



CLAIRE HAIGH's
MONTHLY COLUMN *for*

**PASSENGER
TRANSPORT**

Claire Haigh, Founder & CEO of Greener Transport Solutions, writes a monthly column for *Passenger Transport* magazine.

This report includes contributions from 5th March 2021 to 1st October 2021.

1st October 2021: How can transport achieve net zero?

- Today Greener Transport Solutions publishes a new report which calls for national plan to deliver real and rapid behaviour change

23rd July 2021: A welcome step, but we need much more

- In perpetuating the myth that we can continue our existing lifestyles unchanged, the government is storing up problems.

25th June 2021: Climate change is a personal challenge

- It is not enough to berate the government for lack of progress on the decarbonisation of transport. We all have a part to play.

28th May 2021: Devolution is vital to achieving net zero

- A radical rewiring of the role of the state is needed to level up the country and deliver net zero, but will Number 10 support it?

30th April 2021: It's time to talk about road pricing

- From 2030 fuel duty and VED should be replaced by a road user charge based on distance and time which will apply to all vehicles

2nd April 2021: Transport requires radical new thinking

- The easy gains have been made. For transport to play its role in achieving net zero, we need a plan that delivers profound changes

5TH March 2021: Have we heard the Covid wake-up call?

- Our attention is focussed on the pandemic, but the actions we take now will shape our response to the 'biggest threat' we face

CLAIRE HAIGH



How can transport achieve net zero?

Today Greener Transport Solutions publishes a new report which calls for national plan to deliver real and rapid behaviour change

► We are facing an existential crisis. The latest IPCC report has been described as a ‘code red for humanity’. We are seeing severe weather impacts in areas not previously thought of as high risk. Nowhere is safe.

Transport is the fastest growing source of global greenhouse gas emissions and the most polluting sector of the UK economy responsible for around a third of all emissions.

Today Greener Transport Solutions publishes *A Manifesto for Decarbonising Transport*. We welcome the target of phasing out sales of all new polluting road vehicles by 2040 and the Transport Decarbonisation Plan’s (TDP) vision for a cleaner, greener Britain. However, we believe urgent attention must be given to reducing the volume of traffic on our roads.

Transport emissions are only 3% lower than they were in 1990. The TDP continues the supply side and technology-led approach that has underpinned government policy for the past 30 years. But there are inherent limitations to a strategy that gives insufficient focus to consumer behaviour. People have driven more, and further, as the costs of running a car have fallen relative to public transport. Van traffic has risen exponentially as people have increasingly bought products online with the expectation of next day delivery.

A new approach is urgently needed: 60% of fuel supply and half of surface transport decarbonisation required by 2050 needs to have happened during this decade if we are to be on track for the net zero target.

The exam question

I began this project two years ago with a question: What would be a credible and politically deliverable framework for decarbonising transport, that will deliver the necessary reductions in the shortest time possible whilst mitigating any negative social impacts?

Since transport is a derived demand intricately bound up with every aspect of our lives, it quickly became apparent that developing a coherent strategy for decarbonising transport required us to consider its role within the wider economy. Depending on how quickly we could decarbonise the vehicle fleet, it was likely that at least some level of demand reduction would be necessary. As important as the passenger or freight trips themselves are the reasons for those trips, and whether some of those trips could be reduced or switched to more sustainable modes.

I also began this investigation with an understanding of the wider impacts of mass transit through my previous work at Greener Journeys, which was a national campaign to encourage more sustainable travel. Making more efficient use of road space through greater use of mass transit seemed

“Transport emissions are only 3% lower than they were in 1990”

to me to be central not only to reducing pollution and congestion but also to creating the conditions for sustainable and inclusive growth and a fairer and more equitable society. A double decker bus can take 75 cars off the road. A 10% improvement to public transport accessibility is associated with a 3.6% reduction in social deprivation.

When the facts change...

The launch of the consultation phase of this project coincided with the start of the pandemic. Our first national workshop took place in March 2020, just before the first national lockdown. Many of the blog contributions we received in the months that followed focused on the need to “build back better” from the pandemic. Reducing the need for travel can assist in a green recovery and increasing walking and cycling delivers health as well as decarbonisation benefits, so it was felt that we should lock in these changes. Public transport took a real battering, however, and many argued that a major national awareness campaign will be needed to reverse the stigma of the government’s ‘avoid public transport’ messaging once the pandemic is over.

Covid-19 accelerated many pre-existing trends, for example digitalisation had already increasingly been driving large parts of the economy. But it has also challenged many of our assumptions. It turned overnight the greatest assets of our major cities, namely urban density and agglomeration effects, into instant liability. The rise in house prices in less densely populated areas suggests a bucking of the pre-Covid trend of people swarming to city centres. It is too early to say how permanent some of these effects will be, and what the long terms impacts will be on public transport networks. However, we must avoid a car-led recovery if we are to tackle transport emissions in any serious way.

The second phase of the consultation began a year later with the publication in March 2021 of *Rising to the Challenge: Achieving net zero will require new thinking, creative solutions and systemic change*. The report proposed five themes: the need to take a whole systems approach, to give sufficient focus to behaviour change, to get the price signals right, to ensure a fair and just transition, and to strengthen devolution. These themes formed the basis of our recent webinars and a survey we ran through *Transport Times*.

“It is also clear that there needs to be a greater focus at national level on behaviour change”

What have we learnt?

Our research points to a consensus amongst transport and planning professionals that achieving net zero will require significant traffic reduction and that motoring taxation needs to be reformed as we transition from petrol and diesel vehicles. 89% of those surveyed agreed that the UK Government should commit and put in place policies to ensure a 20% reduction in car kilometres by 2030. 85% identified that the £40bn blackhole from the demise of Fuel Duty and Vehicle Excise Duty revenues made alternative funding through road pricing ‘inevitable’.

It is also clear that there needs to be a greater focus at national level on behaviour change. It is simply not tenable to expect a patchwork of several hundred local authorities to take responsibility for this scale of traffic reduction. 89% of respondents believe it would not be possible for local authorities to achieve their climate goals without clarity on how car users will pay for transport as we electrify the fleet. 83% believe central government should enable local areas to drive decarbonisation through greater devolution and resources.

The devil is of course in the detail. As an immediate lever to pull, increasing fuel duty got strong support in the survey. However, whilst the freeze has increased traffic and carbon emissions it has been of benefit to low income households without adequate public transport provision and reliant on their (often older and more polluting) cars. Moreover, low income households have effectively been priced out of the EV market. It is by and large higher income households that can afford EVs and benefit from the dramatically reduced running costs (which risks increasing congestion). On top of all that, at a time of escalating gas prices, it’s easy to see that increasing fuel duty is a non-starter.

Making the same mistakes

It was noted at one of the webinars, that Einstein’s definition of insanity is making the same mistake over and over again and expecting different results. Since 1990 we have been stuck in the same pattern, like a broken record, only ever making small incremental changes, with these changes then being undermined as vehicle efficiency gains have been eroded by the trend to larger vehicles and rising demand for car and van travel.

