

Smarter choices and low-carbon transport

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Can I start by thanking our hosts, IBM, for providing this excellent venue.

I'd also like to thank Stephen Joseph and his team at the Campaign for Better Transport, for giving me the opportunity to address you all by hosting and organising this event.

I should mention that the series of reports compiled by MTRU for the Campaign for Better Transport has been invaluable in shaping my thinking on the important issues I shall address this afternoon.

Ladies and gentlemen... DEFRA figures indicate that transport is responsible for over 22% of CO2 emissions produced in the UK. ¹

So it is self evident that reducing emissions from transport must be a key part of any effective strategy to meet our targets under the Climate Change Act.

However, a strand running throughout my speech tonight is that programmes designed to reduce emissions can yield benefits in other crucially important policy areas as well.

For example, both economic competitiveness and quality of life concerns mean that there is a pressing need to tackle congestion on our roads and find a way to make journey times more predictable and reliable and less prone to unexpected and excessive delays.

We also need to take action on air quality to address the health impacts of nitrogen dioxide and other pollutants.

And it is vital to encourage more active lifestyles if we are to tackle the obesity time bomb we face in modern Britain.

The long list of groups who signed up last year to the "Take Action on Active Travel" statement believe that unless we act decisively, by 2050 almost 60% of the UK's population could be obese with the economic cost of obesity and weight related problems reaching £49.9 billion at today's prices.

An effective strategy on smarter choices in transport can support all these policy goals as well as enhancing our quality of life in this country by cutting down on work related travel and commuting.

And let me make one thing plain from the start.

I am not modally neutral.

This is a mantra from the current Government that would bite the dust under a new one.

While I resist measures designed just to bully people out of their cars I see it as a crucially important part of the job of Secretary of State to promote lower carbon transport options; to find ways to make it easier for

¹ 2007 figures: <http://www.defra.gov.uk/environment/statistics/globalatmos/gagccukem.htm>

people to make travel choices that generate less pollution; in short, to make it easier to for people to be green.

As a matter of common sense that seems inconsistent with a position of modal neutrality.

High Speed Rail and Heathrow

The first element of our strategy on lower carbon transport centres around high speed rail.

At the Conservative Party conference last year we gave a commitment that, if elected to office, we would start the process of building a high speed rail network for the UK.

As a first step, we would build a high speed link connecting London with Birmingham and Manchester and across the Pennines to Leeds. In future years, our aspiration is that this line should reach as far as Newcastle and Scotland as well and that ultimately we will see a national network connecting the UK's major cities.

We have carefully costed our plans and believe that they are affordable.

We would look to the private sector for a substantial contribution but believe this project is viable so long as the public sector meets the cost of track and land.

The detailed desktop feasibility study we have carried out indicates that would require a contribution from the taxpayer of £15.7 billion, at today's prices, or £1.3b annually over the 12 year period the experts tell us construction would take.

We believe our HSR proposals will deliver major regeneration benefits, as well as providing an alternative to thousands of car journeys on some of the nation's most congested motorway corridors.

By relieving pressure on the existing West Coast Main Line, we also free up space for freight.

The importance of rail freight in greening our transport system should not be underestimated.

One train can take 50 lorries off our congested roads and the Fright Transport Association estimate that every tonne of freight carried by rail produces 80% less CO2 and 95% less Nox than the road haulage alternative.

Another crucial point to emphasise regarding our plans is that they include a new rail hub at Heathrow, connecting the airport with the main line to the west and south west and to the new high speed link to London, the north and the Channel Tunnel.

We believe that this would have a major impact on tackling emissions and congestion around the airport. Rail access to Heathrow has always been poor.

Our proposal would mean that, for the first time, thousands of people from the south and south west of England and Wales - from cities like Bristol, Exeter, Plymouth, Southampton, Cardiff and Swansea - will be able to take train direct from their home town to the airport terminals.

And, of course, connecting Heathrow with CTRL and the European high speed network will provide a much lower carbon alternative to thousands of short haul flights.

