ICE submission to the Transport Committee on strategic transport objectives

August 2023

Introduction

Established in 1818 and with over 95,000 members worldwide, the Institution of Civil Engineers exists to deliver insights on infrastructure for societal benefit, using the professional engineering knowledge of our global membership.

The ICE's strategy is focused on the decarbonisation of the infrastructure system, building resilience against the effects of climate change, and transforming productivity in infrastructure delivery, recognising the interlinking effects of water, transport and energy in achieving these goals.

For more information, please contact:

David McNaught, Policy Manager, ICE
policy@ice.org.uk

Summary

This submission makes the following key points:

- There is no overarching strategic vision for transport that ensures transport planning and investment are aligned with the UK's wider social, economic and environmental goals. Strategic objectives in which transport has a key role include reducing social and economic inequalities between regions, adapting to climate change, net zero and achieving the 2030 Sustainable Development Goals.
- A national transport strategy for England should be developed to set out the overarching vision for a sustainable, equitable transport network and identify a set of principles based on this vision to prioritise transport projects.
- This would align England with Scotland and Wales, which already have national transport strategies. Given that transport is largely devolved, a national transport strategy for England would be a pragmatic first step to strengthen transport decision-making – but there is a strong case for developing a UK-wide strategy as well.
- A national transport would allow national, subnational and modal transport bodies to plan and invest in transport infrastructure and services according to wider national objectives. It would help accelerate the shift in decision-making towards giving more weight to the whole-life economic, environmental and social benefits of projects, as opposed to a fixation on achieving lowest capital cost in delivery.
- A national transport strategy can help accelerate the delivery of strategically important national infrastructure projects. A clear strategic rationale can support long-term consensus building around the need for and benefits of major projects and reduce the risk of political uncertainty causing excessive delays.

- Behaviour change is not at the heart of the government's approach to net zero as it should be. Transport policymaking needs to be more realistic about how much travel demand a sustainable transport system can manage and what needs to happen for people to choose more sustainable options.

- A national transport strategy could also be a basis for furthering devolution in a more strategic way. It would help clarify the roles and responsibilities required of the various stakeholders to avoid duplication and optimise delivery, while helping to identify where subnational funding and powers require reform. It would ensure subsidiary strategies and investments are aligned with the wider national outcomes while allowing subnational bodies the flexibility to respond to local needs and deliver in the local context.

Submission

1. What is your understanding of the Government's strategic transport objectives? Are they the right ones, and if not, how should they be changed?

The UK government's strategic objectives for transport are currently set out across a range of modal and thematic transport strategies. These include the Integrated Rail Plan for the North and Midlands (IRP) and Network Rail's Control Periods and route strategies for rail. For the Strategic Road Network, there is the Road Investment Strategy model, while Bus Back Better and the Cycling and Walking Investment Strategy cover buses and active travel. There are also strategies which cut across modes, such as the Future of Freight: A Long-Term Plan, the Transport Decarbonisation Plan, the Clean Air Strategy and the Inclusive Transport Strategy. In addition, Scotland and Wales and many of England's regions have developed their own transport strategies.

However, there is no overarching strategic framework for transport that looks across the piece and sets out what wider social, environmental and economic objectives the government seeks to achieve and what outcomes transport must deliver to help achieve them.

These objectives include reducing social and economic inequalities between regions, adapting to climate change and ensuring the resilience of the UK's infrastructure systems, meeting the 2050 net zero target and achieving the 2030 Sustainable Development Goals.

Transport enables productivity and economic growth as well as quality of life and social well-being. However, surface transport is also the UK's largest source of carbon emissions. To maximise the economic and social benefits derived from transport, there is an urgent need to accelerate progress towards decarbonising it and ensure the network is resilient to the effects of a changing climate.

Thus, transport policymakers face difficult policy choices on how to constrain demand for unsustainable passenger and freight transport services without disadvantaging certain geographies, industries or populations. To enable better decision-making, more clarity is needed about the government's overarching strategic objectives for transport and how they align with the UK's wider long-term goals.

2. How well has the Government articulated the outcomes and objectives it seeks from the country's transport network? How could this be improved, and what impact would better-defined objectives have on transport planning and investment?