Whilst clean vehicle technologies have progressed to the point that net zero is achievable, eventually, a sharp reduction in vehicle mileage is unavoidable if we are to decarbonise in time. But car dependency has been built into our lives since the 1950s. It is not surprising that policy has been underpinned by an assumption that we can continue our existing lifestyles with cleaner technologies - a message echoed in the foreword to the TDP. So how do we break out of this unproductive pattern?

The key objective has been to develop a credible and politically deliverable framework for decarbonising transport. I began this journey with the conviction that it would indeed be possible to develop such a framework. However, it is clear that there are no easy and painless solutions. I am more convinced than ever of the need for a whole economy system-wide approach. We have to connect with the root cause of the problem, which is fundamentally about us using too much energy and the price of fossil fuels that produce that energy. A central problem is that carbon is not priced properly.

There is a solution

The urgency of the situation requires us to look for new big ideas, beyond the usual range of policy tools. To quote Einstein again, we cannot solve our most difficult and intractable problems from the same mindset that created them in the first place.

So, I invite you for a moment to suspend disbelief. Government could introduce a Climate Change Allowance, funded by putting a carbon price on everything we consume. This would be a fixed allowance paid to each individual. If we price properly for carbon this is likely to be a substantial sum, so as a percentage of people’s income it would be a highly progressive measure. Low income households, who overall consume less carbon than higher income households, would be better off.

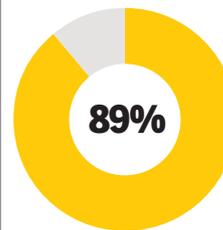
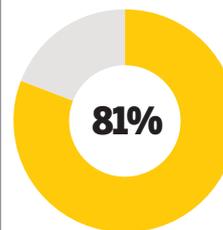
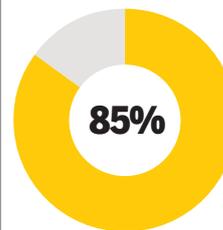
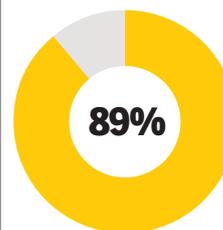
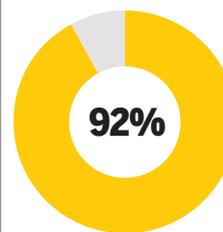
This would achieve net zero and level up the country at one stroke. ■

ABOUT THE AUTHOR

► Claire Haigh is founder and CEO of Greener Transport Solutions, a not for profit organisation dedicated to the decarbonisation of transport

OUR SURVEY

A survey of 260 informed *Transport Times* readers was conducted between August 17 and September 15, 2021, on what it would take to decarbonise transport. Key findings include:



CLAIRE HAIGH



A welcome step, but we need much more

In perpetuating the myth that we can continue our existing lifestyles unchanged, the government is storing up problems

► The Transport Decarbonisation Plan (TDP) is a landmark publication. The target to end the sale of all new polluting road vehicles by 2040 is genuinely world leading. There is a lot to celebrate about the vision for a cleaner, greener, healthier Britain. One cannot criticise the plan for its intention, vision and ambition.

The criticism is the TDP perpetuates the myth that we can continue our current lifestyles unchanged.

There are contradictory messages. The plan includes the aspiration for public transport, walking and cycling become the “natural first choice”. At the same time, the over-riding message is that we will be able to continue our existing travel behaviour just with cleaner technologies. “We will still fly on holiday, but in more efficient aircraft, using sustainable fuel. We will still drive on improved roads, but increasingly in zero emission cars.”

There is positive wording around the need to tackle car commuting and increase vehicle occupancy; to avoid a car-led recovery; to better integrate transport with planning; to encourage the development of 20-minute neighbourhoods; and to review the National Policy Statement on National Networks and RIS2 (albeit government is still committed to substantial road building). However, there are no firm commitments on when these will be delivered, and no targets for modal switch.

Even with no new petrol or diesel cars sold by 2030, we will still need to reduce traffic on our roads by at least 20%. Whilst the TDP

would like to see half of all journeys in towns and cities walked and cycled by 2030, there are no targets for increasing public transport use and no targets for fewer car trips. Transport Scotland has pledged a 20% cut in car kilometres by 2030, but there is no mention of any such target in the TDP.



“We will still fly on holiday, but in more efficient aircraft, using sustainable fuel. We will still drive ... but increasingly in zero emission cars” Grant Shapps

Technology clearly has a fundamental part to play, but behaviour change - especially in some of the harder to abate sectors like aviation, and more generally across the whole economy and especially surface transport and heating - will also play a critical role. The easy wins in terms of decarbonisation of the power sector have already happened. The plan fails to level with the public on the fundamental point that to achieve reductions going forward we are going to have to change our behaviour.

The TDP contains ambitious targets for cleaner vehicles but many of these are based on assumptions around unproven or untested technologies. It is excellent that government is consulting on ending sales of new non-zero emissions HGVs by 2040 with a view to establishing targets for the sector. These will send clear market signals and be a spur to action - as the 2030 target for ending sales of new petrol and diesel cars has already proven to be. Proposals for a Zero Emission Vehicles Mandate are also very welcome. Ten out of ten for giving the right signals to businesses.

But an important caveat, as the plan also makes clear, is that there isn't yet a winning technology for road freight. Green hydrogen looks promising but many of the zero emission alternatives for the HGV sector - as indeed for aviation and shipping - are untested or as yet to become mainstream. It would be unwise to put too much store by assumptions around the deliverability of technologies that have not yet been developed. Government must be honest about what can be achieved through technology alone.

Aviation is a case in point. The plan notes that many technologies such as sustainable aviation fuels, zero emission aircraft, and GHG removal technologies, are “exciting but still in their infancy”. The Committee on Climate Change estimates that to meet the net zero deadline, aviation growth must be slowed so that emissions do not exceed 25% above current levels. Yet the plan does not include a moratorium on future airport expansion as CCC has recommended. Conspicuously absent are any targets for limiting growth in flights. Ministers have been clear that demand management is not part of the Jet Zero strategy.

To be politically deliverable any limits on flying will need to be seen to be fair and equitable. In the UK, 15% of people take 70% of all flights, while 50% do not fly at all in a

“To achieve reductions going forward we are going to have to change our behaviour”

given year. The Social Market Foundation has done some useful modelling on its Frequent Flyer Levy proposal, showing that it would be fairer than increasing Air Passenger Duty. In whatever form it is implemented, demand management will be unavoidable if aviation emissions are to be kept within limits recommended by CCC.

There is a growing body of opinion that not only must we have fair and just transition to net zero, but that people must be at the heart of designing policy to tackle the climate crisis. On the same day that Department for Transport published the TDP, IPPR, the Institute for Public Policy Research, published the final report of its Environmental Justice Commission Fairness and Opportunity: A people-powered plan for the green transition, which makes the case for a new social contract. Recommendations include a world leading local public transport system that is free at the point of use by 2030.

The Climate Assembly UK has shown that deliberative democracy can deliver results, and often change participants attitudes. 83% of Assembly members reported behaviour changes after taking part and 72% were more convinced that achieving net zero by 2050 would be possible. Following the success of Climate Assembly UK, the Business, Energy and Industrial Strategy Committee has recommended that government sets out plans for deliberative engagement on net zero policies through citizens assemblies.

