in accordance with the Enforcement Regulations. In particular the power to immobilise a vehicle or remove a vehicle that has not been immobilised can only be exercised where none of the circumstances in regulation 25(2) of the Enforcement Regulations apply and the conditions in paragraph 25(3) of those regulations do apply.

Appendix 2

Mersey Gateway Project Update

It was originally forecast that the project would run at a loss at the start of the scheme and would therefore require central government support to enable the Council to meet its financial obligations in relation to the project.

The graph below illustrates the revenues and expenditures for the project since opening in October 2017 to March 2024. There have been variations in actuals to forecasts particularly because initial traffic numbers were higher than forecast (until COVID-19), additional revenue from PCNs (projections assumes the objective of 100% compliance is achieved), and costs in certain areas (such as insurance costs and interest payments) lower than originally expected. However more recently costs have risen quicker than forecast due to unexpectedly high inflation.



Overall, the project has performed well in its initial years, and this financial robustness has been reflected in that toll charges have not been required to increase in the first seven years of operations, when originally it was envisaged that toll charges would increase on an annual basis (by a minimum of the Retail price index (RPI)). Further, the Council has been able to offer unlimited personal crossings for eligible Halton residents and not all central government grant monies have been required.

Return of grant monies to the DfT.

In April 2023, the project reached its second Review Point⁹, at which point the project was required to undertake a full financial review to compare the actual revenues and expenditure against forecasts.

Unlike many central government grants, the funding is received in advance and based upon forecasts. The Periodic Review Points are the point at which it is determined where any unused grant is returned to the Government. To encourage good financial management of the project the Council is allowed to retain 15% of unused grant to be used primarily for transport purposes.

The table below shows the summary of the results of the calculation to determine the level of excess grant received from central government and to be returned.

The key points from the table are that in the first five and a half years of operation the scheme required government grants of £82.325m to enable the Council to meet its obligations. The unused grant of £52.647m being split 85:15 between DfT and HBC.

	2017-18 (6 Ms)	2018-19	2019-20	2020-21	2021-22	2022-23	Total
Revenue	£21,862	£46,783	£48,559	£32,979	£44,453	£46,360	£240,996
DfT Grant	£13,806	£26,998	£25,808	£24,702	£23,719	£22,940	£137,972
Total Project Income	£35,667	£73,781	£74,367	£57,681	£68,172	£69,300	£378,968
Total Project Costs	£24,434	£56,422	£57,100	£53,827	£65,979	£68,560	£326,321
Unused Grant	£11,233	£17,358	£17,267	£3,855	£2,193	£740	£52,647
DfT share @85%	£9,548	£14,754	£14,677	£3,277	£1,864	£629	£44,750
HBC share @15%	£1,685	£2,604	£2,590	£578	£329	£111	£7,897

⁹ The DfT The Funding Letter (FL) states "At the second Review Point and every subsequent Review Point during the life of the DBFO agreement, the Crossings Board shall calculate whether there is an Actual Excess (AE) by updating Table 2 of Annex B." (Clause (xviii)) and that "85% of any Actual Excess shall be payable by HBC or the Crossings Board to the Department..." (Clause (xx)).

