

## Transport - Let down again, or revolution?

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How we get around is not often considered a major public policy issue, even during election time. The Political Tracker from YouGov, for instance, usually identifies transport as the most pressing priority issue facing the UK for two per cent of the population (compared to 66-70 per cent for Brexit, and 30-35 per cent for health) (YouGov, 2019). Yet moving people and things intersects with a number of policy areas. The health of the economy, social exclusion, access to healthcare, reducing carbon emissions - to name but a few.

Despite being a low public priority area, and arguably a political one in comparison to the big offices of state, transport is an area where government intervention is significant. To date, this role has either been unacknowledged or worse ignored by successive transport ministers. Yet transport has a number of significant issues facing it, that the next government needs to grasp during the lifetime of the coming Parliament.

The direction of travel in transport policy is driven by one factor - economic performance. It is one of the most significant factors in deciding what transport infrastructure investment is prioritised, with Transport Assessment Guidance and the HM Treasury Green Book playing a significant role in determining what is classed as an economic benefit/cost, and to what level.

For a number of years, the importance of economic outputs as a policy goal transport should achieve has raged. This ranges from economic valuations from savings in time travelled favouring car drivers (Wardman et al., 2013), to the diffuse nature of the economic benefits and costs making their estimation tricky (Venables et al., 2014). A consistent theme is debating its importance relative to other outcomes. UK Transport Assessment Guidance recommends as a first stage of scheme development, options are assessed based on their ability to meet multi-purpose objectives (DfT, 2019), as opposed to prioritising economic returns. However, with government priorities (not to mention scheme funding) focussing on economic benefits, these are often prioritised.

This debate is not captured explicitly within the manifestos. But clues can be gained from the tone and context within which each party describes transport investment. The Conservative Party talks of transport in economic terms, noting that European cities are often more productive due to better infrastructure, and focussing infrastructure spending on productive investments. All other manifestos speak of transport in a more balanced context - speaking to social, health, and environmental contexts.

This issue is best shown in major transport schemes, where political and professional views vary from one extreme to another. There is a general professional agreement on the case for improving connectivity between cities in the North of England - particularly delivering Northern Powerhouse Rail that seeks to upgrade the

TransPennine rail routes between Leeds and Manchester. The only variance seems to be naming it - from Northern Powerhouse Rail to Crossrail for the North.

Then, there is High Speed Two. This project is in trouble, with significant estimated cost overruns resulting in the Oakervee Review, which is due to report its findings after the election (Rail Technology Magazine, 2019). As the project has progressed, the professional view has slightly shifted. Whilst many argue a strong case for HS2 on capacity enhancement and regional connectivity grounds, with an escalating cost and subsequent decline in the business case, those cautioning against the scheme have been emboldened. The party manifestos vary in their support. The Conservatives support is almost conditional on the Oakervee Review, whilst Labour and the Lib Dems support the scheme. The Green Party propose to scrap the scheme altogether on environmental grounds.

A major scheme notable by its absence is Heathrow Airport Expansion. During the last Parliament, MPs voted to support the expansion of Heathrow Airport, including the third runway (BBC News, 2018) despite significant environmental objections and concerns over impacts on local communities. Whilst this may seem to have settled the issue, and the 7th busiest airport in the world (National Geographic, 2018) that operates at 98 per cent of capacity is set to expand, the issues are still live. This is just the start of a six stage process to achieve a Development Consent Order, that can be set back or even rejected at any point. With many key marginal seats affected, you would have thought that mentions of the project would be wider than the Conservatives (generally support) and the Lib Dems (oppose).

A significant, and overlooked, issue is a simple one of who pays for the transport system. All transport systems operate through a mixture of taxpayer financing and user charging, with governments taking a differing role in different markets. In the railways, it has been expected that fare paying passengers should pick up an increasing proportion of the costs of running the railway, which currently stands at 50 per cent of the total costs of running the railway (Office of Rail and Road, 2019). Airports are largely financed through landing charges and commercial revenues. Whereas charges for use of roads are largely informal through vehicle registration and fuel taxes - currently standing at just over £30bn per annum (House of Commons Library, 2019).

