Transport

Consultation Paper 89

This consultation paper is presented as the first stage in the development of Party policy in relation to Transport. It does not represent agreed Party policy. It is designed to stimulate debate and discussion within the Party and outside; based on the responses generated and on the deliberations of the working group a full Transport policy paper will be drawn up and presented to Conference for debate.

The paper has been drawn up by a working group appointed by the Federal Policy Committee and chaired by Shaun Carr. Members of the group are prepared to speak on the paper to outside bodies and to discussion meetings organised within the Party.

Comments on the paper, and requests for speakers, should be addressed to: Shaun Carr, Transport Policy Working Group, Policy Unit, Liberal Democrats, 4 Cowley Street, London SW1P 3NB. Email: transportwg@libdems.org.uk

Comments should reach us as soon as possible, and in any event no later than 30th April 2008.

1.   Introduction

An efficient, sustainable transport system is essential to achieving important Liberal Democrat objectives of tackling climate change, promoting economic prosperity and building vibrant local communities.

As the economy has grown there has been a greater demand for personal travel and movement of goods. Since 1970, the average distance a person travels each year has nearly doubled, largely due to the rapid growth of car travel and planning policies being favourable to road transport. The dominance of the car has contributed to out-of-town shopping replacing local facilities, undermining local communities and economies.

Decades of under-investment in public transport, followed by deregulation of the bus industry in the 1980s and the botched rail privatisation of the 1990s, have seen an increasingly car-and lorry-based economy develop in Britain in a largely unplanned manner. This has led to an increase in pollution and congestion, with accompanying health, economic and social impacts. In real terms motoring costs have fallen, while the costs of public transport have risen. The issue of public transport in rural communities has been neglected.

The recent Government publication, *Towards a Sustainable Transport System: Supporting Economic Growth in a Low Carbon World* offers little in the way of concrete actions and no coherent vision for Britain's future transport system.

2.   How do we reduce emissions and pollution?

Transport is directly responsible for 25% of all greenhouse gas emissions within the UK. It is also the only sector of the economy where emissions in 2020 are expected to be higher than the 1990 Kyoto baseline.   Road transport is the biggest contributor, with private cars responsible for nearly two-thirds of carbon emissions from transport. Emissions have not fallen, despite improvements in fuel and efficiency because we now drive more than ever. Radical plans are required if we are to reverse this trend.

When the fuel price escalator was abandoned in 2000 it was not replaced with an effective tool to manage road travel demand. The government's Graduated Vehicle Excise Duty (VED) does not encourage more environmentally responsible behaviour, as it does not differentiate sharply enough between the environmental impact of different car types.

The Government has been slow to incentivise a switch to renewable fuels, only recently introducing the Renewable Transport Fuel Obligation (RTFO) which will lead to only 5% of fuel sold on UK forecourts coming from renewable sources by 2010. EU manufacturers have failed to meet a voluntary target to reduce average emissions for new cars, with mandatory targets planned at the EU level for 2012 that are even less ambitious.

Emissions from lorries have been rising since 1990.   Industry now estimates that in 10 years time an additional 2 million box containers will be arriving every year at our ports, requiring transport to their inland destinations. We need to tackle freight moving on our roads and provide sustainable alternatives for the future.

Liberal Democrats propose measures to reduce emissions from road transport, as agreed in Policy Paper 82, *Zero Carbon Britain – Taking a Global Lead*. These include:

- More steeply graduating VED for new vehicles, based on carbon emissions, with the highest emitting vehicles paying as much as £2,000 per year.

- Indexing fuel duty to GDP growth except in periods of oil price spikes.
- Introducing mandatory EU average vehicle emissions targets which through technical means alone would require achievement of 130g/km by 2015, 95 g/km by 2020 and zero carbon for all new cars by 2040.
- Ensuring all freight vehicles in 2050 run on electricity or renewable fuels.
- Increasing the RTFO to require at least 10% of all fuel sold in the UK to come from renewable sources by 2015.
- Establish a lorry road pricing scheme, on a pay per mile basis, as operated in Germany, Austria, Switzerland and the Czech Republic, varying according to vehicle emissions.
- Introducing a presumption against building new roads where there is no overall environmental and social benefit.