In 2007, there were around 63,200 flights between Heathrow and Manchester, Leeds, Paris, Brussels, Amsterdam and Rotterdam, all destinations where high speed rail can provide a viable and attractive alternative to flying.

However, with the European high speed network expanding all the time, and with progress expected with through ticketing and timetabling connections, the potential for rail to air switching is getting greater all the time.

The popularity of the ski train down to the French Alps shows the leisure passenger's appetite for journeys to more distant destinations.

The next few months will also see the last gap plugged in the high speed route between Brussels and Cologne, opening up the potential for increased use of rail travel to German destinations as well.

It is clear that over 4 hours, rail is highly competitive with air. For leisure passengers the journey time over which a switch to rail is attractive could be even longer.

In providing that high speed rail alternative, I believe that we have found a way to make Heathrow better, by freeing up landing slots and relieving over-crowding, but without the damage to the environment and to quality of life that would come with a third runway.

So that is one of the many reasons why we oppose a third runway at Heathrow and would cancel this project if elected to office.

Rail

Turning to a second element of our strategy for lower carbon travel, we have put forward a range of ideas on how to tackle overcrowding on our rail network and get better value for money for our railways, both for the taxpayer and the hard-pressed farepayer.

Time constrains me from covering those ideas in detail but they include:

Reform of Network Rail to make it more responsive to its customers, the train and freight operators and the passengers and businesses that they serve.

Longer franchises to encourage private sector investment on our railways, to help deliver much needed enhancements such as longer trains and longer platforms.

And we want far less interference from the DfT particularly in relation to the new rolling stock.

The degree of control the Government is now exercising over detailed day to day decisions on our railways is great now than in the days of British Rail and is clearly hindering the ability of rail professionals to deliver the capacity enhancements passengers so desperately want.

We hope that these, and other reforms on which we are working, will enable the rail industry to work more cohesively together in tackling overcrowding, getting costs down and delivering value for money.

Driving

My third theme centres on driving.

Unlike my political opposite number, I didn't drive for 3500 miles on my holiday, but let me be very clear, I recognise the importance the car has for our economic competitiveness and for the quality of life for millions of families.

And I use the word "family" deliberately. Getting young children around on public transport, never mind on the back of a bicycle, poses obvious challenges which should never be underestimated.

For the elderly and the disabled too, the car can provide an essential lifeline.

And, of course, in rural areas, the car is always going to play a more dominant role in the transport system than in our towns and cities.

So I have no time for mindless car-bashing.

Instead I want to work with the grain of human nature and, as I've said, find ways to make it easier for people to choose lower carbon transport options.

So that's why we pushed for tough targets for greening our car fleet in the EU debate on car emissions, with our MEPs backing new rules which give the EU the toughest and greenest emissions rules in the world.

And that's why we want to see a nationwide network of charging points delivered to kickstart the spread of electric cars and plug in hybrids.

And that's why we welcome improvements to in-vehicle information about fuel use and efficiency that could play an important role in reducing emissions.

Just as smart meters in the home will have a major impact on fuel consumption, showing motorists the visible fuel and cost impact of their driving choices is one of the best ways to facilitate greener driving and behavioural change.

Smarter choices and Local Transport

But I also recognise that greener cars and greener driving, on their own, aren't enough to deliver the carbon emission reductions we need which is why I believe so strongly in promoting the smarter choices agenda - to give people realistic and attractive alternatives to some of the many hours so many of us currently spend behind the wheel of a car.

The urgency of promoting this kind of behavioural switch is even more important in the current economic situation because the collapse in new car sales will slow down the delivery of a lower carbon vehicle fleet.

So my fourth and main theme today focuses on greening local transport.

The DfT's 2004 academic study "Smarter Choices: Changing the Way we Travel" strikingly concluded that, for every £1 spent on smarter choices programmes, the potential benefit in terms of environment, congestion and public health could be as high as £10.²

² S Cairns, L Sloman, C Newson, J Anable, A Kirkbride and P Goodwin: "Smarter Choices: Changing the way we travel" DfT 2004, p363.

