<u>Press release: More money in Severn</u> <u>Crossing drivers' pockets in 2018</u>

Drivers using the Severn Crossings will have more money in their pockets from January next year thanks to the UK Government's decision to reduce the bridge tolls for the first time, Secretary of State for Wales Alun Cairns announced today (15 September 2017).

Following the return of the Severn Crossings to public ownership on 8 January next year, the tolls will be reduced for all drivers in line with the commitment made by the UK Government in Budget 2015.

This will be the first time the tolls have decreased since their introduction in 1966. The normal annual inflation increase (due 1 January 2018) will also not be applied.

From 8 Jan 2018:

- Cars will pay £5.60 instead of £6.70.
- Small buses or vans will pay £11.20 down from £13.40
- Lorries and coaches will pay £16.70 instead of £20

The announcement comes hot on the heels of the <u>21 July</u> confirmation that the UK Government will abolish the tolls altogether at the end of 2018, strengthening the economic links and prospects of South Wales and the South West of England.

The Secretary of State for Wales Alun Cairns will announce the news to an audience of Welsh business representatives at the CBI Wales Regional Council meeting in Newport where he will also outline how the UK Government is working to deliver a EU exit that works for the whole of the UK.

Secretary of State for Wales Alun Cairns said:

For so many years, the tolls on both Severn Crossings have been seen as an economic and symbolic barrier to Wales' future prosperity. Our decision to reduce the tolls — before abolishing them altogether — will cut costs for businesses, for commuters and tourists alike — helping boost jobs and trade in Wales and across the South-West.

This is yet another strong indicator that Wales is open for business and of the UK Government's commitment to making the right decisions for Wales' future as part of a strong United Kingdom.

It is estimated that the abolishing of the tolls will boost the economy of South Wales by around £100 million a year* and regular motorists could save over £1,400 per year**.

The UK Government is also today publishing its response to the <u>consultation</u> on its proposals to reduce the Severn Crossing tolls launched earlier this year. In view of the responses received, the Government is confirming that it will not press ahead with halving the tolls but instead commit to abolishing the tolls entirely at the end of 2018.

Notes to Editors

- 1. *Welsh Government: The Impact of the Severn Tolls on the Welsh Economy, 30 May 2012
- 2. **Based on a monthly tag charge of £117.92 over 12 months
- 3. On 13 January, the Government launched a consultation, setting out a series of proposals designed to deliver improvements at the Crossings. This consultation ran for eight weeks until 10 March.
- 4. The consultation response can be found here from 0930hrs on Friday 15 September.
- 5. The Severn Bridge was built in 1966 and a second crossing was completed 30 years later.
- 6. When the bridges come under public ownership, they will be run by Highways England. Previously it has been run by Severn River Crossing plc.
- 7. The first Severn Bridge was opened in September 1966, providing a direct link from the M4 motorway into Wales, with a toll in place for use of the bridge to pay for the cost of construction. It continually operated above capacity and in 1986 the then Government stated that a second bridge would be constructed.
- 8. In 1988 it was announced that tenders would be invited from private consortia to fund, build and operate the second bridge and take over the operation of the first bridge. In 1990 the concession was awarded to Severn River Crossing PLC ("SRC"). Construction work also started in April 1992 and the second bridge was opened in June 1996.