



Dear Colleagues,

Paper [1/12] Local Transport

Local Transport Discussion Brief. In November, we made a start on the first of Oliver Letwin's 'Ideas Challenge' topics – posed at Party Conference. This month's subject forms part of the other two streams: Productivity and the Cities, Towns, and Villages of the Future.

Politicians spend a lot of time talking about flagship national transport policies such as airports and long distance rail but for many of us the problems are closer to home: the commute to work or school, visiting family during weekend engineering works, or just doing the shopping. Some of these services are privately run, some looked after by central government and others – such as the local road network – the responsibility of local government. Whoever is in charge, we hope that you will tell us what helps and what hinders. How does your local transport affect the productivity of your region? How does it change the structure of your community and its institutions?

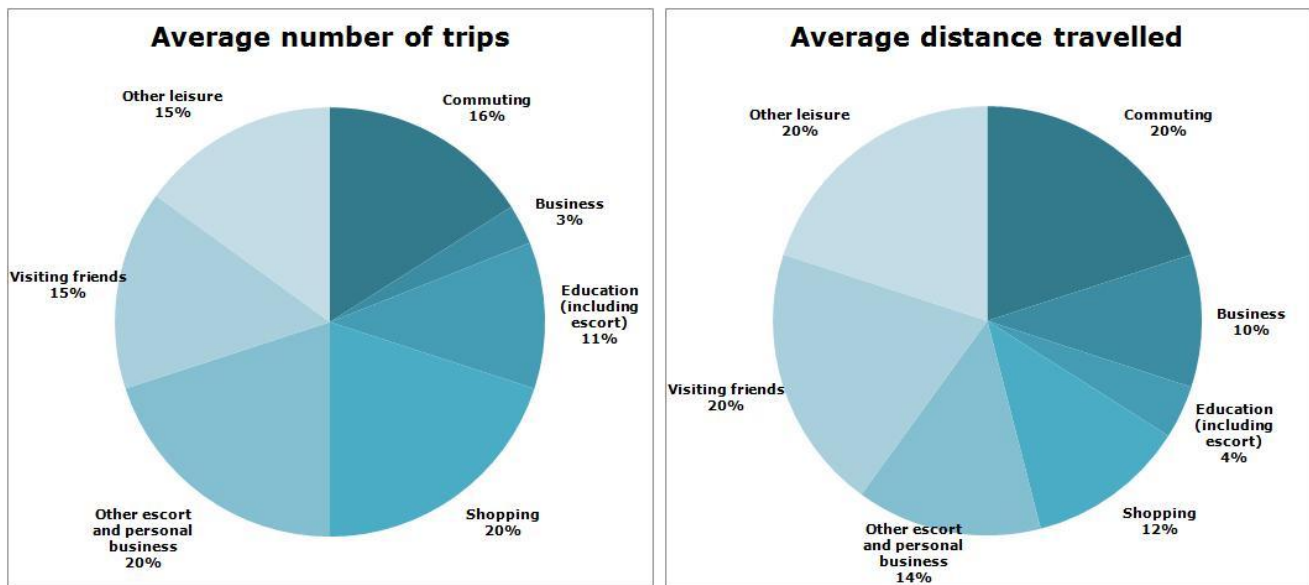
Please do get in touch with our Professional Director, Daisy Meyland-Smith and the team for further information or resources or with any questions about the topics raised at [cpf@conservatives.com]. This closing date for this brief is 29 February 2012.