An effective approach on smarter choices requires a suite of measures to suit different areas and different lifestyles and I'd like to look at some of the most important today.

Buses

Firstly, I'd like to focus on buses.

It is clear that increasing bus ridership is a critically important part of an effective strategy to make our transport system greener.

And on the day the Local Transport Act comes into force, I'd like to correct a misconception about the Conservative approach to buses.

Just because I don't believe in re-regulating them doesn't mean that I underestimate their huge importance in our transport system.

Nor does it mean I am any less committed to improving services and increased ridership, I just have a different view on the best way to deliver that vitally important goal.

I believe that partnership working, whether on a voluntary basis or within the new framework for statutory quality partnerships is the best way to improve services with both the operators and the local authorities playing their part.

And whatever one's view of the private sector bus operators and whether the powers of local government should be expanded in relation to bus services, it's a fact that local transport authorities *already* control one of the most pivotal factors in relation to the quality of bus services - priority.

And I can say formally today that I've learned to love bus lanes. It wasn't always an easy process.

But I'm now fully convinced of their importance in delivering the improvements to service reliability that we need.

Don't get me wrong, I will not make the mistake Labour have made over congestion charging, and seek to bully local authorities down the priority route.

But please accept my assurance that if elected to Government, I would make the case vigorously for priority measures with local authorities.

Add in measures to improve information on bus services to get over the knowledge barrier, and push forward with smartcard ticketing, and you have an effective recipe for increasing ridership.

And innovation in delivering community transport and demand responsive transport has the potential to revolutionise the options for lower carbon travel in rural areas.

New technological developments in areas such as

- GPS tracking,
- on screen information in call centres
- and routeing software.

are all starting to make it much more economic to create services that respond directly the needs of individual passengers.

So too are innovative schemes pioneered by social enterprises like the Little Red Bus Company, which I visited in North Yorkshire last year, where gathering in different transport obligations and budgets from across the public and voluntary sectors has helped create a sum which is far greater than the individual parts.

Walking

Turning to the second element of the smarter choices agenda for local transport, I'd like to consider some issues around walking.

The Eddington report commented that projects to encourage cycling and walking can achieve "good welfare and GDP returns".³

Often grouped together, cycling and walking should not be elided as a single issue.

Although clearly some measures can support both, distinctive solutions may often be required for walking.

It's clear that measures to improve public space, lighting, lay-out etc can encourage walking, as well as helping deliver on obvious quality of life, urban regeneration and social inclusion goals as well. Local street audits and removing unnecessary signage and street clutter can also help.

And we clearly have to learn from the mistakes of the past.

I'm sure everyone would admit that some pedestrianisation projects have led to the creation of bleak unwelcoming areas which have become a haven for anti-social behaviour and crime.

Good design is crucial and we need to ensure that DfT guidance doesn't get in the way of the spread of best practice and innovation by local authorities.

Better information about walking options, perhaps linking in with health and fitness campaigns, can have a major impact, as Merseytravel's successful Calorie Maps scheme has demonstrated.

And travel habits can be formed early in life. I pay tribute to initiatives such "Safe Routes to School" and "Walk on Wednesday", and the work of Sustrans and many local authorities around the country, who are trying to inculcate active travel habits in children that will hopefully last a lifetime.

I agree with the campaign groups like our hosts this evening, the Campaign for Better Transport, that one of the best ways to give children a good chance of a healthy future is to give them an environment which encourages healthy active travel.

Cycling

The same point can, of course, be strongly made about cycling, the third element of the smarter choices agenda that I'd like to consider.

23% of car trips are for less than 2 miles, a distance that can be cycled in less than 15 minutes.⁴

³ Eddington Transport Study, Vol 3, Dec 2006, paras 4.26-4.27 and 4.31.

