

## **Decarbonisation of Transport**

### **Purpose of report**

For direction.

### **Summary**

This report the work that the Board Commissioned from researchers at the University of Leeds on Transport Decarbonisation. Professor Greg Marsden, Leeds University, has been leading the work that the LGA has commissioned and he will provide a short presentation about this work as well as provide members with expert insight and potential implications for future transport policy from these developments. Biographies for our guest speakers can be found at **Appendix A**.

The report goes on to describe some of the implications for public transport as a result of COVID19 and sets out recommendations and suggestions for future work.

### **Recommendation**

That the Board consider issues and opportunities and challenges raised in the paper and by Leeds experts:

- To comment and endorse recommendations made in paragraphs 19 to 29.
- To note that the work programme may need to be reviewed as directed by the Board. A paper on the revised work programme can be found elsewhere in the agenda

### **Actions**

Officers will act as directed.

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## **Decarbonisation of Transport**

### **Background**

1. As a result of the decision by the LGA to declare a climate emergency the board has been examining carbon reduction as one of its key priorities this year. Given that transport is the biggest single contributor to the UK's greenhouse gas emissions the board had asked for additional work to help councils in determining their role in decarbonising transport, including commissioning Leeds University's Institute for Transport Studies.
2. Since this work commenced, there have been further significant developments that will help frame the LGA's future work and policy direction with regards to the decarbonisation of transport agenda:
  - 2.1. The Department for Transport published "Creating the transport decarbonisation plan" which scopes out the current challenges and steps to be taken when developing the transport decarbonisation plan.
  - 2.2. With effect from 23 March the Government implemented widespread restrictions on the movement of people and closing down of certain businesses in response to the Coronavirus pandemic. This has had a dramatic effect on demand for transport across different modes.
3. There are both opportunities and challenges for councils from these developments which this paper explores, including potential policy implications for the board to consider. Professor Greg Marsden, Leeds University, has been leading the work that the LGA has commissioned. He will provide a short presentation about this work as well as provide members with expert insight and potential implications for future transport policy from these developments. He will be joined by Professor Jillian Anabel who will be able to take part in the discussion as necessary.

### **University of Leeds work**

4. The University of Leeds has been commissioned to assist us with a programme of research which will involve capturing and disseminating best practice, expert views and initiate debate on the decarbonisation of transport. The project also seeks to disseminate practical advice for councils and elected members on issues such as modal shift, adoption of low/ zero carbon technologies and behaviour change, addressing issues such as:
  - 4.1. The role of local government and local leadership;
  - 4.2. What more councils can do;
  - 4.3. Identify policy and institutional barriers;
  - 4.4. Demystify the technology alternatives; and
  - 4.5. Identify mutual benefits.

5. The work will explore the implications of moving to a strategy of “Avoid, shift and improve”. i.e. avoid individual motorised transport; shift transport and travel demand from carbon-intensive to more sustainable modes like rail, public transport, cycling or walking; and improve efficiency and reduce total emissions, whilst recognising different geographic circumstances.

#### **DfT transport decarbonisation scoping report**

6. On 26 March the DfT published their [Creating the transport decarbonisation plan](#) policy paper. This is essentially a scoping document setting out the current challenges and steps to be taken in developing the Department’s transport decarbonisation plan.
7. The document helpfully sets out a clear statement of the scale of the challenge facing the transport sector if the country is to achieve its net zero target. It covers:
  - 7.1. How the Government intends to work with others to develop a transport decarbonisation plan
  - 7.2. The challenges in reducing transport emissions and ensuring we reach net zero transport emissions by 2050
  - 7.3. Reviews of existing climate policy in transport
  - 7.4. Reviews of existing forecasts of future transport emissions from each mode of transport, plus as a whole
8. The plan includes welcome commitments to active travel as the most important means of decarbonising short trips, an acknowledgement that simply electrifying current traffic levels will not achieve sufficient levels of reduction and that the solutions to these challenges need to be place-based and will differ across the country. Whilst the focus on modal shift to active and public transport is welcome there is very little emphasis placed on demand reduction.
9. The document included commitments to engagement with stakeholders, especially councils, and LGA officers have been in discussion with DfT about how this may be done under current social distancing requirements, ensuring a wide variety of local government views can be captured.