Much greater engagement with the public is needed. Government must also be honest about the choices we face. If we electrify the car fleet without sorting out how to transition away from fuel duty, road traffic could increase by 30% as the costs of running a car plunge. Introducing EVs without some form of road pricing will have little impact on carbon reduction, when considering growth in traffic congestion and emissions from all vehicles, will damage public transport networks and will leave the Treasury with a £40bn black hole.

The plan refers to a need to reform vehicle taxation to keep pace with new technologies but is not explicit about the need for road pricing. However, the switch to EVs provides the opportunity for an honest conversation with the public about road taxation. Road pricing is just one example of many changes needed across the economy. We are living



Recent floods in Germany have been linked to climate change

beyond our sustainable means. We must focus on our carbon consumption. All our activities must be priced to reflect their carbon contribution.

It is perhaps understandable that government might be reluctant to be too upfront about the behaviour change required. If the secretary of state were to say: “you must fly less, you must drive less” there would be the risk of a public backlash. But in perpetuating the myth that we can continue our existing lifestyles unchanged, government is storing up problems for the future and will only make inevitable changes harder. To take the public with it on the journey to net zero, government must first level with it about the hard choices ahead.

The Climate Assembly UK found that 56% supported charging for use of roads, against only 39% who did not. A recent poll for Britain Thinks showed that whilst two-thirds of the public supported taxing environmentally damaging behaviour, there was low support for road pricing. An IPSOS Mori poll in December 2020 found that six in ten Britons would support charging motorists for driving in towns and city centres if the charge were designed to reduce traffic congestion and improve the local environment. An earlier poll in 2007 on the same question found more opposition than support.

Opinion polls suggest that there may have been a shift. However, there is a big difference between conducting surveys and assemblies of a hundred people, to a real-world

implementation of a potentially unpopular measure like road pricing. There will be a role for deliberative democracy, but also for a concerted awareness campaign on the scale of the public communications surrounding the pandemic. We know government can act decisively, and people will respond when presented with a clear imperative.

One might argue that the difference with the pandemic is that it has been a real and present danger. There may be no clear point at which everyone sees the world as Greta Thunberg sees it. However, the loss of life and devastating impacts in areas which might not have been thought of as high risk such as Germany, Canada and the US, are set to become more frequent. The tragedy may be that it is only when the impacts become overwhelming that it becomes politically acceptable to act. But by then it will be too late to avert the most catastrophic outcomes.

We must have that conversation before it is too late. Transport is the fastest growing source of global greenhouse gas emissions. As hosts of COP26, the UK will need to show leadership on transport. The TDP is a welcome first step, but it needs to go much further. ■

ABOUT THE AUTHOR

► Claire Haigh is founder and CEO of Greener Transport Solutions, a not for profit organisation dedicated to the decarbonisation of transport

CLAIRE HAIGH



Climate change is a personal challenge

It is not enough to berate the government for lack of progress on the decarbonisation of transport. We all have a part to play

► Speaking at a Westminster Hall debate last week, transport minister Rachel Maclean signalled a delay to the publication of the government's Transport Decarbonisation Plan. Originally due to be published before the end of 2020, the plan was subsequently pushed back to 'spring 2021'. Now with the summer solstice having passed, the government has missed yet another deadline.

It is easy to be critical. Transport is the biggest emitting sector of the UK economy and there is a lot riding on the Transport Decarbonisation Plan. Many will be disappointed at this further delay. Without an overarching plan we are in the dark about the government's strategic priorities, the key policy drivers and crucially the demand signals to unlock private sector investment.

The delay in publication is not due to lack of effort. We know there is in existence a 'final draft'. However, as Maclean candidly admitted, she is "not satisfied" that the draft plan will meet UK's carbon emission reduction requirements. Unwilling to be drawn on giving a further date, she simply stated that her team were working through the challenges at pace and intend to publish "soon".

Given the scale of the challenge in decarbonising transport, perhaps the question is why it should come as a remote surprise that the draft plan fails to meet the requirements of the Climate Change Committee's sixth carbon budget advice. Maclean should be commended for her candour.

'Mission Impossible'?

Transport is a derived demand so the decarbonisation of transport must be planned in the context of the wider economy. We need a whole-systems approach that reflects the shift to digital connectivity, and the integration of transport with land-use planning, energy and green finance. Given that so many critical aspects lie beyond its purview, one might ask whether it is 'mission impossible' for Department for Transport to develop a comprehensive Transport Decarbonisation Plan.

Digitalisation increasingly drives large parts of the economy, and therefore the choices that we make about whether we even need to travel. However, our current system of regulation is designed precisely not to address the integration of transport into our digital world and the wider economy in a decarbonisation context. The siloed nature of government militates against the joined-up approach needed to ensure that new housing avoids building in car dependency.

Progress is also impeded by a lack of clarity and focus about who should be doing what

"62% of future reductions in emissions will rely on individual choices and behaviours"

and where power should lie. Coordination of the different aspects of policy essential for decarbonisation is easier at the local level, but England has one of the most centralised systems of government in the world.

The disjointed and fragmented nature of devolution means that too often local leaders are reliant on ad hoc project-based funding streams and lack the powers and resources to plan on an integrated long-term basis.

There are inherent contradictions in government policy. Net zero requires higher utilisation of a smaller vehicle fleet but expanding UK's car manufacturing sector is a key part of government's strategy to 'level up' the country. The ongoing freeze in fuel duty has increased traffic and CO₂ emissions but is of benefit to the significant number of low-income households without adequate public transport provision and totally reliant on their (often older and more polluting) cars.

The elephant in the room

One area that really ought to elicit a more coherent policy response from DfT is the Road Investment Strategy 2 (RIS2). Transport for Quality of Life has estimated that the total additional emissions from now to 2032 from the RIS2 £27.4bn major roads programme will be 20 MtCO₂, at a time when emissions from the Strategic Road Network need to go down by 167 MtCO₂. TfQL conclude that this will negate 80% of potential carbon savings from EVs on the SRN between now and 2032.

Fewer trips by car and by plane will be required to achieve net zero. However, government appears to be sending the wrong signals. The RIS2 investment programme, freezing fuel duty for the eleventh consecutive year, continuing with above inflation rail fare rises and consulting the reduction of Air Passenger Duty for domestic flights will hardly encourage a switch to more sustainable modes. Meanwhile the number of registered cars in the UK has risen by 11.5% over the past decade.

The Committee on Climate Change calculates that 62% of future reductions in emissions will rely on individual choices and behaviours. However, despite growing public concern about the issue, the government has yet to properly engage with the public on behaviour change. Therefore, there is a disconnect between public support for tackling climate change and an understanding of the

Maria Machancoses,
CEO of Midlands
Connect, urged us all
to raise our game



“I’m here to urge you to stand up and refuse to be a bystander, and to act with climate emergency. Our futures and our lives depend on it” Maria Machancoses

changes people need to make in their own lives.