⁴ The introduction to "A sustainable future for cycling", DfT, 21 Jan 2008.

Encouraging cycling will be a major priority for a future Conservative Government as it already is for the Conservative administration in London.

We recognise the benefits cycling can bring for tackling congestion and improving public health.

I would go further than that and highlight the positive role cycling can play in general well being and quality of life. As a cheap form of transport, and an exercise programme that doesn't involve expensive gym memberships, cycling has advantages in terms of social inclusion as well.

Looking at the barriers that deter people from cycling, provision of well designed cycle routes and corridors is obviously important as is availability of cycle parking, particularly at transport interchanges.

One of the reasons why I advocate longer franchises for train operators is because I believe that they will help deliver better parking for cyclists as it did in the case of Chiltern Rail with its 20 year franchise.

But in Government, we would also seek to change the culture of highways planning and management when it comes to cycling.

We want to push the concerns of cyclists much higher up the agenda of the professionals who manage our roads.

If elected to Government one of the first actions we would take would be to order a review of the guidance the DfT gives on highways and roads to ensure that it helps drive this change of culture to get DfT officials "thinking cyclist" and to spread that mentality, far and wide, to those officials and councillors who are responsible for the way we manage our roads.

We want to ensure that the concerns of cyclists are mainstreamed not marginalised in our highways management.

Work related travel and commuting

The fourth element of the smarter choices agenda that I'd like to discuss concerns efforts to reduce the need for business travel and commuting.

MTRU, in their study on lower carbon travel for the Campaign for Better Transport, state that work related travel accounts for 37% of total emissions from passenger transport, 24% from commuting and 13% from travel in the course of business.⁵

I pay tribute to the campaigning work done by the WWF on this issue.

It is striking that a recent survey carried out for WWF showed that 89% of the FTSE 350 companies interviewed planned to cut back on business travel.

There is no doubt that the demands of the bottom line, as well as environmental concerns pull in the same direction on this issue.

Not only that, I believe that quality of life will be enhanced if the amount of work related travel we are asked to do is reduced.

⁵ MTRU study for the Campaign for Better Transport: "Shrinking Carbon, improving lives – a plan for reaching our climate change goals."

Similarly positive benefits can flow from expanding opportunities to work from home to cut out the hassle of the daily commute, as well as reducing the cost of office space for employers.

The Institute of Travel Management's Project Icarus programme asks businesses to pledge to cut their carbon footprint for travel. It has attracted support from some of the biggest names in business and the public sector, including PwC, Carillion, the BBC and even HMRC, demonstrating how seriously this issue is now being taken.

I understand our hosts, IBM, caused quite a stir in the blogosphere when they decided to switch some of their meetings to Second Life as a way to reduce business travel.

For years, teleconferencing has failed to live up to its potential to reduce the need for business travel.

Now morphing into "telepresence", technology pioneered by companies such as Teliris is now delivering systems that are much closer to the genuine simulation of a meeting that teleconferencing has so often lacked in the past.

And I believe that the public sector should lead by example.

That is why we would expand the piloting of TelePresence in the Department for Innovation, Universities and Skills.

If, as we expect, this technology delivers significant carbon reductions and cost-savings through reduced travel, we will implement this technology throughout central government and its agencies.

And a major expansion in use of technology in the public sector would help drive down costs and make it more readily accessible by a wider range of business and third sector groups.

Personal travel planning

The fifth and last element of the smarter choices range of options concerns personal travel planning.

The DfT's 2004 study on smarter choices concluded that school travel plans can cut school run traffic by 8 to 15% with the higher performing schools achieving reductions of 20% or more.⁶

The successful project carried out by Orange is well known ... where a work travel plan saw car commuting to work drop from 79% to 27%.⁷

And clearly the effectiveness of travel plans and advice can stretch beyond the work and school related spheres where it has been pioneered.

So let me be clear, I am in no doubt that personal travel planning and advice can and should play an important role in efforts to reduce emissions from transport.