With best regards

Natalie Elphicke Director (Voluntary) and **Daisy Meyland-Smith** Director
(Professional)

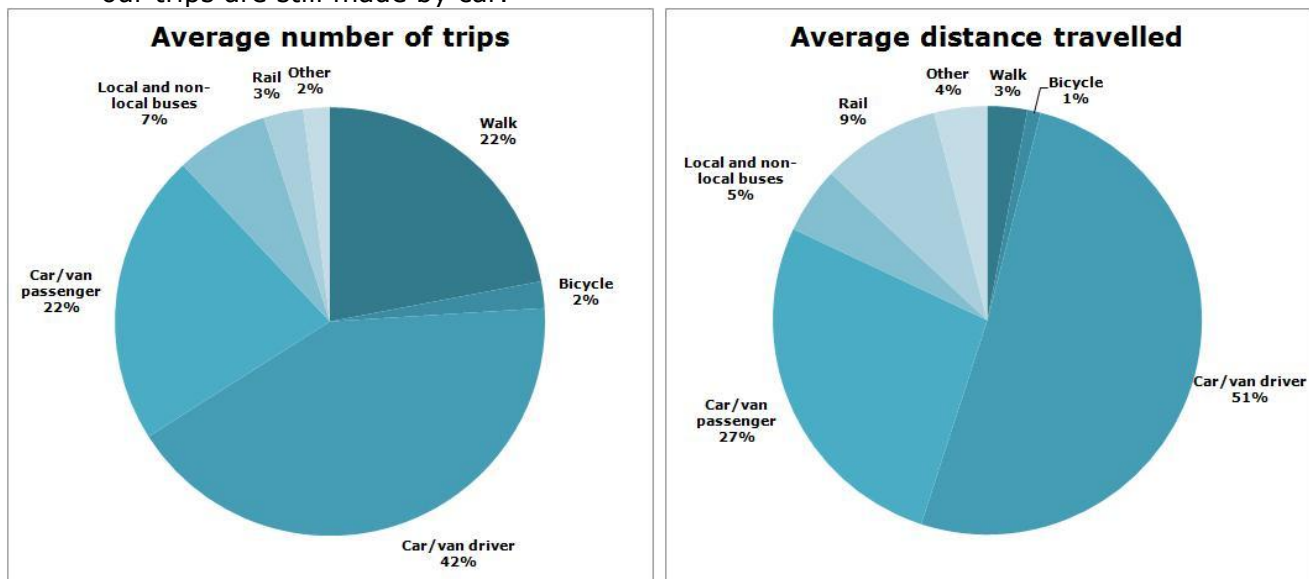
Every year, the Department for Transport carries out the National Travel Survey to collect information about personal travel in Great Britain. In 2010, the most recent year for which we have data, the average trip length recorded was only 7 miles.¹ 87 per cent of all journeys start and finish within the traveller's county of residence.² These facts emphasise the importance of great local transport networks – be they footpaths, bus routes, roads, rail or trams.

Every day, people are using their local networks to commute to work and school, to do their shopping, and for social purposes. The diagrams below break down the variety of uses for which our local transport networks must be fit.



Data from: ONS National Travel Survey: 2010³

Between 1995/97 and 2010 trips by private modes of transport fell by 14 per cent while public transport modes increased by 8 per cent. However, a majority of our trips are still made by car.⁴



Data from: ONS National Travel Survey: 2010⁵

1. Economic performance

A study in 2006 pinpointed two channels through which transport can impact economic output (GDP):

- (i) Firstly, transport can affect GDP through the number of inputs that are used, for example transport may increase employment either by allowing greater access to labour or stimulating the creation of new firms, which can increase the number of goods and services produced and lead to an increase in GDP.*
- (ii) Secondly, transport can improve the efficiency with which firms use inputs, in other words transport can have an impact on productivity. For instance, a well functioning transport network can raise productivity by reducing journey times. Transport investment can impact on the drivers of productivity by encouraging private investment through raising its profitability; facilitating labour mobility and thereby increasing the returns to investment in skills; and enabling effective competition even when economic activity is geographically dispersed (The Eddington Transport Study) ⁶*

Transport can also play a vital role in supporting structural change in the economy. For example, it can allow people to access work in growing industries by supporting commuter travel.