Recent research by Britain Thinks shows that two-thirds of the public support taxing environmentally damaging behaviour, but there is little support for levies such as road pricing. Government needs to have an honest conversation with the public about road taxation, and to communicate the wider co-benefits of switching to more sustainable modes, such as improved health and road safety, reducing congestion and air pollution.

The decisive decade

Our climate is heating up at great speed. As David Attenborough reminded the G7 world leaders’ summit in Cornwall, the decisions we make in this decade are the most important in human history. Unfortunately, the world is way off track. The brutal reality is that emissions have risen and will continue to rise. As Professor Dieter Helm concluded in his recent book, *Net Zero*, the last 30 years have been an abject failure in tackling the climate crisis. Even now coal remains the biggest culprit.

Despite all the green rhetoric, money has piled into aviation and car industries since the start of the pandemic. The G7 have spent \$189bn supporting oil, gas and coal, including

lifelines to the aviation and car industries to the tune of \$115bn, 80% of which given with no attempt to force the sectors to cut their emissions in return for the support. By contrast only \$147bn has been spent on clean forms of energy. So much for building back better.

The impacts of climate change are already threatening to dwarf the pandemic. According to the UN, water scarcity and drought are set to wreak damage on a scale to rival Covid-19, with risks growing as temperatures rise. A report published last week shows that droughts have triggered economic losses of at least \$124bn and hit more than 1.5 billion people between 1998 and 2017. “Drought is on the verge of becoming the next pandemic and there is no vaccine to cure it”.

It’s not as though climate change is any longer a distant threat. Last week the Committee on Climate Change warned that the UK is woefully unprepared for climate chaos, and even worse prepared than it was five years ago. UK land temperatures have risen 1.2 degrees from pre-industrial levels and sea levels risen 16cm since 1990. The CCC warns of more severe heatwaves, especially in big cities, and more intense rainfall, with an increased flood risk across the whole of the UK.

RISING TO THE CHALLENGE - WEBINAR SERIES SEPTEMBER 2021

► Greener Transport Solutions is collaborating with Addleshaw Goddard, Foundation for Integrated Transport, Transport Times and the Transport Knowledge Hub on a series of webinars that will explore what it will take to decarbonise transport. The series will culminate in the publication of ‘A Manifesto for Decarbonising Transport’ to be published Autumn 2021. Further details will be announced soon at www.greenertransportsolutions.com

The pledge to reduce greenhouse gas emissions by 78% by 2035 puts the UK at the forefront of international ambition. However, we now need credible plans from government both to deal with the already inevitable consequences of climate chaos and to create the conditions for rapid decarbonisation at scale. The CBI has called on government to “fill in the blanks” and do more to unlock resources of the private sector by publishing guidance on heating and transport.

Let’s not be bystanders!

In a powerful address to the Midlands Connect COP26 Conference, Maria Machancoses, CEO of the sub-national transport body, urged us all to raise our game. She spoke of the bystander effect. When faced with a catastrophe in a large group most of us would wait for someone else to raise the alarm. We find ourselves in a region, she said, staring catastrophe in the face. Her message to the Midlands audience was unequivocal: “I’m here to urge you to stand up and refuse to be a bystander, and to act with climate emergency. Our futures and our lives depend on it.”

Climate change is the defining challenge of our era, and for each of us a personal challenge. In one of her speeches as transport minister, Maclean referenced a famous Einstein quote: “We can’t solve problems with the same kind of thinking we used when we created them.”

Our thinking needs to change if we are to rise to the challenge of tackling climate change.

ABOUT THE AUTHOR

► Claire Haigh is founder and CEO of Greener Transport Solutions, a not for profit organisation dedicated to the decarbonisation of transport

CLAIRE HAIGH



Devolution is vital to achieving net zero

A radical rewiring of the role of the state is needed to level up the country and deliver net zero, but will Number 10 support it?

Public support for devolution is growing at precisely the moment that enthusiasm appears to be waning in Number 10. This is extremely concerning as greater devolution will be critical for the bus strategy, levelling up and decarbonisation.

Speaking at a Net Zero APPG meeting last week, mayor Andy Burnham described the recent local elections as the 'devolution election'. There has been a big shift in public perception since 2017 when the regional mayoral system was viewed by some as potentially a white elephant. The elections saw turnout increase in all areas except London, and thumping majorities for the incumbents in Manchester and Tees Valley.

As a former mayor himself, Boris Johnson has long advocated for fiscal devolution and more policy levers. Initially the signs were that his government was set to deliver the biggest shake-up in English local government for more than 30 years. However, the Devolution and Local Recovery White Paper expected last September was "postponed". Last week the Business, Energy and Industrial Strategy select committee was advised by ministers that the Devolution White Paper will now be included in the Levelling Up White Paper, to be expected "later in the year".

Word is that the local government reforms have been scaled back, with less emphasis on devolution. It is understood that the reforms had been met with fierce opposition from Conservative-controlled district councils,

which feared being absorbed into wider county-sized areas. One might also speculate that ministers have gone a bit cool on devolution after the public spat with 'King of the North' on regional tiers. Perhaps there is a realisation that giving people like Andy Burnham a voice can cause acute political difficulties.

However, as Burnham emphasised, devolution does not in any way undermine the role of parliament and is vital to achieving net zero. "Early adopters should be driving the pace on decarbonisation," he said. "Parliament legislates for the slowest, but why not free up the fastest moving?"



"Early adopters should be driving the pace on decarbonisation"

Andy Burnham

Accelerating UK-wide net zero targets

A report published last month by UK100 sets out why the delivery of net zero must flow through local government. Power Shift lists some outstanding examples of local innovation. London and Manchester have clear science-based net zero targets. Brighton & Hove City Council is leading the way with its car free housing development policy. Nottingham City Council is supporting new public transport infrastructure through its workplace parking levy. However, for such innovation to become mainstream, the government must provide local leaders with sufficient powers and resources.

Decarbonisation strategy requires the overcoming of government silos. Coordination of different aspects of policy is much easier at the local level. We need to reform transport funding and governance so that local leaders can plan for housing, jobs and transport on an integrated long-term basis. New developments in urban centres well connected by sustainable transport can stimulate 50% more economic growth than less well-connected developments on the fringe, whilst dramatically reducing both pollution and congestion.

The Scottish Government has taken important steps to embed net zero as core government policy. Its *Programme for Government* puts "sustainable transport at the heart of decision making". Transport Scotland has set a target of 20% fewer car kilometres by 2030, significantly raising the bar for the Department for Transport's forthcoming *Transport Decarbonisation Plan*. The Welsh Government aims to encourage people out of their cars, with a target for 45% of journeys to be by sustainable means across Wales by 2045, up from 32%.

London has set the pace, committing to 80% of trips to be made by foot, by cycle, or by using public transport by 2041. Last week, newly re-elected Mayor of London Sadiq Khan committed to putting a green recovery and policies to improve London's air and halt the climate emergency at the heart of his second term. He announced that he would be significantly expanding the world's first Ultra Low Emission Zone (ULEZ) from October this year. Yet beyond the capital it remains the case that England has one of the most centralised systems of government in the world.

