



URBAN TRANSPORT GROUP

Evidence submission

Review of Net Zero

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1. Introduction

- 1.1. The Urban Transport Group (UTG) represents the seven largest city region strategic transport bodies in England, which, between them, serve over twenty million people in Greater Manchester (Transport for Greater Manchester), London (Transport for London), the Liverpool City Region (Merseytravel), Tyne and Wear (Nexus), the Sheffield City Region (South Yorkshire Mayoral Combined Authority), the West Midlands (Transport for West Midlands) and West Yorkshire (West Yorkshire Combined Authority).
- 1.2. Our wider associate membership includes Cambridgeshire and Peterborough Combined Authority, Nottingham City Council, Strathclyde Partnership for Transport, Tees Valley Combined Authority, West of England Combined Authority, Translink (Northern Ireland) and Transport for Wales.
- 1.3. Together, we work to ensure that transport plays its full part in making our city regions greener, fairer, happier, healthier and more prosperous places.

2. Response

1. How does net zero enable us to meet our economic growth target of 2.5% a year?

- 2.1. Transport is now the single biggest contributor to UK greenhouse gas emissions, responsible for 27% of emissions, 91% of which are from road transport.
- 2.2. There can be no net zero without the urgent decarbonisation of transport. This is particularly true for urban transport, given that city regions are the epicentres of economic and population growth.
- 2.3. To achieve net zero in the context of transport, the 'avoid, shift, improve' model provides a useful framework for action.
- 2.4. The best way to cut emissions is to **avoid** making a motorised journey in the first place, for example, by improving land use planning and digital connectivity to reduce the need for travel or make it possible to complete more journeys using sustainable modes.
- 2.5. Following this, more journeys should **shift** away from private car use and towards decarbonised public transport, walking and cycling.
- 2.6. Public transport, walking and cycling remain the most space efficient means of transporting large volumes of people, keeping cities, people and businesses moving by reducing congestion.
- 2.7. Allowing car dependency to continue (even if those cars are zero emission) will not solve the problem of congestion which represents a significant drag on economic growth, costing the UK economy upwards of £8bn a year.
- 2.8. Having avoided and shifted journeys wherever possible, technology should then be used to **improve** vehicle efficiency and reduce emissions of the journeys that remain.
- 2.9. Technical fixes and improvements alone will not achieve the dual goals of net zero and economic growth. Without the 'avoid' and 'shift' elements, growing traffic and the congestion it causes will continue to stifle economic growth.



- 2.10. Car dependency also contributes to road danger, poor health and widening inequality, all of which have a significant economic cost.
- 2.11. In addition, to reach net zero, we need to move beyond a siloed approach to reducing emissions from different sectors and instead seek to make connections between them, for example, looking at transport together with energy and the built environment.
- 2.12. This could involve, for example, designing new housing developments to prioritise access on foot or by bike and looking at ways in which those homes individually or as a network could generate their own power to feed into vehicle charging and street lighting.
- 2.13. Finally, it is worth noting that over 111,000 people are employed by local bus operators alone and, unlike jobs in many other economic sectors, jobs on buses stay local. Still more people are employed in bus manufacturing and supply chains. More still rely on buses to find and stay in employment (77% of jobseekers in UK cities have no access to a car or van). Investing in green bus services supports decarbonisation, jobs and local economies.

2. What challenges and obstacles have you identified to decarbonisation?

- 2.14. The scale of the challenge of decarbonising urban transport is significant. We start from a position whereby:
- Outside London, rail and bus are largely privatised placing them out of the control of local and city government and their decarbonisation efforts.
 - For decades, bus and train fares have risen far faster than the cost of motoring, a bigger challenge than ever given the cost of living crisis.
 - The COVID19 pandemic saw a dramatic reduction in demand for public transport. This has been followed by a slower return of demand compared with a more rapid resurgence of car traffic. This is set against a long-term trend of year-on-year decline in bus use.
 - Cycling, whilst above pre-pandemic levels, remains low in general, at about 2% of trips in 2021.
 - The car continues to dominate trip share (59% of trips in 2021), exacerbated by car-centric planning decisions, particularly outside of urban centres.
 - The upfront cost of purchasing green vehicles remains high.
 - The fiscal and taxation framework for transport does not always favour or promote low carbon choices.
 - Significant investment in all vehicle fleets (and the infrastructure for the supply of decarbonised electricity and other fuel sources) will be required if the urban vehicle fleet is to be decarbonised (from cars to refuse trucks, vans to buses).
 - The energy grid is still too dependent on fossil fuels and vulnerable to external shocks.
 - Whitehall departments retain control of key funding levers and continue to favour competition funding, making long term, coordinated planning to support decarbonisation at local level difficult. Furthermore, whilst competition funding pots are often available to 'go first' and undertake pilot programmes, support is not always available beyond that pilot or to support the additional costs for those schemes that follow the pilots.
- 2.15. Given this challenging backdrop, incremental changes in policy will not be enough.