All of these can either have a one-off effect on the level of productivity or a sustained impact on the growth rate of productivity. In practice such impacts are very difficult to measure, but can be extremely valuable, as they determine how quickly the economy grows and therefore the rate of growth in GDP. Work on the major rail project 'the Northern Hub', for example, suggests that a 10 per cent change in rail connectivity between businesses can increase the number of jobs within a given area by 14 per cent.⁷ Nevertheless, there remains some uncertainty over the direction of causality in the relationship between transport investment and the performance of the economy:

What comes first? Do countries choose to spend more on transport as they grow richer? Or does an increase in GDP come after transport investment, i.e. transport investment generates economic success?... in practice, it is likely to be a combination of the two (The Eddington Transport Study) ⁸

What is less disputed is that overstretched transport can constrain economic success.⁹

2. Accessibility and equality

Accessibility means that people can get to key services at reasonable cost, in reasonable time and with reasonable ease. It depends on myriad factors:

Does transport exist between the people and the service? Do people know about the transport, trust its reliability and feel safe using it? Are people physically and financially able to access transport? Are the services and activities within a reasonable distance? Solving accessibility problems may be

about transport but also about locating and delivering key activities in ways that help people reach them (Social Exclusion Unit)¹⁰

Groups that often struggle with access include older people, women, parents of young children, and the poor. However, accessibility issues affect us all at various times – when we are carrying heavy luggage, or have twisted an ankle, or suffered car problems.

Access to a car. The proportion of households in Great Britain without a car has fallen since 1985 but now seems to have levelled off at around 25 per cent of households. Since 2000, there have been more households with two or more cars than households with no car.¹¹ Some households may have access to a car without owning one – for example through a car club.

	1985-86	1995-97	2005	2010
Proportion of households without a car	38%	30%	25%	25%
Proportion of households with two or more cars	17%	25%	32%	33%

Transport as a barrier. A 2003 Social Exclusion Unit report found that two out of five jobseekers cited lack of transport as barrier to getting a job. One in four jobseekers described the cost of transport as a problem for getting to interviews. And one in four young people had not applied for a particular job because of transport problems within the last year.

The same report found that 31 per cent of people without a car had difficulties travelling to their local hospital, compared to 17 per cent of people with a car and over 1.4 million people said that they had missed, turned down, or chosen not to seek medical help over the last 12 months because of transport problems.¹²

Gender. In 2010, 80 per cent of men and 66 per cent of women held a driving licence. The proportion of males holding a licence has remained fairly stable since the early 1990s but the proportion of women continues to increase.¹³ Poorer women in rural areas may be further restricted where access to a single family car is constrained by the need for their husband to commute by road.

On average, women make more trips than men, while men travel much further each year but both of these gaps are narrowing.¹⁴

2010	Men	Women
Trips per year	935	984
Distance travelled per year	7,426	6,051

Types of trip also vary: women are more likely than men to make multiple stops while commuting, such as dropping children at school or day-care. Men's journeys are more likely to be single purpose, with fewer than half making a stop on the way home from work.¹⁵ This difference can, in turn, reduce affordability for women if these 'trips-chains' involve paying more than one fare, potentially reducing employment opportunities.¹⁶

3. Integration and information

Many of the issues of accessibility can be tackled through increasing integration and information. The aim of integrated travel is to make sure that most people in the country can achieve door to door public transport – improving mobility for those without car access – and integrated ticketing systems can prevent ‘trip-chainers’ from being penalised for, for example, combining food shopping or child care with commuting.

Integrated ticketing and timetabling systems also enable far clearer information to be given to passengers. This is important: studies suggest that job search patterns are influenced to a greater extent by perceptions of travel than the real accessibility of work locations.¹⁷ As well as new employees, improved information benefits existing commuters, whose productivity improves with better warning systems for problems on their journeys to work. With the advent of more flexible working hours, employees will be even more able to respond to accurate information that allows them to avoid disruption.

Systems such as the Transport for London website, which is backed up by the integrated Oyster Card ticketing system, are gradually being installed in other locations, for example Saverway and Trio in Merseyside and System One Travelcards in Greater Manchester.¹⁸

In 2010, 85 per cent of households in Great Britain lived within a 6 minute walk of a bus stop, and a further 11 per cent lived within 13 minutes.¹⁹ So, for this majority of households, making clearer the routes that buses are linked to - and the costs of travelling upon them - paves the way for far greater mobility.