Appendix 3

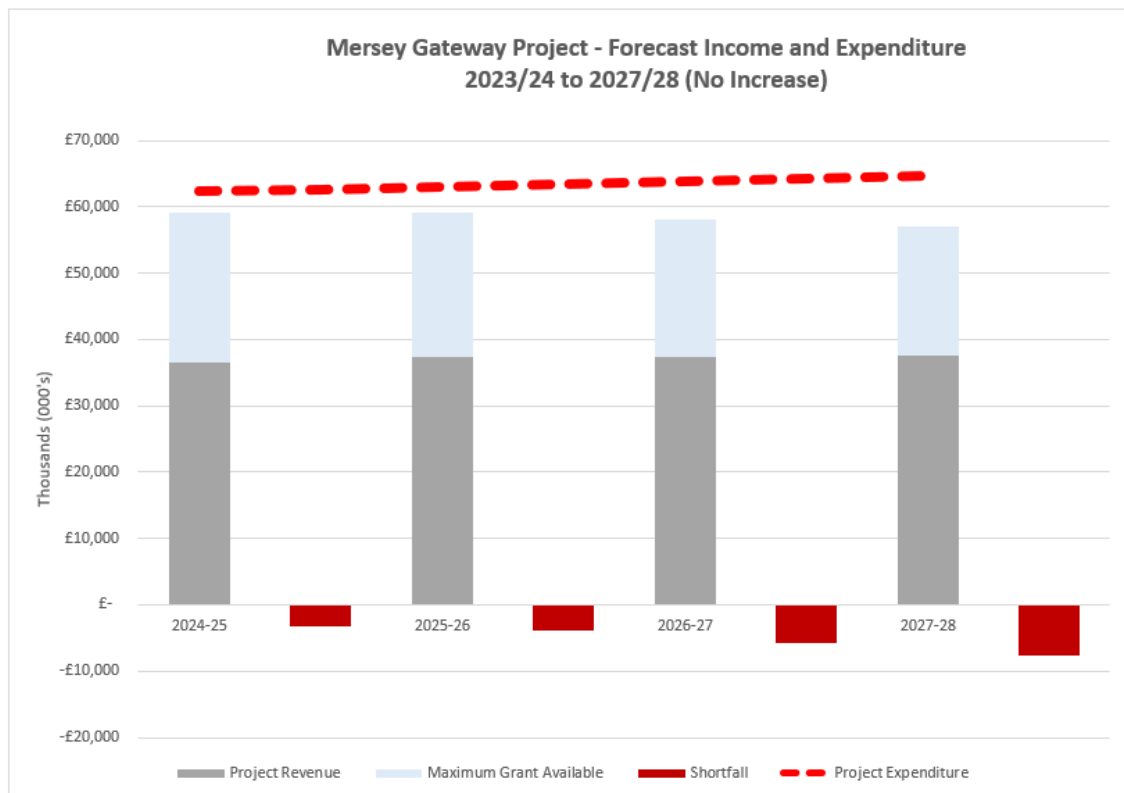
Mersey Gateway Project Projections

At each review point the Funding Letter requires the Mersey Gateway Crossings Board (MGCB) and the Department for Transport (DfT) to agree forecasts for revenues and costs, to assess the financial robustness of the Mersey Gateway Project (the Project) and analyse the impact of the Local User Discount Scheme (LUDS). The second Review Point (SRP) look forward runs for three years from 1 April 2023 and requires full details of the approach to be agreed prior to being initiated.

To forecast revenues, it was agreed with DfT that a combination of actual traffic data, national traffic growth data published by the DfT, and elasticity of demand data would be used to forecast traffic. This data would be used to generate the revenue forecasts for the "Look Forward" element of the review.

It was also agreed that expenditure forecasts would be based upon the actual expenditure that had been incurred up to March 2023, adjusted as appropriate and an annual indexation increase included.

The graph below illustrates the base position if toll charges do not increase; the level of expenditure, is greater than the combined revenue from road user charges (referred to as "toll charges" for ease) and government grants, leaving a shortfall that the Council would need to fund from its own resources. It can also be seen that the Government grant is slowly reducing as the scheme progresses.



Under the terms of the Funding Letter, the Council cannot request additional support from the Government until it has taken action to address the projected shortfall as set out above. Accordingly, the Council must increase the toll charges and if the project is still projected to be in a loss position, then the Council should consider reducing or removing the discounts to eligible local residents and finally make good any shortfall from the Council's main funding.

Given the projected shortfall (see above graph), MGCB must recommend to Council an increase in the toll charges as this would ensure the financial robustness of the project and protect its financial position.

Under the terms of the Funding Letter, it is envisaged that the toll charges would be increased annually in line with the Retail Price Index (RPI). This has not happened but if it had, toll charges would have increased by over 40% between 2017/18 and 2024/25¹⁰. The proposed increase of 20% is significantly below that mark.

Although traffic numbers have returned to levels seen before COVID-19, they are below those originally forecast and hence the revenue is below that forecast. Furthermore, the recent period of higher inflation has increased project costs above original forecasts, which enhances the gap between income (and forecast income) and expenditure.

As agreed with the DfT, the revenue forecasts do not take into consideration any PCN revenue, as the target is 100% compliance of people paying for their crossing on time. Also, since opening, additional payment methods have been introduced to encourage users to pay for their crossings on time – or ahead of time. This is reflected in PCN revenues falling as a percentage of overall scheme revenue (excluding grants).

The 20% increase in toll charges does not result in a 20% increase in projected revenues. It is expected that a price increase will cause customers to consider if their journey is necessary, or whether taking a different route or mode of transport is to be preferred. As a result, the number of crossings would be expected to fall slightly following the increase in toll charge – this phenomenon is known as the *elasticity of demand*.

As a result of demand elasticity, a 40% increase in toll charges, which would restore them to the 2017 level having taken account of RPI, would result in an even greater decrease in crossing numbers. Therefore, a higher increase in toll charges would cause there to be less revenue than if the increase in toll charges is restricted to 20%, and, importantly, have a significant impact on bridge users.

Even with a 20% increase in toll charges, there will be a slight negative gap between income and expenditure (therefore an increase of less than 20% would only exacerbate the shortfall). However, this would be capable of being covered from the Project's Liquidity Maintenance Reserve¹¹ if required.

¹⁰ Based upon Retail Price Index October 2017 to August 2024

¹¹ The Liquid Maintenance Reserve is a separate ring-fenced bank account required under the terms of Funding Letter which is to be used to manage any short-term financial shortfalls.