3. What opportunities are there for new/amended measures to stimulate or facilitate the transition to net zero in a way that is pro-growth and/or pro-business?

- 2.16. The government should fully equip transport authorities outside of London with the powers they need to decarbonise transport.
- 2.17. Transport authorities outside London are already responsible for formulating overarching transport policies and investment programmes as well as providing different forms of revenue support to encourage modal shift. However, unlike Transport for London (TfL), they do not have the responsibility for key roads in their area or the opportunity to oversee the provision of a fully integrated public transport network in the way that London does (where buses, roads and local rail are all under TfL's control).
- 2.18. London-style powers and responsibilities over the network would enable transport authorities to drive forward the decarbonisation of urban transport, enabling them to:
- Organise street and road space to facilitate and encourage walking, cycling and public transport use, cutting congestion and keeping city economies moving.
 - Support, promote and invest in sustainable modes in a way that is accountable to, and in the interests of, local people and their needs and therefore more likely to encourage behaviour change.
 - Work collaboratively across the public sector to ensure all policies work together to support net zero and economic growth (for example, working with colleagues in land-use planning to ensure developments prioritise access on foot, by bike and by public transport).
 - Making the wider connections between the decarbonisation of transport, energy and the built environment at local level. For example, through municipal renewable energy generation or programmes to decarbonise public sector buildings.
- 2.19. To more fully empower local transport authorities to lead the decarbonisation of urban transport and promote economic growth there is a need for:
- Stable long-term capital and revenue funding for transport authorities – along the lines of the long-term funding packages that are in place for national rail and road. We explore this in more detail in our [‘Local Transport Lottery’ report](#)
 - Widening and deepening the benefits that have already been brought about by greater devolution of powers over local and regional rail networks. We explore this in more detail in our [‘Rail Devolution Works’ report](#)
 - Further streamlining existing legislation on buses to provide a faster route for transport authorities to have a greater say over local bus networks – up to and including franchising and direct provision of networks of bus services.
- 2.20. It is important to stress that given the relatively low market share of public transport (exacerbated by the impact of the COVID19 pandemic) and low levels of cycling, there will need to be consistently higher levels of revenue and capital support to provide convenient, safe, attractive and affordable public transport and active travel alternatives to car use.
- 2.21. Without such investment, car dependency will continue, with traffic jams simply replaced by green traffic jams in our cities. Faith in public transport will continue to plummet as people find themselves subject to the same delays as they would in their own cars, whilst walking and cycling will flatline as road conditions become increasingly unattractive.



2.22. Building more roads will not solve the problem as history shows us that traffic will always expand to fill the available space. Reallocating road space to provide easy passage for pedestrians, bikes and buses will provide a clear visual signal that these are the fastest and smoothest ways to move through the city, accelerating modal shift and the transition to net zero.

4. What more could government do to support businesses, consumers and other actors to decarbonise?

2.23. The Government should prioritise measures that support businesses and communities to 'avoid' making a journey or to 'shift' that journey to walking, cycling or public transport. A key way to achieve this would be through fully empowering transport authorities to coordinate transport decarbonisation at a local level in a way that is accountable to local people and businesses (see response to previous question).