4. Wellbeing and the environment

GDP and exclusion measures alone fail to capture the impacts of transport on our environment, or its contribution to the wider well-being of society. Transport affects our well-being in a multitude of ways, including:

- Ability to take part in leisure and family activities (tackled in our section on accessibility)
- Length and quality of commute to work or school, predictability
- Effect of traffic or train noise
- Air quality
- Safety issues relating to transport, especially those affecting children and those in poverty*
- Health benefits of some forms of transport – for example, walking and cycling

* Social deprivation is a key determinant of child road injuries: the most deprived local authority districts have about five times as many child accidents per head as the least deprived (Social Exclusion Unit, 2003)

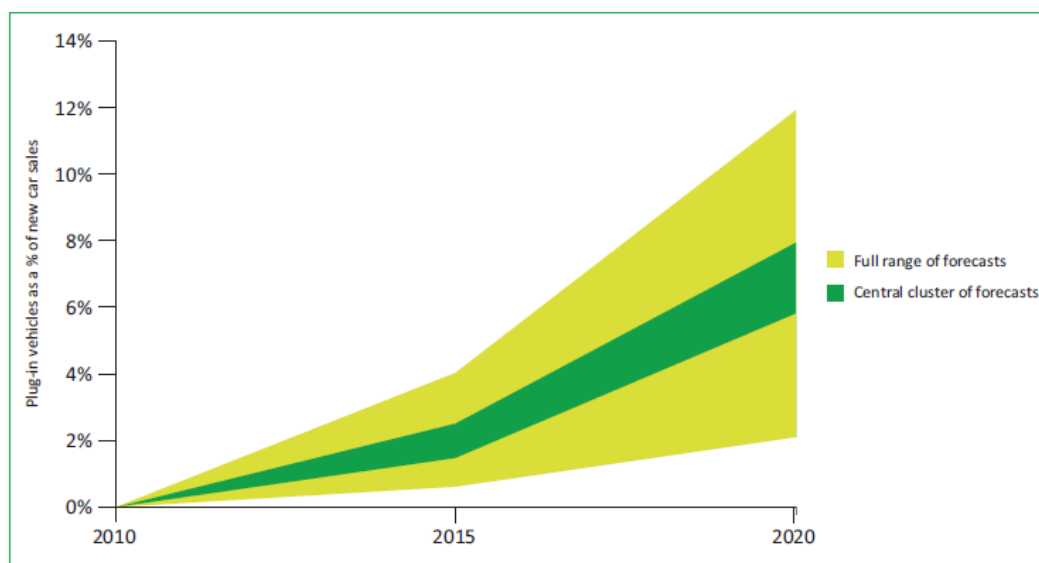
5. Lowering emissions and electric cars

Road transport is responsible for over 90 per cent of the UK's domestic transport emissions and the largest portion of this comes from cars.²⁰ In the near term, the majority of reductions to these emissions will come from increased efficiency in standard engines – driven in part by European regulation – but the Government has committed to reducing greenhouse emissions by 80 per cent for 2050 and plug-in vehicles have the potential to make a substantial contribution to this endeavour. A shift away from vehicles run on oil-based fuels to plug-in electric vehicles will also reduce the impact of high oil prices on the economy.²¹

Most plug-in vehicles are charged at home overnight – when energy demand has traditionally been lower. This means that increased demand during the night could potentially result in demand smoothing and make electricity generation more efficient. Leading the way on electric vehicle rollout also has economic benefits, building as it does upon existing strengths in the automotive sector (which accounts for 12 per cent of the UK's manufacturing employment).²² Other sectors likely to benefit include: research and development, battery manufacturers, electrical installation, billing and systems management and ancillary services such as information websites.