The spectre of National Road User Charging has never really gone away, despite it not figuring in any of the party's manifestos. For understandable reasons. The first UK government online petition to exceed one million signatories - and the petition with the most signatures until 2016 - was the 2007 petition against national road user charging plans by the then Labour Government. Parking charges - amounting to an estimated £913m surplus in 2019-20 (RAC Foundation, 2019) - are a significant local issue, though only breaks onto a national stage in the case of Hospital parking charges, with Labour committing to removing them completely.

Despite funding being a significant issue that needs to be grasped, the party manifestos say little outside of what they will spend. The Labour Party manifesto commits to reallocating the Highways England Enhancement Budget (nominally funded through Vehicle Excise Duty) to walking and cycling schemes, sustainable travel promotions, and other sustainable travel schemes. Otherwise, all policy announcements are simply funding commitments as opposed to the wider question of how to fund our transport system.

Local transport was one of the biggest casualties of the austerity programme of the last 10 years. Within six months of entering office, the Coalition Government reduced council funding through the Integrated Transport Block (which annually funds infrastructure schemes) by 50 per cent. Central Government has also eliminated its annual contribution to Transport for London of £700m (though has allowed it to retain

revenues from Business Rates to fund Crossrail). Cuts in revenue support for Councils has also led to reduction of over 3000 bus routes (Campaign for Better Transport, 2019) and increases in charges for supported bus services. This has been partly offset by a variety of funding pots available from Central Government for which Councils can bid for, such as the Local Sustainable Travel Fund and Access Funding. But consistent revenue sources are urgently needed.

This consistency of basic revenue support is hard to identify amongst the policy commitments that mention specific funding sources. These include a pothole filling programme from the Conservatives, £4.5bn in funding for buses from the Lib Dems, £2.5bn in new cycle tracks from the Greens, and £500m for bus priority from the SNP. This may represent the role of manifestos as general statements of intent as opposed to technical documents, but consistent funding is essential for the continued functioning of transport networks. Building more just adds to the long term revenue costs.

This is related to the question of devolution. Amongst transport planners, the view is almost unanimous: greater devolution of transport decision making authority to the nations (especially Wales and Scotland), city regions and sub-national transport bodies (e.g. Transport for the North) (Chartered Institution of Highways and Transportation, 2015). Amazingly, the manifestos generally support greater devolution of powers away from central government, particularly on transport. But this prompts a question as to what exactly is devolved - decision making authority, funding and the ability to raise finance for improvements, or both.

This is an important question. Currently, revenue raising powers of local authorities are limited. There are strict rules governing the use of revenue raised from parking and the Workplace Parking Levy, where authorities cannot intend to make a profit, and any profit raised must be reinvested in local transport. The other main local funding sources are either limited by law in how much they can be raised each year (Council Tax) or are handed straight to government for redistribution (Business Rates). Simply committing powers to local authorities, without the means to cover the additional costs, is a significant challenge.

Cuts in local transport services are often spoken of in terms of inequality, and for good reason. Those who use socially-necessary transport services are often the most vulnerable people in society, whose lives are disproportionately affected by the removal of transport services (Lucas et al., 2019). This ties into a much wider question of not whether there are too many trips, but how they are distributed. People in the highest income groups take, on average, 22 per cent more trips per annum compared to those in the lowest incomes, especially more trips by car and by plane (DfT, 2019). Though the latter typically take more trips on foot and by bus.

In the manifestos, this is often not acknowledged explicitly, though terms such as improving access to opportunities and reducing social inequality do come to the fore. Rather, socially just outcomes are seen to be achieved through policy delivery - notably reductions in cost of public transport (all), investment in new public transport services (all, but especially Labour, Lib Dems, and Greens), and taxing the most polluting forms of transport (Greens).