The need for further reform

Local government in England is a patchwork of different governance models and powers with a bias towards city regions with an elected mayor. City Deals sit alongside Devolution Deals and Growth Deals with much overlap between content, geography and governance. There are now 349 local authorities and combined authorities with economic powers sitting alongside 39 Local Enterprise Partnerships which also have economic powers but with different geographies and lines of accountability. Moreover post-2010 austerity means that many local authorities have lost the capacity to work outside their statutory responsibilities. There is an urgent need for investment in local resource and capability.

An evaluation of the devolved institutions published earlier this month by the Business, Energy and Industrial Strategy select committee concluded that devolution policy in England has evolved in a fragmented way over time through different pieces of legislation, often appear confusing, ad hoc and asymmetrical to the public. The emphasis has been on establishing and complying with statutory obligations, which requires significant resources. Therefore, devolved institutions have had little time to establish systematic routes to external civic engagement. Local areas need to be in a better position to plan long-term without relying on ad-hoc and fragmented programme or project-based funding streams.

A clear and consistent key theme is the need for a more stable funding regime and integrated strategies. In its final report in March before being disbanded, the Industrial Strategy Council was highly critical of the government's approach to 'levelling up' for being overly reliant on infrastructure spending and the continued use of centrally controlled funding pots thinly spread across a range of initiatives. It emphasised that sustained local growth needs to be rooted in local strategies, covering not only infrastructure but also skills, sectors, education and culture - as with the Local Industrial Strategies drawn up under the 2017 Industrial Strategy.

The National Infrastructure Commission has recommended that the key priorities for 2021 should be a more strategic approach to transport investment and devolution in cities and regions. In its annual monitoring report, it welcomed the five-year budgets



“England has one of the most centralised systems of government in the world”

for metro mayors but said that government must go further. It should bring together local devolution and longer-term funding into a new model, putting decision making into the hands of local leaders who will be accountable for delivering benefits locally. Devolved budgets should be spread across the country and embedded in legislation to mark a permanent change away from short term, fragmented funding pots.

The current direction of policy

The Economist recently surmised “If parts of the country are poor, his [Boris Johnson’s] answer is not to let them develop their own growth strategies but to create a central fund to give them money.”

The National Infrastructure Strategy promises a change in how decisions are made. It pointedly states that next year the government “will review the fiscal remit for the National Infrastructure Commission, to ensure it reflects the government’s long-term ambitions”. It talks of “creating regional powerhouses, making cities the engines of growth and revitalising towns” and of moving decision making out of London. However,

relocating 22,000 civil servants out of London and the South East by 2030 feels more like expanding the reach of Whitehall. The strategy will increase the UK Government’s ability to invest directly in Scotland, Wales and Northern Ireland through the UK Internal Market Bill.

The tensions in policy are palpable and reconciling some of the contradictions will be an increasing challenge for policy-makers. In his introduction to the Interim Union Connectivity Review, Sir Peter Hendy stated that “devolution has been good for transport where its delivery has been devolved” but conversely this has led to a certain lack of attention to connectivity between the four nations, due to competing priorities and complex funding. A key emerging recommendation is development of a new UK Strategic Transport Network. The test will be how well this is received by the devolved administrations.

The National Infrastructure Strategy talks of boosting growth and productivity across the whole of UK “levelling up and strengthening the union”. With exception of the £4.2bn for mayoral Combined Authorities, however, it is very much a top-down approach. Far from moving away from separate funding pots, areas are being encouraged to bid for investment such as the £4bn Levelling Up Fund, the Towns Fund aimed at revitalising 100 town centres, and the £5bn fund for buses and cycling. But the PM surely understands better than most how crucial devolution has been to the success of the bus network in London.

The current direction of policy is a far cry from the vision outlined to the LGA last July by Simon Clarke (then minister in charge of devolution). He explicitly linked future funding and powers to the reorganisation of local government in England into Unitaries and Combined Authorities, levelling up every region and fundamentally rewiring the role of the state. The White Paper never materialised. However, a root and branch reform of such magnitude is precisely what is needed to level up the country and deliver net zero. ■

ABOUT THE AUTHOR

► Claire Haigh is founder and CEO of Greener Transport Solutions, a not for profit organisation dedicated to the decarbonisation of transport

CLAIRE HAIGH



It's time to talk about road pricing

From 2030 fuel duty and VED should be replaced by a road user charge based on distance and time which will apply to all vehicles

► Two issues are central to decarbonising transport. We need to accelerate the shift to zero emissions vehicles. At the same time, some form of road pricing will be essential.

Road pricing has been one of the best fiscal changes that any government could have made over the last generation. It has always been the most effective way to tackle congestion and pollution, and now there is a fiscal imperative as the government faces the prospect of a £40bn hole in its public finances.

The showstopper on road pricing has been that it is seen as politically too difficult. What has changed, however, is that we now face a new dilemma. With petrol and diesel vehicles to be replaced, who pays for Britain's roads?

The scale of the challenge

The 2030 ban on sales of new petrol and diesel cars and vans will certainly accelerate the shift to electric vehicles (EVs). The UK ban, along with similar bans elsewhere in the world, has been sending a clear market signal. Manufacturers such as Ford, Volvo, General Motors and Volkswagen have already announced their own deadlines for phasing out production of conventionally powered vehicles.

However, the scale of the challenge is immense. Of the UK's 32.9 million car fleet, just 1.1% is ultra-low emission and under 0.5% is fully electric. Not only does manufacturing need to scale up massively, but there remain major issues to resolve around the production of batteries. The UK has only one small

battery plant in Sunderland supplying the Nissan production line.

There are also significant barriers to take up. Research by Transport Focus shows that cost, charging infrastructure and range anxiety are the biggest barriers. 46% believe electric cars are too expensive to buy or lease and 44% would be concerned about where they could charge. The Social Market Foundation warns that low income groups are significantly less willing to pay for new EV charging infrastructure and renters will find it harder to access charge points than home owners.



Whilst EVs are an important part of the solution to the net zero challenge, they are not a panacea

These affordability and equity issues must be addressed. EVs cost approximately £10,000 more than cars with an internal combustion engine (ICEs). Households in the bottom 40% mostly buy second-hand cars. A second-hand car market for EVs rapidly needs to be developed. Consumer confidence will also require a massive scaling up of EV infrastructure and charging points.

EVs are not a panacea

Whilst EVs are an important part of the solution to the net zero challenge, they are not a panacea. As the production processes shift to using renewable energy whole lifecycle benefits of EVs will grow, but today there is no such thing as a zero emissions vehicle. Crucially, the 2030 ban on its own won't bring about the necessary reductions in emissions from road transport. Even with no new petrol or diesel cars sold by 2030, it is estimated that we will still need to reduce traffic on our roads by between 20% and 60% by 2030.

Some form of road pricing will be needed to manage demand. Simply replacing ICEs with EVs risks locking in car dependency. The risk is that in lowering the cost of motoring, electrification will increase car use and congestion, and make mode shift to public transport and active travel harder to deliver. Department for Transport modelling shows that if we electrify the car fleet without sorting out how to transition away from fuel duty, road traffic could increase by nearly 600 billion miles over the period to 2050.

