

Report to:	South Tyneside CAF
Title:	Tyne Tunnels update
Date:	February 2022

1. Tyne Tunnels

This report is intended to provide an update on recent developments at the Tyne Tunnels where the new barrierless tolling system (Tyne Pass) came into operation on 8th November 2021.

The Tyne Tunnels are an asset of the Tyne and Wear Local Authorities represented by the North East Joint Transport Committee (JTC) and administered by officers of Transport North East.

Under a 30 year Concession Agreement running from 2007 to 2037, TT2 Limited operate the Tunnels and were responsible for construction of the second tunnel in 2008. The tunnels are self-funding, requiring no central or local government subsidy. The toll payments (from the 50,000 vehicles who use the tunnels per day) provide enough revenue to pay all operating costs, and to service the debts incurred in the construction of the second tunnel.

2. Tyne Pass Scheme

The Tyne Pass scheme was planned for several years and Transport North East officers have worked with TT2 (the operator of the Tyne Tunnels) to review the planning, design and delivery of the scheme.

The barrierless scheme has modernised the payment system at the Tyne Tunnels and provides other benefits for the area, including significantly reduced carbon emissions, reduced congestion and journey time savings. The scheme was approved by the North East Joint Transport Committee in September 2020. The scheme has been designed, implemented and operated by TT2 following consultation with Transport North East officers, in line with the processes set out in the Concession Agreement.

Modernisation of the toll payment system at the Tyne Tunnels was anticipated by both parties when the Concession Agreement was agreed in 2007 in order to upgrade from the largely coin-based system to a barrierless open road tolling system. The previous outdated system required customers to stop and make payment at the toll barriers, causing delay for drivers and resulting in excess carbon emissions from traffic queueing then accelerating after leaving the toll plaza. The Tyne Pass scheme has taken learning from other barrierless systems in operation across the UK and Ireland. The scheme is generally working well and in the way that it was intended.

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3. Toll payment

The new barrierless system requires drivers to pay the toll before or after their journey. Payment can be made:

- online
- by phone
- at a PayPoint terminal in numerous retail outlets
- by pre-paid account (75% of journeys are by pre-paid account holders which includes a 10% discount per journey)

The phone and PayPoint options allow those who are not proficient on digital devices to pay by other means and around 4% of drivers are using these payment options so far. There is also a dedicated contact centre open 7 days a week for drivers to call with any queries about the system should they need support or guidance. Signage at the tunnels and an extensive marketing campaign throughout the region is ongoing, informing drivers of the payment timeframe.

Previously drivers had to pay before their journey or at the toll barriers, but under Tyne Pass they can pay the day after their journey, communicated as “by midnight tomorrow”. This timeframe was set taking into consideration the rules applied by other toll roads in the UK who have been operating similar systems successfully for a number of years, including Dartford Crossing and the Mersey Gateway bridge. The language is the same as used at Mersey and Dartford who have refined it over the years of their operation.

In the first month of the new system, over 1.3 million vehicles travelled through the tunnels and more than 94% of drivers paid for their toll using the correct process in the required timeframe. This figure has already improved to 95% in January 2022 as users continue to get used to the new system.

4. Unpaid Toll Charge Notice (UTCN)

Drivers who fail to pay the toll in the timeframe receive an Unpaid Toll Charge Notice (UTCN) in the post. This is sent to their DVLA registered keeper address following the use of Automatic number-plate recognition (ANPR).

The charge is £60 but if paid within 14 days the user pays at a lower rate of £30. The charges and timeframe are set out in the Tyne Tunnels Byelaws which were approved by the Department for Transport and the North East Joint Transport Committee (Tyne & Wear Subcommittee). These charge levels are consistent with other operators and enforcement regimes and represent the cost of recovery of unpaid tolls.

The enforcement process is not popular, but unfortunately it is necessary as if toll payments are not collected then the tunnels would cease to be self-funding and could require additional funding from other sources. Alternatively, those who pay the toll could also be impacted in future, effectively paying a higher toll charge to cover those who do not pay as they are required to do so by law.

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5. Appeals process

An approved appeal system is in place to allow any driver who considers they have received a UTCN unjustly to submit an appeal. The contract with TT2 Limited states that staff dealing with appeals must follow a set of rules that are agreed with TNE and define which appeals must be allowed. Staff are trained to follow the rules in place and TT2 has no discretion to change these rules without Transport North East's agreement.

Transport North East agreed with TT2 that it could temporarily relax some appeal rules in the weeks following "go-live" of the new system so that it could help customers to make the transition to the new system under certain conditions, and as a result the level of successful appeals during the first few weeks of operation was unusually high at 43%.

There is an Independent Auditor in place that will regularly review appeals on a sample basis to ensure that the process is being followed correctly, and independent watchdog Transport Focus will conduct periodic reviews of the customer service provided. This provides assurance that a fair system is in place with a good level of independent scrutiny.

6. Reporting and transparency

The contract with TT2 Limited requires that they produce regular reports of information to show how the Tyne Tunnels and the Tyne Pass system are performing. They have agreed to make monthly information available to the public. The first 2 months of reports have been recently produced and is available on TT2's website at [Statistics – Tyne Tunnel 2 \(tt2.co.uk\)](https://www.tt2.co.uk/statistics-tyne-tunnel-2)

The Joint Transport Committee's Tyne and Wear Sub-Committee has political oversight of the tunnels' performance and receives a regular report from Transport North East to help it to perform this function in a public meeting.

A contractual penalty clause has been agreed with TT2 which means they will pay a penalty to Transport North East if they do not get the level of compliance down to the agreed level by the end of the settling in period.

7. Petitions and social media groups

We are aware that some drivers who have received a UTCN for failing to pay the toll are unhappy and have formed social media groups and petition groups to express their frustration, and this has led to adverse press coverage.

Transport North East officers are in contact with the main campaign group and will continue to listen to user feedback to ensure that continuous improvements are made as the new system beds in. We will also ensure that significant issues raised by members of the public continue to be reported to the Joint Transport Committee's Tyne and Wear Sub-Committee.

Transport North East continues to work with TT2 Limited on all aspects of open road tolling in the early months of this new system. One of the main aims is to ensure that the number of non-payments and therefore unpaid toll charges is as low as possible and to ensure that customers are provided with a good level of service by TT2.