While electric cars currently have more restricted reach than conventional cars, this is not a significant problem for most users: 95 per cent of car trips in Great Britain are less than 25 miles and 99.6 per cent of all car journeys are less than 100 miles.²³

There are currently around 2,000 pure electric vehicles in the UK and a few hundred plug-in electric hybrids. There are approximately 30,000 petrol hybrids that have a battery fitted, but these batteries cannot be plugged into a socket, their charge either comes from the petrol engine or from energy stored during braking. The Department for Transport say that by 2015 they 'expect to see tens of thousands of plug-in vehicles on the roads in the UK':²⁴



Source: Graph based on selected plug-in vehicle uptake forecasts by Arup-Cenex, BCG, Berger, Cheuvreux, Deutsche Bank, Frost & Sullivan and McKinsey

6. Coalition approach

National infrastructure plan. On 29 November 2011, the Government published an updated National Infrastructure Plan. This contains major commitments to improve the UK's transport and broadband networks as well as steps to attract major new private sector investment.²⁵

Infrastructure spending examples. The Autumn Statement announced £30 billion of public and private sector investment in infrastructure.²⁶ This included an additional £5 billion of public investment in this Spending Review period, and a further £5 billion in the next Spending Review. Transport projects that are being supported include:

Roads. The Government is:

- taking forward immediate investment on the A14 to reduce congestion and increase resilience including junction improvements;
- funding the A14 Kettering bypass between Junctions 7 and 9;
- funding the A45/46 Tollbar End improvement scheme;
- improving access to Manchester Airport by building a new dual carriageway road linking the M56 at Manchester Airport to the A6 south of Stockport;
- investing in A453 widening between Nottingham, the M1 and East Midlands airport;
- taking forward two new managed motorway schemes on the M3 in Surrey and on the M6 along part of the route between Birmingham and Manchester;
- accelerating the current major projects planned on the M25 (Junctions 23-27) and the M1 (Junctions 39-42);
- writing down debt on the Humber Bridge to halve the tolls for cars;
- investing in major road improvements on the M1/M6 Junction 19; and
- providing additional funding for a Road Pinch Point Fund to ease local bottlenecks and improve safety and road layout.

Public Transport. The Government will:

- support the electrification of the Transpennine Express route from Manchester to Leeds and consider of further investment in the Northern Hub;
- support the East-West rail project between Oxford and Bedford;
- support Network Rail to reduce disruption on the rail network;
- support Network Rail to improve the railway network including bringing forward bridge renewals, enhancing access to stations and improving resilience to winter weather;
- extend flexible smart ticketing across London and the South East;
- limit increases in Transport for London and regulated rail fares;
- support the procurement of new carriages for the Southern rail franchise;
- provide extra funding for local transport; and
- support the purchase of new low carbon emission buses.

Local authorities are also funding a huge number of transport infrastructure projects

'Oysterisation'. The Autumn Statement announced that the Government will invest more than £1.4 billion in railway infrastructure and commuter links, including extending smart 'oyster' ticketing across London and the South East.

The National Infrastructure Plan also commits the Government to actively exploring the scope for promoting smart ticketing in a way that will enable and encourage operators to develop smarter fare options, both to manage peak demand and also to recognise that traditional options such as period season tickets, might not offer an attractive deal to passengers with a more flexible work pattern, for instance travelling regularly but fewer than four or five days a week. The Department for Transport intends to work closely with rail operators to pilot new smart products and evaluate their effect on peak demand levels.

Northern Hub. The National Infrastructure Plan announced that the Government will consider further investment in the Northern Hub (a substantial rail infrastructure plan) by July 2012.

Green Buses. The Green Bus Fund allows bus companies and local authorities in England to compete for funds to help them buy new low carbon buses.

Electric cars. The Spending Review made provision of over £300 million over the life of this Parliament for the Plug-In Car Grant to reduce the upfront cost of eligible vehicles to consumers and businesses. Consumers and businesses also benefit from a favourable tax regime, with plug-in vehicles receiving Vehicle Excise Duty and Company Car Tax exemptions, as well as Enhanced Capital Allowances. The Plugged-In Places programme has made £30 million available to match-fund eight pilot projects installing and trialling recharging infrastructure

Questions for discussion

1. Many of the benefits of local transport are gained by the individual – for example, leisure, employment, more family time. Is it right for the Government to subsidise these things?
2. Is/was flexibility possible in your workplace? If you could change your hours to avoid commuting at rush hour, would you?
3. Should we prioritise reductions in journey times for those already on the network or connecting people who cannot currently access public transport?
4. Is it more important to make ticket prices simple (for example, one flat price for a particular journey) or to use flexible ticket prices to encourage users to take transport outside of peak hours?
5. What could or should government be doing to encourage more people to buy or use a) electric cars and b) bicycles?
6. What local transport problems are detrimental to your local economy?