Since the fuel duty protests in 2000, and the referendums on congestion charging in Edinburgh and Manchester, levying any additional charges on road users has become politically toxic. Successive governments have refused to put a penny on fuel duty for the past decade, despite the fact that the price of fuel at the pump has been at an all-time low and we have been through a period of austerity.

The tricky problem to solve is how to phase in road pricing in a way which can be delivered politically and doesn't disintentionalise the switch to electric vehicles. We need a system that can levy tax on both ICEs and EVs fairly. It would be inequitable in the extreme if road infrastructure was financed from general taxation. This would mean non car owners, a high percentage of them on low income, cross subsidising motorists.

“The switch from ICEs to EVs provides a window of opportunity for an honest conversation”

Re-charging Britain’s roads

As part of its evidence to the Transport Select Committee inquiry into zero emissions vehicles and road pricing, Greener Transport Solutions has put forward proposals for a national road pricing scheme. From 2030 fuel duty and VED should be replaced by a new road user charge based on distance and time which will apply to all road vehicles.

The new road user charge will be independently determined and monitored (next section) but should not in aggregate cost more than the current system and may save users money as it will incentivise travel at less congested times. It may be cost effective for drivers in rural areas, for example, to switch from paying fuel duty in most circumstances. The charge would combine a distance charge to pay for road infrastructure and a time charge to cover congestion and pollution.

The recommendation to move away from VED shifts the burden of taxation away from fixed annual costs towards variable costs. This allows a closer linkage between road tax and infrastructure costs, congestion and emissions. A driver who travels 60,000km per annum, for example, imposes a much higher cost than a driver who only travels 6,000km per annum. Current VED charges do not reflect this. Shifting the burden away from ownership to use increases the propensity to walk, cycle or use public transport.

In exchange for committing to pay the new road user charge, EV car buyers will be offered a third off the price for models up to £35,000. Crucially this offer will also apply to buyers of second hand EVs, and drivers who scrap their old polluting vehicles of more than 10 years old can receive an additional £3,000 credit towards the cost of an EV. To ensure that they are not penalised for early adoption, existing EV owners will be given the opportunity to top up their grants and commit to their vehicles to the new road user charge.

Taking the politics out of motoring taxation

To be politically deliverable, the new way of paying for road use would be implemented in stages. Road users should be given a clear time horizon of how motoring taxation is going to evolve. Following an initial pilot scheme to establish and test the technology, the first phase will be optional. The 2030 ban on sales of new

How should we pay for roads?



“Road users should be given a clear time horizon of how motoring taxation is going to evolve”

ICEs provides the opportunity to make the change in how we pay for road use mandatory.

We propose that government sets up a commission with cross party representation to agree a way forward on motoring taxation. The commission would consider delegating authority to an independent body such as the Office of Rail and Road (ORR) in consultation with the Office of Budget Responsibility (OBR) to set motoring taxation going forward. This would build cross party support and politically de-risk the introduction of road user charging.

The precedent for this is taking the politics out of the setting of interest rates and leaving it to the Bank of England to make the decisions which are right for the economy. In the same way that the government asks the Bank of England to meet inflation targets they should ask the ORR/OBR to establish the right level and mix of motoring taxation to meet targets in public finances, road infrastructure spend and set targets for congestion and air quality. One of the first proposals we could anticipate is a 10-year trajectory for fuel duty increases to encourage the take up EVs and the switch to more sustainable modes.

Once the new road user charge is

established, and a clear trajectory for annual fuel duty increases set, the opportunity will be to use platforms such as Mobility as a Service to incentivise the switch to more sustainable modes. We need to ensure that new disruptive technologies, the now ubiquitous Uber and an ever-increasing switch to online shopping work in the interests of society. Changing how we pay for road use is central if this objective is to be achieved.

Time for an honest conversation

The switch from ICEs to EVs provides a window of opportunity for an honest conversation with the public about road taxation, and to develop a politically deliverable national road pricing scheme.

The investment case for funding the proposed new EV grants is compelling, as Government would effectively be investing in a new revenue stream to replace the billions it currently receives in fuel duty and VED.

The proposed national road pricing scheme, combined with new EV grants offer, will deliver on key government priorities. It would accelerate the take up of electric vehicles, support the levelling up agenda, boost manufacturing and make the UK a climate leader on the decarbonisation of transport. ■

ABOUT THE AUTHOR

► Claire Haigh is founder and CEO of Greener Transport Solutions, a not for profit organisation dedicated to the decarbonisation of transport

CLAIRE HAIGH



Transport requires radical new thinking

The easy gains have been made. For transport to play its role in achieving net zero, we need a plan that delivers profound changes

► Achieving net zero is a colossal challenge and significantly more challenging than government’s previous target to reduce emissions by 80% by 2050.

In its review at the end of last year the National Audit Office highlighted that government still needs to identify how it will manage the links between different aspects of achieving net zero and how it relates to other government priorities. Last month the Public Accounts Committee reported that while government has committed to publishing a “plethora of strategies”, there is at present “no coordinated plan”.

Transport is our biggest emitting sector. If we’re serious about achieving net zero, every aspect of how we plan for transport will need to change. This will require new thinking, creative solutions and systemic change.

Transport and the wider economy

The decarbonisation of transport cannot occur without changes to the wider economy. We need a whole-systems approach that reflects the shift to digital connectivity, and the integration of transport with land-use planning, energy and green finance. How do we break down the silos of government to ensure that we can plan for jobs, housing, freight and all key drivers of the economy on an integrated long-term basis?

The investment needed to decarbonise transport will go vastly beyond what will be achievable from the taxpayer or individual

user. Other mechanisms such as land value capture will be needed. A key challenge will be how to harness private investment. Greening finance and the financing of green investments will be key. Covid recovery stimulus packages will also play a critical role in decarbonisation.

Green stimulus packages are proven to be more effective at supporting increased economic activity, generating higher numbers of jobs and long-run cost savings as well as reducing emissions. Clean energy infrastructure investment has positive high long run

multiplier impact and positive climate impact. By contrast, airline bailouts without attaching climate conditions score lowest on both counts.

In launching the government’s new Industrial Decarbonisation Strategy, business secretary Kwasi Kwarteng has said that achieving the net zero ambition will require major transformation of the UK economy. The energy transition needed to achieve net zero alone is on the scale of the industrial revolution. What system changes will be needed to support the transformation of the economy?