Aviation is the fastest growing source of emissions (rising 85% between 1990-2002). If this continues, air travel will account for a quarter of the UK's contribution to global warming in 30 years time. The number of people using airports has increased by 56% in the last 8 years. The Government has supported airport expansion, whilst Liberal Democrats have long proposed alternative methods for dealing with the explosion of demand for longer-distance travel. Our proposals were outlined in Policy Paper 71, *A Soft Landing: Creating a Sustainable Market in Aviation*, and Policy Paper 82, *Zero Carbon Britain – Taking a Global Lead.* We would:

- Replace Air Passenger Duty with a charge linked to plane emissions, covering passenger and freight flights.
- Introduce a 'Climate Change Charge' set initially at £10 per passenger on flights that originate and terminate within the UK, excluding essential 'lifeline' flights.
- Resist further expansion of runway capacity in major airports above current levels.
- Press the EU to set minimum tax rate on aviation fuel to be collected by member states, and to apply VAT to air tickets and charges.
- Wherever possible, make available attractive public transport alternatives.

Liberal Democrats have proposed policies for providing alternative and sustainable methods of transport for the future. These are included in Policy Paper 82, *Zero Carbon Britain – Taking a Global Lead* and Policy Paper 71, *A Soft Landing: Creating a Sustainable Market in Aviation*:

- Use revenue from freight charges to endow a 'Future Transport Fund', providing a ring-fenced source of money for major investments in areas such as rail infrastructure.
- Create a high-speed rail network in the UK, which will be attractive to existing airline users and free capacity on existing lines for passengers.
- Invest in alternative methods of freight movement, such as dedicated freight rail lines and greater use of the UK's waterways.
- Give greater power to local authorities and transport authorities so that decisions can be made according local priorities, rather than from Whitehall.

3.   How do we reduce congestion to save time and help the economy?

Despite Labour's pledges to reduce congestion, traffic on our roads has increased 11% over the last decade. Many town centres suffer from congestion which is now severe at peak times.

Road pricing has been discussed as a potential solution to congestion. The only major scheme thus far – the congestion charge in London, implemented in 2003 – has reduced traffic levels by 21%. In the past, the Government has expressed support for the concept of National Road User Pricing. It appears that many of the technical barriers to any scheme have been overcome, with those remaining consisting mainly of data protection and privacy concerns.

On some routes our railways are already at capacity, with trains currently operating at an average of 3.5% above capacity according to a 2007 report by the Office of Rail Regulation. Unreliable, overcrowded trains will not encourage greater use of the rail network in preference to cars or aviation.

Current Liberal Democrat policies, as agreed in Policy Paper 82, *Zero Carbon Britain – Taking a Global Lead,* include:

- Commitment in the longer term to a scheme of road user pricing that would charge vehicles according to their use of congested roads and according to their emissions.
- Support for local congestion charging schemes, where local areas are in favour of these and where public transport alternatives are available.
- Shifting the balance of spending from roads to rail and other public transport within the existing budgets for transport.
- Setting up a 'Future Transport Fund' from the revenue of a national lorry road charging scheme and Climate Change Charge on internal flights, to catalyse investments in rail and light rail improvements and extensions, including high speed rail.

4. How do we make local transport cheaper and easier to use?

Since Labour came to power in 1997, the cost of private motoring has fallen by 10% in real terms. Over the same period, the costs of buses have gone up by 13% and trains by 6%, with fares forecast to rise further in future. This has impacted hardest on the poorest in society, with the poorest fifth of households on average making three times as many journeys by bus as people from the richest fifth. Outside of London, bus use has fallen 7% over the last five years, continuing a downward trend. In London, where greater powers over bus services have been devolved to the Mayor of London and investment has been increased, bus use has risen by 40% since 2000.

Since 1997 the average distance travelled by bicycle has declined 16% and the number of walking trips by the same percentage. Examples in other countries have shown that planning can help greatly in reducing these trends.

Many rural areas have poor access to transport and other services. Research has found that transport is one of the most important concerns of people living in rural areas, often acting as a major barrier to social inclusion.

5. How can we make our transport system safer?

Current indications show that the Government's present road safety targets are likely to be achieved (by 2010, reduce the number of people killed or seriously injured in Britain in road accidents by 40% and children killed or seriously injured by 50%) but further work is necessary to achieve additional improvements.

Although using a cycle or being a pedestrian in the UK remains relatively safe, there were more than 9,000 people killed or seriously injured using these methods of transport in the UK in 2006, indicating there is still much scope for improvement.

There is a widespread perception that public transport does not represent a safe environment in which to travel. The actual and perceived level of safety on public transport needs to be addressed to ensure that everyone feels safe to choose how and when they travel.

6.   What are the best structures for operating and governing our transport systems?

The Department of Transport retains central control over the main elements of rail policy including the franchising of timetables, rolling stock allocation, investment and fares, with little scope for local decision making. Deregulation of bus services in the 1980s and Labour's continuation of this policy led to local people having little power over the running of their local bus services, as this is held by the private company which owns the franchise. The *Local Transport Bill* currently before Parliament seeks to devolve powers in some areas.