It can provide a vital support mechanism to almost all the other elements in the low carbon transport package I've outlined today:

⁶ S Cairns, L Sloman, C Newson, J Anable, A Kirkbride and P Goodwin: "Smarter Choices – Changing the way we travel", at para 14.2.2.

⁷ John Gummer and Zac Goldsmith: Quality of Life Report p321.

- bus use,
- cycling,
- walking,
- the school run,
- car clubs and car sharing,
- work related travel

by giving people the information, advice and support they need to help them make the greener travel choices we want them to.

Delivering on the smarter choices agenda

So what would a Conservative Government do to press forward with an effective smarter choices programme?

Well I believe we need a multi-stranded approach.

Firstly, we need coordination between those in charge of public health programmes and those running our transport to encourage active travel.

I will certainly be feeding ideas into the work my Shadow Health colleagues are doing on public health and fitness.

Secondly, the planning system needs to ensure that new developments are designed in a way which reflects the importance of cycling, walking and access to public transport. This can be tied in efforts to keep local shops and high streets viable.

I can guarantee that we will remain resolute in resisting any attempt to dilute the “needs test” - introduced by John Gummer under the last Conservative Government - which restricts the spread of out of town shopping centres.

A third strand, linked in with the second, is that we need a much more transparent assessment of the carbon cost of the centralisation of services where the closure of local outlets almost inevitably means longer journeys and pushes people into their cars.

Proper analysis needs to be done of the impact of policy decisions on issues such as post offices or hospital closures on congestion, emissions and public health.

TIF reform

The fourth strand of our approach centres around reform of the Transport Innovation Fund.

I believe that the Government is wrong to ring fence money in the Transport Innovation solely for those areas prepared to introduce charging schemes.

Geoff Hoon was essentially saying to people in Manchester: if you introduce charging, you will get money from central government to fund transport improvements, but if you won't introduce charging you get nothing and we won't even consider your proposals.

In the Spring of last year, we called on the Government to reform the TIF fund so that local authorities from up and down the country could bid for funding for local transport projects that suited their local needs, so that

they could submit bids and have them considered on their merits regardless of whether they include a charging element or whether they do not.

It's a matter of grave concern that Geoff Hoon told Manchester, there is: "*no plan B*" and to bar the city from having any of its TIF package projects even considered because the C Charge was decisively rejected in the referendum.

But I'd like to go further today in relation to our plans for the Transport Innovation Fund.

So while we would honour the commitments from the TIF fund that we inherit from the present Government, under a Conservative Government the rest of the £200m congestion charging strand would become a Transport Carbon Reduction Fund where bids for a wide range of schemes would be actively encouraged including the areas I have outlined, such as bus priority and cycling.

This fund would be open both to local authorities and to voluntary sector organisations like Sustrans and cycling related charities to bid for schemes to improve local transport and reduce emissions.

Joint bids by both local authorities and voluntary sector partners would be encouraged combining local knowledge and specialist expertise.

We would also seek to reduce the paperwork which comes with bidding for this funding. We would aim for a proportionate approach so that those applying for smaller sums have fewer hoops to jump through than those seeking funds for large scale projects.

Revenue and capital divide

The fifth strand of our approach on smarter choices is to ensure a more pragmatic and flexible approach to the division between capital and revenue spending.

There is worrying evidence to indicate that the point at which the divide is currently drawn is stunting the potential to deliver low carbon local transport.

Many smarter choices programmes do not fit easily or at all into the capital spend box:

- The car club that needs some initial subsidy to get it going before it starts to pay for itself
- The cycling support team to encourage people to get on their bikes and let them know about improvements to local infrastructure.
- The marketing initiatives that provide information on improved bus routes and priority measures.
- And the travel planning professionals that can promote all these lower carbon options and help drive the behavioural change that is vital if we are deliver the carbon reductions to which we're committed.

We must obviously continue to guard against the danger of building white elephants where the revenue to sustain their continued use is not available.