2.24. Other specific measures Government could take to support businesses and individuals include:

- Implement financial and fiscal incentives to address the cost barriers to switching to zero emission vehicles, including cars, vans, buses and lorries but also vehicles like e-bikes and cargo bikes which have the potential to offer a real alternative to the car for many households.
- Review the wider fiscal, pricing and taxation policies on transport (including the pricing of public transport) to ensure it aligns with net zero goals by encouraging the use of less carbon intensive modes.
- Invest in rapid, compatible and future-proof charging infrastructure to build confidence in zero emission vehicles.
- Run continuous public information campaigns highlighting the benefits of shifting to less carbon intensive travel choices (in collaboration with local areas).
- Support freight consolidation centres as well as rail and water freight to reduce the number of vans and lorries on the road and reduce congestion, road danger and emissions.
- Develop a clear national strategy on hydrogen which could provide a way forward in the decarbonisation of HGVs and other larger vehicles.

5. Where and in what areas of policy focus could net zero be achieved in a more economically efficient manner?

2.25. There is a need for more analysis and understanding of life cycle carbon generation from transport and infrastructure investment and policies to ensure they really do contribute to net zero and therefore represent the best value for money. Government should also provide guidance for transport authorities on how lifecycle impacts can be built into their own decision-making processes.

2.26. Investment in additional road capacity via the national roads programme remains significant and difficult to justify given that the evidence suggests that new road capacity generates new traffic as well as low density, car-dependent sprawl. The Government should review the national road programme on its impact on carbon emissions but also on alternative uses of the funding which is currently being devoted to the expansion of the road network.



- 2.27. More could be done to harness the power and influence of the public sector. The public sector (including local government, the NHS, schools, colleges and universities) can play a major leadership role in promoting modal shift and the decarbonisation of their own vehicle fleets as well as of those vehicles used by their staff and suppliers. This requires better joint working between these sectors, their home Whitehall departments and local transport authorities.
- 2.28. For example, coordinated efforts could be made to procure zero emission vehicles collectively at a lower purchase price using their combined purchasing power to secure large orders, ideally from UK-based businesses to maximise economic benefits.

6. How should we balance our priorities to maintaining energy security with our commitments to delivering net zero by 2050?

- 2.29. More of our energy should to be generated in the UK, making the most of renewable sources and supporting community microgrids, municipal energy generation and the capture of energy from transport.
- 2.30. Community microgrids, for example, make use of features like wind turbines and solar panels to allow residents, businesses and public buildings to generate at least a portion of their energy themselves and potentially store it as battery storage prices fall. The energy generated is shared and distributed via a local grid at a range of scales, from a small neighbourhood to a whole city. Smart technology can be included to balance demand and load.
- 2.31. Community microgrids increase green energy usage and reduce dependence on the national grid. They could even be used to power transport, from electric vehicle charging to tram networks. The DfT funded 'Riding Sunbeams' project, for example, is using solar farms to power trains and trams.
- 2.32. Public transport itself can also generate energy in the form of heat which can be captured and used. For example, heat from the London Underground is to be harnessed to feed into an existing district heat network in central London.
- 2.33. Meanwhile, public transport infrastructure can have green energy generation built in, for example, Rochdale Interchange includes a micro hydropower scheme to provide it with renewable energy, harnessing the kinetic energy of the nearby River Roch.
- 2.34. We explore these ideas in more detail in our ['Making the connections on climate'](#) report.

7. What export opportunities does the transition to net zero present for the UK economy or UK businesses?

- 2.35. Investing in green transport has historically created export opportunities given the UK's strong heritage and reputation for quality and innovation in bicycle and bus manufacturing. Cementing the UK as a hub for green transport technology and innovation presents an important opportunity as we make the transition to net zero.
- 2.36. The annual export value of bicycles and other non-motorised cycles from the UK peaked at £107.5 million in 2019, falling slightly to £106.1 million in 2020. By 2021, however, export



value had dropped to £75 million. There could be a number of reasons for this, but it seems likely that Brexit and global supply chain issues will have played a part.

- 2.37. As the world seeks to decarbonise, demand for bikes can only grow and, given the global prestige and appeal of iconic British bicycle brands like Pashley and Brompton, it makes sense for Government to support the industry to fully benefit from efforts to reach net zero.
- 2.38. Meanwhile, the UK also has significant expertise in bus manufacturing, including low and zero emission models from brands with British manufacturing bases like Wrightbus, Optare and Alexander Dennis. Northern Ireland based Wrightbus, for example, have produced the world's first hydrogen powered double deck bus.