#### **The impact from COVID19 pandemic and how transport and travel has changed**

10. COVID19 has dramatically changed our transport networks within a matter of weeks. There has been a dramatic fall in traffic, traffic associated emissions and change in travel patterns which are predicted to have lasting longer-term impacts. This requires a review of the Board’s work. The practical interventions that were previously explored with councils may be impractical in the current and future circumstances. However, opportunities for swifter and more comprehensive action in other areas may have opened up. For example, reducing the demand for travel through greater virtualisation of

work is an area that has been completely transformed by the demands of the crisis. Its impact on emissions and the wider economy is a phenomenon that requires further exploration and building on.

11. The COVID19 crisis has not changed the underlying challenges of climate change. There is still a need to decarbonise the economy as quickly as possible to mitigate the damage that will be done by increasing global temperatures. The crisis has exposed the extent of behaviour change that will be necessary and the immediate public health challenge and economic recovery has led to a competing set of pressures to account for.
12. It is clear we need to deal with the public health crisis and support the economic recovery in a way that is consistent with the need to decarbonise the economy. These priorities are not incompatible, and the crisis may be a catalyst to allow us to change travel and other behaviour patterns. This could mean future LGA work and messaging needs to be predicated around the concept of a climate smart recovery where we simultaneously seek economic recovery from the crisis but in a way that is socially equitable and decarbonises the economy.

#### **Potential impact of COVID 19 on the economics of transport**

13. Prior to the crisis, the Government was demonstrating a greater policy focus on public transport, in particular buses, where the intention was to produce a National Bus Strategy. The LGA was very supportive of this direction of travel. The prospect for public transport has changed quickly and radically since the onset of COVID 19 and this raises questions about whether councils should take on a bigger role in the coordination and commissioning of local public transport.
14. Viable public transport is dependent on a level of patronage that is impossible to achieve in the current crisis and will be difficult to achieve in a stepped approach from lockdown unless significant public funding is made available. Most public transport in England is provided by the private sector. Nowhere in the country currently has sufficiently busy and dense travel corridors to support any public transport and operators signalled early in the crisis that they could not continue to operate in circumstances that would have meant substantial losses and bankruptcy; train operators and later bus operators threatened to withdraw services without Government support.
15. The Government quickly accepted the position, recognising the importance of the public transport networks to many key workers, and currently public transport that is still running is completely dependent on central and local government subsidy. Operators in both rail and bus sectors are now effectively operating management contracts with services running regardless of patronage with all the revenue risk and losses transferred to the public sector through a variety of funding streams. This is an emergency response to the crisis and direct payment to operators will potentially start to be withdrawn in the coming months. However:

- 15.1. Current travel patterns are unable to support any private sector provision of public transport
  - 15.2. With current social distancing rules, buses will be limited to around 15 per cent of their usual maximum capacity. Running normal services under these restrictions is not viable. For the network to return to any kind of normality we would need to see the safe relaxation of social distancing measures. The Government's plan for emerging from the emergency measures indicates that it will be several months before it is possible to do so safely
  - 15.3. The travel patterns we anticipate will be unlikely to support profit making public transport, at least for the foreseeable future
  - 15.4. Mothballed capacity will be extremely difficult to recover as people will adapt their travel patterns to the new reality
  - 15.5. Recovering the level of service will take significant up-front investment that is loss making for some time.
16. In this reality it seems the only public transport capacity that will be viable for some time will be state backed and any capacity that is lost will potentially be lost for many years.
17. The picture has been different for areas where light rail or other mass transit is supported by a public authority. In these circumstances the loss ultimately falls to the responsible authority who are unable to withdraw services or declare bankruptcy. They have essentially had to record large deficits and appeal to the Government for emergency support. These conversations are ongoing.
18. We need to ensure that we continue to make the case for public transport because of its importance in reaching zero-net carbon targets, achieving inclusive economic growth and ensuring access to transport in otherwise isolated communities.