Interestingly, the issue of cutting fares on public transport is not as settled professionally as you may think. There is general support for reducing the costs of public transport, with a one per cent reduction in fares estimated to increase demand in the short term by 0.4 per cent (varying by mode and trip purpose (Paulley et al., 2006). But there are concerns that with current systems already overcrowded, simply adding more people without corresponding capacity improvements (that may take years to happen) will mean funding needs to come from taxpayers to overcome these

capacity issues. However, evidence from concessionary fares point to significant wellbeing benefits for the socially excluded (Jones et al., 2013).

One thing that dominates the public discourse in transport is that of ownership. The renationalisation of the railways in the UK is often cited as a popular policy, with 64 per cent of the population backing renationalisation (Full Fact, 2019). In recent times, that debate has moved to bus services outside of London (currently operating in a deregulated environment), where some cities have expressed a desire to exercise greater power over local bus services. This is primarily through local authorities exercising powers to franchise bus services, although Manchester is currently the only city that has progressed plans to consultation (Browne, 2019).

Not unsurprisingly, the Labour Party manifesto commits to bringing the railways back into public ownership. The Green Party also commits to public ownership of railways, whilst the SNP wishes the same but for Scotland. The Liberal Democrats promise to open up the franchising system so that public sector companies can bid for contracts. The Conservatives, by contrast, simply promise to make the franchising system simpler and more effective, including giving mayors the powers over rail services.

This focus on ownership could not contrast more strongly with ownership discussions within the transport profession. Here, the debate focuses not on ownership but on integration of public transport services. Current competition law makes the integration of public transport services - especially buses, as acknowledged by the House of Commons Transport Committee (House of Commons Transport Committee, 2019) - difficult. Any integrated ticket offerings outside of London are voluntary arrangements, from which operators can withdraw at any time.

Where there is consensus in transport professionals is for a greater degree of regulatory control of public transport, especially in the city regions outside of London (Sloman and Taylor, 2016). Whilst many factors affect demand for public transport, the fragmented nature of the network, with different operators either having regional monopolies (Competition and Markets Authority, 2011) or competing with each other for customers, means that the public transport network does not operate as an integrated system. Public ownership is just one option for providing an integrated service offering.

In the supposed 'climate change election,' it is not surprising to see that climate change does feature in policy and professional debates. Transport is the leading sector in the UK for CO<sub>2</sub> emissions - accounting for 33 per cent of all emissions in 2018. Actions proposed by past governments to tackle this - largely consisting of electrification of the vehicle fleet - have been judged by the Climate Change Commission to be insufficient to meet government targets to reduce emissions.

This has been a staple of government policy for a number of years. Fearful of the 'war on the motorist' narrative, measures to reduce CO<sub>2</sub> emissions through prioritising walking, cycling, and public transport have often been shied away from. Despite evidence from the likes of Waltham Forest that demonstrate that vociferous objections to the schemes often evaporate when they are implemented (Walker, 2018). Interestingly, the transport profession has often occupied a dual position itself - recognising the significant action needed to tackle climate change whilst supporting road building and the subsequent induced traffic on economic grounds.

Significant, and far reaching, action is needed to decarbonise the transport system in a time when passenger and freight traffic is growing. This requires a significant decoupling of growth in travel from growth in Gross Domestic Product (GDP). The Intergovernmental Panel on Climate Change (IPCC) recommends a strategy of avoided

journeys, modal shift to sustainable transport, changes in fuels and propulsion, and changes in the built environment as the means to achieve this (Sims et al., 2014). Doing this requires nothing short of significant action on all fronts, and considering policies as a package of complimentary measures as opposed to individual policy announcements.

Taking this into consideration, it is difficult to consider the manifestos accordingly. Whilst the Labour Party and the Green Party make the most positive noises on the environment, with actions including investing the most in walking and cycling and committing to ending road building, not one manifesto mentions a key requirement of a climate mitigation strategy - reducing travel.