However, I strongly believe that some pragmatism and increased flexibility on the revenue capital divide in relation to the TIF fund could help kick start a number of smarter choices programmes.

We need to work with local authority auditors to seek to give greater clarity on this issue and avoid some of the anomalies around the revenue/capital divide where they are put an unnecessary block on efforts to introduce low carbon transport projects.

In short, there should be greater scope for travel planning, and a range of other smarter choices programmes which support and complement investment in transport infrastructure, to be funded from transport capital.

Reform of NATA

The fourth strand of my approach focuses on NATA, the DfT's cost benefit analysis for appraising the value of transport projects.

As it currently operates, NATA can discriminate against the very behaviour change we should be trying to encourage.

So we need to reform it to ensure that low carbon projects get treated fairly when decisions are made on the allocation of transport spending.

For a start, NATA should include a clearer and more explicit emphasis on climate change, as opposed to bundling the issue together with other environmental factors.

We also need to scrap the perverse rule which marks down a transport scheme which promotes a shift from driving and on to public transport.

I was amazed to learn that the reduction in fuel duty revenues that results from such a shift is treated as a negative factor in assessments made under NATA.

And I believe that MTRU make a number of convincing points on in their report on NATA for the Campaign for Better Transport about the way the appraisal system treats time savings.

The Government's own research indicates that small time savings have only a very limited value for drivers.⁸

Furthermore, according to the MTRU study, average time savings are assessed by NATA without reference to reliability so schemes which predict a large number of small time savings in non-congested areas can do better than those schemes which would achieve larger time savings in congested conditions.⁹

I would like to see these flaws in NATA remedied so that the impact of small time savings is reduced and schemes that deliver longer time savings, even where fewer journeys are involved are given greater weight than they currently receive.

And more work should be done to seek to identify the people switching from car to public transport, rather than treating them as generated traffic.

We improve the way we look at the best performing alternatives to a transport scheme, rather than just assessing a "do the minimum" option.

⁸ Department for Transport, 1999, *The Value of Travel Time on UK Roads*, Accent Marketing and Research Consulting Group.

⁹ MTRU study for the Campaign for Better Transport: "Shrinking Carbon, improving lives – a plan for reaching our climate change goals p161.

Alternatives are seldom modelled, and many smarter choices concepts are beyond the scope of conventional modelling.¹⁰

We need to address this problem and make progress on developing ways to model the impact of schemes based on cycling, walking and other low carbon options.

I don't underestimate the technical challenges that these changes would involve but we need to make progress in achieving them.

My last point in NATA has implications for a wider policy approach to roads. I see a strong case to reform NATA to ensure that greater weight is given to schemes that enhance the reliability and predictability of journey times ... rather than those which focus solely on speeding up journey times.

It is the unexpected extra delays which so often cause the really big headaches for individuals and costs for businesses, so I believe that there is a case for a fresh focus on how best to tackle this problem and give it greater priority in transport policy, including more extensive use of active traffic management, where this is affordable.

Conclusion

In conclusion, I have sought today to set out some of the key policy ideas which we would introduce if elected to make our transport system greener

- A new high speed rail line and reform of the way our existing railways are run.
- No to a third runway at Heathrow.
- Reform of the TIF fund to transform the £200m congestion charging strand into a Transport Carbon Reduction Fund.
- Greater flexibility on the divide between revenue and capital, to help local authorities deliver the smarter choices programmes that work for their communities
- Reform of NATA to treat low carbon options fairly and help deliver on the goal of addressing the reliability and predictability of journey times on our roads.

I am aware of how difficult a task we would face in Government in delivering the targets that will be set under the Climate Change Act, but I strongly believe the proposals I have announced today will help us meet that enormous challenge

And I am equally certain that they will also help us deliver the high quality local transport which is so crucial both for economic competitiveness and for general well being.

¹⁰ MTRU study for the Campaign for Better Transport: "Shrinking Carbon, improving lives – a plan for reaching our climate change goals p160.