### **Next steps**

19. The developments described above present a unique opportunity to shape future transport policy. Officers have identified a number of practical steps that the Board could take over the coming months that could help:

#### *Buses*

20. In order for the bus industry to survive it will require state support. The current emergency support, via existing subsidy from local and central Government, is uncoupled from the actual service provided, with local government contracts continuing to be honoured and reliance on direct emergency payments from the DfT. These crisis measures will need to be rationalised. Many councils are already proposing that any future subsidy regime for buses should be through councils. Councils are best placed to allocate subsidy on the basis of their local knowledge for the core routes for their

network. This builds on our existing policies which already call for: greater oversight of bus services; for the Bus Services Operator's Grant to be devolved to councils; and for franchising rules to be simplified and be automatically available for all councils.

*Active travel*

21. There have been moves by some authorities to re-designate road space towards pedestrians and cyclists.
22. This has been made easier by the Government issuing temporary guidance on the publication of Traffic Regulation Orders (TROs). This is in response to fact that many local newspapers have ceased publication. The LGA has welcomed this temporary guidance and would urge the Government to look at the current regulations again post crisis. Councils can use more web-based publicity options to ensure people are consulted about TROs in a more effective and more efficient manner.
23. On 9 May the Government announced further support to councils to promote active travel by committing to spend £2 billion of the £5 billion identified earlier in February for buses and cycling improvement. This includes £250 million to be spent on immediate cycling measures, the bulk of which is expected to go to councils and allocation of the remainder is expected to be determined alongside this summer's updated Cycling and Walking Strategy. The recent announcement also included an extension of scooter trials via an invitation to all areas. Further details from the announcement can be found in the key issues paper.

*Demand management*

24. The pandemic has led to a massive increase in remote working with many sectors transferring their entire workforce to remote working at short notice. It has also increased the number of people using online shopping.
25. This behaviour is likely to accelerate the trend towards remote working and online shopping. This could have positive impacts on demand for transport and help the country reach its decarbonisation targets. It could also have a detrimental impact on footfall within our town centres both from the reduction of employees using shops and leisure facilities around their workplace but also in reducing demand for high street retailers. The Board is in a good position to consider the trends across transport and town centres as we emerge from emergency measures and start the recovery and the implications for councils and national Government policy.

*Changing the approach to funding*

26. Many of the funding models and mechanisms that currently exist for infrastructure will need to be reassessed as a result of the crisis. Whilst infrastructure provision will play a crucial role in stimulating demand for the recovery it is important to ensure that the infrastructure investments that are made are aligned with wider environmental goals.

27. The LGA has long called for local infrastructure decisions to be taken at as local a level as possible. Much of the funding councils currently receive is fragmented and reliant on competitive bidding processes which waste scarce resources and force councils to bid for projects which fit with central Government criteria rather than producing holistic packages of investment which could enhance and decarbonise local transport networks.
28. Before this crisis the DfT had indicated that it would like to simplify the process for allocating capital to local infrastructure programmes to allow councils to make long term decisions over programmes of works. This is work that we believe is vital for a recovery that delivers on councils economic, social and environmental goals for local transport.

*Air Quality measures*

29. Councils that have been mandated to produce clean air plans are currently facing difficulty in completing the necessary technical assessments. Councils are still legally obliged to complete their plans and implement them in the shortest possible time to bring emissions down to the legal limits. There are currently significant challenges in validating traffic models based on pre COVID information and undertaking the necessary public consultation in order to implement measures.
30. Emission levels are likely to have changed significantly as a result of this crisis and we propose that the Board now asks the Government to ensure that air quality policy fits in the new reality whilst also incorporating wider environmental goals.

**Implications for Wales**

31. Transport is a devolved matter. We will be happy to share information from the Transport Decarbonisation project with colleagues from Wales