Tying back to earlier on devolution and changing the funding model, how sustainable travel initiatives are funded will be critical to the success of decarbonising the transport system. In England, whilst £30 per head is spent on just the strategic road network, just £7 per head is dedicated to walking and cycling schemes. With 68 per cent of trips being less than five miles, and 58 per cent of car trips less than five miles (DfT, 2019), encouraging walking and cycling for these trips is crucial.

All of the manifestos commit various funding pots for walking and cycling infrastructure schemes, most of which is either a continuation of existing investment (Conservatives) or more investment (all others). But the issue is not just about how much is spent, but its relative priority and the quality of what is delivered. Spending billions on non-segregated cycle infrastructure on busy roads is unlikely to lead to significant modal shift. Whilst some cities are delivering significantly improved public realms and quality cycling infrastructure, this is far from universal practice. Reprioritising road space away from private cars is essential. The Green Party is the only party to reference the need for better quality infrastructure, not just more of it.

Finally, there is the multifaceted debate on future technologies. To date, Government policy on future transport technologies has been driven by the economic opportunity to UK businesses. This is reinforced by the Industrial Strategy, which identifies the Future of Mobility as one of its Grand Challenges (Department for Business, Energy, and Industrial Strategy, 2019). There has been much talk about opportunities and new business models enabled by the likes of autonomous vehicles and Mobility as a Service, and much talk of threats too. And this is before we move onto the regulatory debates prompted by the likes of Uber.

The professional consensus is that whilst such technologies have the potential to bring benefits, questions remain as to their likely impact. A vision-led approach to transport planning, where these technologies need to be set in the context of contributing to a future vision for a place, is gaining traction in transport planning. There is also the question of how these technologies tackle social issues and are delivered in places where a commercial business case is tricky without government support. This includes tackling social exclusion and improving accessibility in rural areas. For this, all manifestos say nothing.

Transport plays an important role in some of the defining policy issues of our time - climate change, social inequality, and empowering people. However, whilst the manifestos contain what seem to be attractive policies that may have a meaningful impact on their own, none of them fully grasp the role which transport plays. In all, there is a strong case of *deja-vu* in this election. A feeling that transport - and society in general - cannot afford to have for much longer.

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Having said all this: the future of transportation floats (different than aeronautics of flying), its source of propulsion will be gravity. This is not likely within the next few years but, it is the future.Â Long-distance transportation was by family car - a lot of people also took bus and train, and air travel was usually reserved for the wealthy. The Belarusian Transport Ministry has published a transcript of part of the conversation between the Belarusian dispatcher and the crew of the Ryanair plane that was forced to land in Minsk on May 23. According to the document, at 9:30 a.m. local time on Sunday, May 23, a dispatcher from the Minsk airport informed the Ryanair pilot that according to "information from [the] special services" there was a bomb on board the plane that could be detonated over Vilnius. The dispatcher goes on to say that "several airports" received the email about the alleged bomb and advises the pilot to divert to M. You've been successfully added to the Marginal Revolution email subscription list. VIX is down, again, or the show so far (again). by Tyler Cowen February 7, 2017 at 1:01 am in. Current Affairs.Â # So let the government have a monopoly on educating the kids because they've proven themselves with handling the water supply, Gil? Gil. 2017-02-07 10:06:42.Â Then again, people always get lucky. Ryan. 2017-02-08 16:52:16. The Industrial Revolution saw a dramatic improvement in transport and communications. However, historians debate just how much of this change really took place during the Industrial Revolution. Many developments in transport had already been made beforehand. This involved innovation, capital investment and increased extent: Roads. General Wade, Jack Metcalf, Thomas Telford and John Macadam developed better roads, with firm foundations, drainage and a smooth surface. Ever since the 17th Century, Turnpike Trusts were set up to improve main roads, for which a toll was charged. This pre-dates the