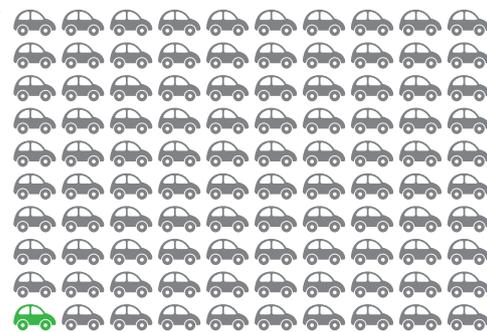
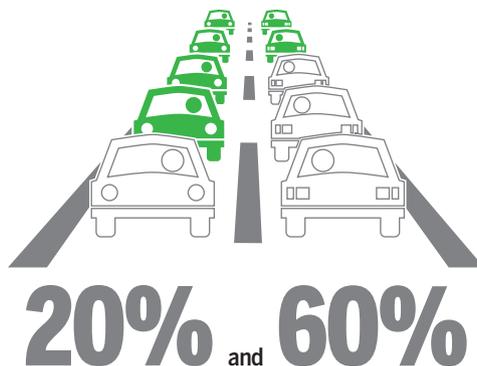
The role of behaviour change

We must reduce energy demand and avoid rebound effects. Technical solutions alone will be insufficient to get us to net zero, we will also need behaviour change. The scale of the challenge is immense. In September 2020 there were 32.9 million cars in UK, of these 1.1% (348,506) were ultra low emission with just under 0.5% fully electric. ULEV sales have doubled over the past year but from a very low base.

The 2030 ban on sales of new petrol and diesel cars and vans is welcome but it is estimated that we will still need to reduce traffic on our roads by between 20% and 60% by 2030. The Scottish Government has pledged a 20% cut in car kms by 2030. The Department for Transport’s Transport Decarbonisation Plan will need to include a

NET ZERO: a colossal challenge...

The 2030 ban on sales of new petrol and diesel cars and vans is welcome, BUT even with electric vehicles it is estimated that we will still need to reduce traffic on our roads by between...



1.1%
of the UK’s 32.9 million cars were ultra low emission in September 2020, with just under 0.5% fully electric

“A major campaign will be needed to communicate the wider benefits of modal shift”

similar 2030 commitment, along with a clear plan for how it can be delivered.

There is no such thing as a zero emissions car. Electric Vehicles (EVs) are very carbon intensive to produce. Decarbonisation of the grid will be critical. A key challenge still to overcome is the financial, economic and social cost of sourcing raw materials for batteries. Reducing individualised car ownership will deliver many wider co-benefits, including improving health and road safety and reducing congestion and local air pollution.

The easy wins have already happened, in terms of decarbonisation of the power sector. The Committee on Climate Change calculates that 62% of future emissions reductions will rely on individual choices and behaviours. The National Audit Office reports evidence of a disconnect between public support for tackling climate change and people’s understanding of the changes they need to make in their own lives. A major campaign will be needed to communicate the wider benefits of modal shift.

Getting the price signals right

The aim of public policy around climate change should be to ensure that wherever possible external costs are internalised. Price signals should incentivise consumers to lower their carbon footprint.

We need a total reformulation of transport pricing. The result of repeated failures of road taxation to cover externalities is that we over consume roads. Potentially halving APD on domestic flights, combined with rail fare increases and the continued freeze in fuel duty all give precisely the wrong signals to consumers.

If net zero is a core tenet of the government, the tax system should reflect this. The focus should not only be on environmental taxes but also the consequences of the whole fiscal system for outputs relevant to decarbonisation. There is a risk is that carbon tax can be regressive. The Treasury’s Net Zero Review should consider what can be done to make it more equitable.

The switch to EVs means that road traffic will increase, and the Treasury faces a £40bn black hole. It would be highly inequitable if nothing replaces fuel duty and other road taxes, and road infrastructure were to be financed from general taxation. This would mean non car owners, a high

percentage of them on low income, cross subsidising motorists. The switch provides the opportunity for an honest conversation with the public about road pricing.

Ensuring a fair and just transition

We need to ensure that access to essential services, whether by transport or digital means, is available for all. Improving the affordability of bus fares must be a key priority. Nearly half of workless households have no access to a car.

Some environmental taxes can be regressive. A large proportion of the poorest households rely on a car, and these are often old and less efficient vehicles. The freeze in fuel duty since 2011 will have helped them. However, by further damaging public transport networks, the freeze will have detrimentally impacted low-income households without a car.

Government could face a major public backlash against its ongoing drive to phase out fossil fuel vehicles if it does not introduce more targeted support for lower-income citizens.

The Social Market Foundation warns that low income groups are significantly less willing to pay for new EV charging infrastructure and renters will find it harder to access charge points than those that own properties.

The recent cut in grants for EVs would seem to be a step in the wrong direction.

Some question how long the state should subsidise vehicle purchase given that EV grants benefit predominantly better off households able to afford a new car. However, somehow a second hand market needs to be developed. Significantly more government support will be needed to ensure that low income households are able to buy EVs, and are not excluded from access to transport.

Strengthening devolution

More devolution deals would drive faster delivery of UK-wide net zero targets. Local areas need to be able to plan for sustainable growth on an integrated long term basis. The National Infrastructure Commission recommends continuous five-year local transport budgets for the mayoral combined authorities and is highly critical of the short term, competitive and fragmented nature of much local funding.

Long term support and flexibility should be extended to all local areas. Government needs to ensure that local authorities are sufficiently

A MANIFESTO FOR DECARBONISING TRANSPORT

► Building on these five themes, Greener Transport Solutions has received grant funding from the Foundation for Integrated Transport to develop ‘A Manifesto for Decarbonising Transport’. Our aim is to develop a credible and deliverable framework for decarbonising transport, and to build support for some of the politically challenging solutions needed if we are to achieve net zero.

It is now expected that the Transport Decarbonisation Plan will be published in May. A year ago, the Department for Transport set out a vision that acknowledged the need for us to use our cars less. Whilst this focus is welcome, if the TDP is to succeed it will also need to recognise that the decarbonisation of transport must be planned in the context of the wider economy and across all key enablers of economic activity.

resourced. LGA research reveals that nine out of 10 councils have declared a climate emergency and 80% have set a carbon neutral target. However, they report substantial barriers to tackling climate change including funding, regulatory barriers, lack of workforce capacity, and lack of skills.

A wholesale reform of appraisal is needed. We need to move beyond narrow frameworks of cost-benefit analysis. Following its recent Green Book Review the Treasury has changed its guidance for policy appraisal to ensure departments place greater emphasis on environmental impacts. It now needs to set out how this will work in practice.

In its final report, the Industrial Strategy Council has warned that government will fail to level up Britain’s poorer regions, or set the country on course for net zero, unless more power is devolved locally, and more money is invested in green policy. What are the barriers to greater devolution and how can these be overcome? ■

ABOUT THE AUTHOR

► Claire Haigh is founder and CEO of Greener Transport Solutions, a non-profit organisation dedicated to the decarbonisation of transport

CLAIRE HAIGH



Have we heard the Covid wake-up call?

Our attention is focussed on the pandemic, but the actions we take now will shape our response to the 'biggest threat' we face

► As we begin to picture life post-pandemic the key question is: has Covid-19 delivered the necessary wake-up call?

The pandemic has turned the world upside down. The long-term impacts in terms of how we live our lives could be profound. But will these impacts help or hinder global efforts to tackle climate change?

The climate crisis is already hitting worst case scenario levels that if left unchecked will lead to the collapse of entire ecosystems. At the UN Security Council meeting last week, Sir David Attenborough described it as the "biggest threat to security that modern humans have ever faced". UN secretary-general Antonio Guterres described it as a "crisis multiplier".