Resources

www.conservativepolicyforum.com

Every month we host a series of blog posts related to our Discussion Brief. This month, contributions will come from politicians, experts, and related charities, including Network Rail and the IEA.

Department for Transport, 2011, *National Travel Survey*

<http://assets.dft.gov.uk/statistics/releases/national-travel-survey-2010/nts2010-01.pdf>

HM Treasury, 2006, *The Eddington Transport Study*

<http://webarchive.nationalarchives.gov.uk/+http://www.dft.gov.uk/adobepdf/187604/206711/volume1.pdf>

Centre for Cities, 2011, *Access All Areas*

<http://www.centreforcities.org/access.html>

Countryside Alliance, 2011, *Commuting costs 'one of the biggest risks to the rural economy'*

<http://www.countryside-alliance.org.uk/ca/communities/commuting-costs-one-of-the-biggest-risks-to-the-rural-economy>

Department for Transport, 2011, *Making the Connection: The Plug-In Vehicle Infrastructure Strategy*

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HM Treasury and Infrastructure UK, 2011, *National Infrastructure Plan 2011*

http://cdn.hm-treasury.gov.uk/national_infrastructure_plan291111.pdf

Endnotes

¹ ONS, 2011, *National Travel Survey: 2010*, p.1 [Accessed 15 November 2011]:

<http://assets.dft.gov.uk/statistics/releases/national-travel-survey-2010/nts2010-01.pdf>

² CPT-UK, 2009, *Door-to-Door public transport*, p.5 [Accessed 16 November 2011]: <http://www.cpt-uk.org/uploads/attachment/690.pdf>

³ ONS, 2011, *National Travel Survey: 2010*, p.4 [Accessed 15 November 2011]:

<http://assets.dft.gov.uk/statistics/releases/national-travel-survey-2010/nts2010-01.pdf>

⁴ ONS, 2011, *National Travel Survey: 2010*, p.3 [Accessed 15 November 2011]:

<http://assets.dft.gov.uk/statistics/releases/national-travel-survey-2010/nts2010-01.pdf>

⁵ ONS, 2011, *National Travel Survey: 2010*, p.3 [Accessed 15 November 2011]:

<http://assets.dft.gov.uk/statistics/releases/national-travel-survey-2010/nts2010-01.pdf>

⁶ HM Treasury, 2006, *The Eddington Transport Study*, p. 4 [Accessed 21 November 2011]:

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⁷ Network Rail, 2010, *Prioritising investment to support our economy*, p. 12 [Accessed 21 November 2011]:

<http://www.networkrailmediacentre.co.uk/imagelibrary/downloadMedia.ashx?MediaDetailsID=3812>

⁸ HM Treasury, 2006, *The Eddington Transport Study*, p. 9 [Accessed 21 November 2011]:

<http://webarchive.nationalarchives.gov.uk/+http://www.dft.gov.uk/adobepdf/187604/206711/volume1.pdf>

⁹ HM Treasury, 2006, *The Eddington Transport Study*, p. 11 [Accessed 21 November 2011]:

<http://webarchive.nationalarchives.gov.uk/+http://www.dft.gov.uk/adobepdf/187604/206711/volume1.pdf>

¹⁰ Social Exclusion Unit, 2003, *Making the Connections: Final Report on Transport and Social Exclusion*, p. 1 [Accessed 16 November 2011]: [http://www.carplus.org.uk/wordpress/wp-content/uploads/2010/04/Making the Connections Final Report on Transport and Social Exclusion .pdf](http://www.carplus.org.uk/wordpress/wp-content/uploads/2010/04/Making_the_Connections_Final_Report_on_Transport_and_Social_Exclusion.pdf)