New methods of ticketing using smart cards (like Oyster) and mobile telephones are increasingly being used, helping to integrate journeys. Existing integrated information services (such as Transport Direct) are not widely utilised and have not been well promoted.

The demise of Railtrack led to its replacement with a 'not-for-profit' company in Network Rail – an idea first proposed by the Liberal Democrats in Policy Paper 46, *Transport for People.*   There has been a reduction in the number of Train Operating Companies (TOCs) operating rail franchises, which are currently of a shorter duration. There have been concerns over whether the three rolling stock companies (ROSCOs) – owned by major banks – are providing the taxpayer with value for money. Improvements to the current regulatory system also need to be considered, including the regulation of fares.

7.   Conclusion

Rather than taking a mode-by-mode approach, this consultation asks questions on a number of themes. Taking such a cross-cutting approach is an illustration of the integrated multi-modal approach that we believe is needed to solve Britain's transport problems.

Issues to consider

Overarching

1. What are the key challenges we face on transport policy?
2. What role should transport play in delivering social, environmental and economic improvements?
3. Are there any questions or issues that this paper hasn't asked that you think are important and need to be addressed?

Domestic, long-distance passenger transport

4. What should be done to reduce congestion on our roads?
5. What role should road pricing have in transport policy? If seen as part of the solution, how can road pricing gain the support of a sceptical public? If national road pricing was introduced what would be the likely outcomes? Can it be used to promote sustainable road use and manage congestion? How quickly could it be implemented? What technologies should be used? How can we balance privacy issues with road pricing?
6. Should rail services be expanded? If so, to what extent and how should this expansion be financed? Does the Crossrail model of a business levy have wider applicability?
7. Does the UK require a high speed rail network? If so, which routes should be included? Should this be seen as an extension of the European high speed network, or a domestic advancement? Should these lines be dedicated or integrated with the current rail system?
8. Do you agree with current Liberal Democrat policies on the creation of alternative, sustainable public transport options? Are there other policies you would propose?

Local passenger travel

9. How should congestion in local areas and town centres be dealt with? To what extent should any solution involve lift sharing arrangements, community transport, and other innovative strategies of this nature?
10. How can we improve bus services? Should local authority powers regarding the regulation of urban transport be altered, including additional powers to raise funding?
11. How can cycling and walking be encouraged and made easier?
12. How can transport provision be expanded and improved for rural areas? How can access to key services be improved?
13. Are provisions announced in the Local Transport Bill adequate and do they provide enough power for local government to tackle local transport issues according to local priorities?
14. What role should tram systems and light rail play?

Transport of freight

15. What role should railways, inland waterways and coastal shipping play in reducing freight emissions?
16. Should we consider additional safety provisions on our waterways?
17. Should there be a dedicated freight rail network?

Carbon footprint

18. How can we best tackle emissions from road transport? Do you agree with current Liberal Democrat policies to reduce emissions from road transport (including vehicle emission and renewable fuel targets? What are the environmental and economic implications of peak oil? What measures will encourage technologies to replace the petrol engine?
19. To what extent should the UK rely on sustainable biofuels to replace traditional vehicle fuels? What safeguards are required to ensure such fuels are sourced in an ethical and sustainable manner?
20. Do you agree with current Liberal Democrat policies on aviation? Would you propose any new or additional policies for tackling emissions from aviation?

Governance/funding

21. What changes should we be aiming to deliver through transport policy and the transport system, and what should the priorities be?
22. What role should the planning system play in promoting sustainable transport for new developments?
23. What should be done to make public transport more affordable?
24. Is the current structure of the railways the right one? Should we consider greater 'vertical integration' of track and train? What should we do about ROSCOs? Is the duration of rail franchises long enough?
25. Does the Department for Transport hold too much control over decision making on railways, and elsewhere? Can powers be devolved to local areas, the nations and regions? If so, which powers and to whom?
26. How should the transport sector be structured and regulated?

Integration

27. What additional measures should be taken to improve integration between transport modes?
28. How can existing integration tools be better utilised (e.g. Transport Direct)?

Safety

29. Should the UK move to a default 20mph urban limit, which can be varied locally?
30. What should be done to further reduce casualty levels on roads? What should happen after 2010? Do we need a new ten year strategy?
31. How should cycle and pedestrian safety be improved?
32. Are changes needed in the way drivers are trained and tested in the UK?
33. How can our rail and bus stations be made to feel, and be, safer? What about onboard safety?
34. Is reform required in relation to the way in which our transport network is policed in light of the threat from terrorism?