A little closer to home, at last week's annual conference of the Association of British Insurers, head of the Environment Agency, Sir James Bevan, spoke of the alarming increases in extreme weather and flooding and concluded: "That is why our thinking needs to change faster than the climate. And why our response needs to match the scale of the challenge."

Where are we now?

Prior to the pandemic it was clear that the world was way off track. Globally we need to reduce emissions by 7.6% every year to 2030 to keep within safe limits. Economic shutdowns are not economically sustainable, and according to Bill Gates even these extreme measures delivered only 5% reduction in emissions at best.

Despite all the declared good intentions to "build back better", analysis published last month by Vivid Economics and Finance for Biodiversity concludes that governments have "largely failed" to harness the opportunity. So far, just \$1.8tn of \$4.6tn spent on stimulus measures in environmentally impactful sectors has been green.

The pandemic has emboldened the active travel agenda, and the ease with which large parts of the economy have transitioned to digital format holds the prospect of big potential emissions savings long term. However, there is a very real risk that we will see a car led recovery. The 'avoid public transport' messaging means that the net shift has been from public transport to private car.

The 2030 ban on sales of new petrol and diesel cars and vans is welcome, but we will still need to reduce volume of traffic by 20-60%. The Scottish Government has pledged a 20% cut in car kilometres by 2030. The UK Government will be under pressure to make a similar commitment. We need massive shift from private transport to public, shared and active travel - and a public transport sector on

"There is a powerful case for investing the £27bn roads budget in broadband"

its knees will not be equipped to play its part in delivering that shift.

The dramatic reduction in flying is of the order that environmental campaigners could once have only dreamt. However, the aviation sector is predicted to have recovered by 2024-25. Progress on CORSIA (Carbon Offsetting and Reduction Scheme for International Aviation) has been too slow. Air Passenger Duty urgently needs reform. The dramatic surge in air travel bookings last week that followed the PM setting out his roadmap for reopening the economy gives an indication of the latent pent-up demand.

What have we learnt?

Beyond these direct impacts, the pandemic has shone a light on fundamental changes needed in how we plan for transport and how we make funding decisions. Transport is not an end in itself. Decarbonisation needs to be thought of in the context of the wider economy and across all key enablers of economic activity.

Digital connectivity has grown massively in terms of gaining access remotely to people, goods, services and opportunities. A trend greatly accelerated by Covid-19. There is a powerful case for investing the £27bn roads budget in broadband. This must go alongside a more efficient system for freight and logistics. Otherwise, growing internet shopping will bring our roads to a standstill.

To achieve the necessary efficiencies, we will need to overcome the silos of government both locally and nationally. The National Audit Office concluded in its review of Net Zero that cross departmental co-operation needs to be strengthened. The Department for Business, Energy & Industrial Strategy is yet to put in place essential components for effective cross-government working.

The pandemic has taught us that we need to be much better prepared for systemic shocks. The Environmental Audit Committee has warned that if the economic recovery from Covid-19 is not used as an opportunity to 'grow back better', climate change and biodiversity collapse may deliver an even greater crisis. It highlights the link between air pollution and higher Covid-19 mortality rates and urges government to use the forthcoming transport decarbonisation strategy to set out plans for long-term investment in public transport.

In its latest report, the Environment, Food

“We need massive shift from private transport to public, shared and active travel”



Junction 5 of the M74. The Scottish Government has pledged a 20% cut in car kilometres by 2030

and Rural Affairs Committee has called on the government to address alarming levels of poor air quality in England, highlighting that air pollution disproportionately affects those from lower socioeconomic backgrounds. Responding to fears that social distancing concerns may cause an increase in car use, both committees are calling for a public campaign to encourage people to use public transport once the pandemic is over, and for government investment in walking and cycling to match up to its rhetoric.

One legacy of the pandemic should be an increased focus on risk and resilience in appraisal and investment decisions. We need to give much greater consideration to the wider social, economic and crucially environmental impacts of investments. Transport appraisal needs wholesale reform. Current conditions overwhelmingly favour car travel.

It is encouraging that the new Green Book paves the way to shake up road and transport appraisals. Our current framework for analysing investments is on the basis of cost benefit analysis which looks at individual projects and focuses principally on time savings. However, we need a low carbon road, rail, air integrated system. This will require us to prioritise carbon reduction and appraise total packages of policies, not single schemes. Pricing of transport will be critical area.

Currently the price signals to consumers are wrong. Rail travel is six times more carbon efficient than air travel, but the cost of flying has fallen while rail fares have increased. The failure of road taxation to cover externalities means that we over consume roads. The Transport Select Committee’s inquiry into zero emissions vehicles and road pricing is timely. We need to accelerate the shift to zero emissions vehicles. At the same time, some form of road pricing will be essential to replace diminishing revenue as vehicles get cleaner and to reduce vehicle mileage.

The pandemic has heightened inequalities and laid bare that the equity issue must be central. In its interim Net Zero Review, the Treasury concludes that the combined net effect of climate action on UK economic growth is likely to be small, but that the effects will not be equally felt. High carbon sectors will have to adapt or decline. Carbon pricing will be an important lever in addressing negative externalities. However, this will need to be supplemented by other policies in order to ensure “an equitable balance of contributions from households, businesses and taxpayers”.

Will our thinking change in time?

Will the speed and scale of our response to the climate crisis be sufficient? Will our thinking, as Sir Bevan urges, “change faster

than the climate”?

The Committee on Climate Change has called for the 2020s to be the decade of decarbonisation. Emissions need to be down 78% by 2035 relative to 1990. The CCC’s sixth Carbon Budget represents an agenda for enormous state intervention and investment across the whole economy. So far there is no immediate sign of the spending taps being turned off, but this will be an area of growing contention, particularly within the Conservative Party, as we move beyond the immediate Covid crisis and inflation starts to rise.

The spending required to tackle climate change will involve levels of public funding that would once have been inconceivable. However, the pandemic has turned conventional economic orthodoxy on its head. A prevailing view now is that the years of austerity that followed the 2008 financial crisis were very damaging. A key question going forward is whether Modern Monetary Theory, which is effectively what governments have been applying to ensure minimum economic damage from Covid-19, becomes mainstream thinking for the longer term.

In addition to ensuring levels of investment commensurate to the scale of the challenge, we must disincentivise high carbon activities and behaviours. The outgoing secretary general of the OECD, Ángel Gurría, said we must, “put a big fat tax on carbon”. A survey published last week by the Zero Carbon Campaign found that two-thirds of people see a carbon tax as a fair way to raise money. It is encouraging that the PM has instructed government departments to draw up proposals to put a price on carbon emissions across all areas of the economy.

The challenge, of course, will come when these proposals come into direct collision with reality. The fact that successive governments have failed to put a penny on the price of fuel duty for over a decade despite record low oil prices gives an indication of just how difficult this is going to be. ■

ABOUT THE AUTHOR

► Claire Haigh is founder and CEO of Greener Transport Solutions, a non-profit organisation dedicated to the decarbonisation of transport