¹¹ ONS, 2011, *National Travel Survey: 2010*, p.3 [Accessed 16 November 2011]:

<http://assets.dft.gov.uk/statistics/releases/national-travel-survey-2010/nts2010-01.pdf>

¹² Social Exclusion Unit, 2003, *Making the Connections: Final Report on Transport and Social Exclusion*, p. 2 [Accessed 16 November 2011]: [http://www.carplus.org.uk/wordpress/wp-content/uploads/2010/04/Making the Connections Final Report on Transport and Social Exclusion .pdf](http://www.carplus.org.uk/wordpress/wp-content/uploads/2010/04/Making_the_Connections_Final_Report_on_Transport_and_Social_Exclusion.pdf)

¹³ ONS, 2011, *National Travel Survey: 2010*, p.1 [Accessed 15 November 2011]:

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¹⁴ ONS, 2011, *National Travel Survey: 2010*, p.5 [Accessed 15 November 2011]:

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¹⁵ Greater London Authority, 2009, *Women in London's Economy*, p.18 [Accessed 23 November 2011]: http://www.london.gov.uk/mayor/economic_unit/docs/womenlondoneconomy2008.pdf

¹⁶ Greater London Authority, 2009, *Women in London's Economy*, p.19 [Accessed 23 November 2011]: http://www.london.gov.uk/mayor/economic_unit/docs/womenlondoneconomy2008.pdf

¹⁷ Centre for Cities, 2011, *Access All Areas*, p. 14 – 16 [Accessed 15 November 2011]:

<http://www.centreforcities.org/access.html>

¹⁸ ATOC, 2010, *Integrated Travel*, p.1 - 2 [Accessed 14 November 2011]:

<http://www.atoc.org/clientfiles/File/Policydocuments/Integrated%20travel%20position%20paper%20sept%202010.pdf>

¹⁹ ONS, 2011, *National Travel Survey: 2010*, p.7 [Accessed 15 November 2011]:

<http://assets.dft.gov.uk/statistics/releases/national-travel-survey-2010/nts2010-01.pdf>

²⁰ Department for Transport, 2011, *Making the Connection: The Plug-In Vehicle Infrastructure Strategy*, p.19 [Accessed 15 December 2011]: <http://assets.dft.gov.uk/publications/making-the-connection-the-plug-in-vehicle-infrastructure-strategy/plug-in-vehicle-infrastructure-strategy.pdf>

²¹ Department for Transport, 2011, *Making the Connection: The Plug-In Vehicle Infrastructure Strategy*, p.21 [Accessed 15 December 2011]: <http://assets.dft.gov.uk/publications/making-the-connection-the-plug-in-vehicle-infrastructure-strategy/plug-in-vehicle-infrastructure-strategy.pdf>

²² Department for Transport, 2011, *Making the Connection: The Plug-In Vehicle Infrastructure Strategy*, p.20 [Accessed 15 December 2011]: <http://assets.dft.gov.uk/publications/making-the-connection-the-plug-in-vehicle-infrastructure-strategy/plug-in-vehicle-infrastructure-strategy.pdf>

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<http://www.ecotricity.co.uk/news/news-archive/2011/ecotricity-launches-the-electric-highway>

²⁴ Department for Transport, 2011, *Making the Connection: The Plug-In Vehicle Infrastructure Strategy*, p.7 [Accessed 15 December 2011]: <http://assets.dft.gov.uk/publications/making-the-connection-the-plug-in-vehicle-infrastructure-strategy/plug-in-vehicle-infrastructure-strategy.pdf>

²⁵ HM Treasury and Infrastructure UK, 2011, *National Infrastructure Plan 2011*: http://cdn.hm-treasury.gov.uk/national_infrastructure_plan291111.pdf

²⁶ HM Treasury, 2011, *The Autumn Statement*: http://www.hm-treasury.gov.uk/as2011_index.htm