The absence of an overarching set of strategic objectives for transport means decision-making across different modes and regions risks being incoherent, contradictory and counter to both the UK's wider goals and the needs of transport users. Transport investment is not being spent as effectively as it could be, impeding the UK's progress towards its national goals.

For example, the Climate Change Committee has warned that limiting road traffic growth is 'crucial' for decarbonising transport.[1] Scotland and Wales have commitments to reduce vehicle kilometres, but England does not. Instead, investment cases for road capacity are still based on growing vehicle kilometers.[2]

As a first step towards more coherent transport policymaking, the ICE has recommended that government develop a national transport strategy for England.[3] While Scotland and Wales each have national transport strategies, England, which has a much larger population, does not have a transport strategy.

A national transport strategy for England should set out the government's overarching vision for a sustainable, equitable transport network and identify a set of principles based on this vision to prioritise transport projects.

This would establish a 'golden thread' of desired transport outcomes across modes and levels of government by drawing together the existing strategies into a coherent framework and addressing policy gaps. National and subnational bodies could plan and invest in transport infrastructure and services accordingly. The risk of investing in outcomes that do not contribute to or hinder the UK's wider long-term objectives would be reduced.

A national transport strategy that sets out objectives for transport would have many benefits for transport planning, including:

- Accelerating the shift in decision-making towards giving more weight to the whole-life economic, environmental and social benefits of projects, as opposed to a fixation on achieving lowest capital cost in delivery.
- Accelerating the shift in transport planning from a 'predict and provide' to a vision-led approach. Transport planning needs to be aspirational about enabling behaviour change and guiding the movement of people and freight in more sustainable and equitable directions.
- Being modally agnostic about how to develop an integrated, sustainable transport network. There is currently no means of assessing the appropriate level of resources for different modes, projects and regions against wider aspirations for what the network needs to deliver. A strategy would enable decision-makers to identify and assess the trade-offs between modes and develop the best solutions for achieving the desired outcomes.
- Putting more focus on the needs of current and future generations of transport users to enable seamless, end-to-end, multimodal journeys.

To maximise these benefits, a strategy should not be weighed down by technical details or become a wish list of projects. It should outline how planning and modes should evolve over the long term, making clear the scale of change expected, existing barriers and the consequences of inaction. It should not be solely about infrastructure needs but about the broader policy levers needed to achieve its overarching vision.

[1] Climate Change Committee (2023) 2023 Progress Report to Parliament
[2] ICE (2023) Presidential Roundtable summary: day one infrastructure priorities for the next UK Parliament
[3] ICE (2023) ICE policy position statement: a national transport strategy for England

A national transport strategy for England is a pragmatic first step

There is a strong case for developing a UK-wide transport strategy. Passenger and freight journeys and the network infrastructure do not adhere to subnational borders. It makes sense to address certain modes at a UK level, particularly aviation and maritime. Devolved transport networks may also work best in the context of an overarching vision for developing the networks and connections that link them.

However, given that transport is already largely devolved, a more pragmatic approach would be first to develop a national transport strategy for England to align it with Scotland and Wales. This would give England's national agencies and subnational bodies a framework of objectives and guiding principles against which to respond with subsidiary transport plans. England would also benefit from a framework for developing multimodal long-distance corridors.

An English strategy alongside the Scottish and Welsh strategies could help strengthen cooperation between the home nations around a common set of high-level objectives, identifying interdependencies and improving the coordination of delivery. It could also be the basis for defining UK-wide strategic corridors and where responsibilities for developing them sit – perhaps building on the work already carried out in the Union Connectivity Review (UCR).

3. How well does the appraisal and decision-making process for new transport investment meet the Government's strategic transport objectives? How should this be improved?

There is a need to reduce the time it takes to appraise and deliver strategic infrastructure projects in the UK and rethink how decisions are made to ensure they align with wider strategic objectives.[4] A national transport strategy can support these outcomes.

Major transport strategies and projects, such as the IRP and High Speed 2, have been subject to perennial uncertainty and negative debate because the strategic context within which they sit has not been well articulated or understood. This distracts from delivery, causing delays and increasing costs.

A national transport strategy can reduce the risk of political uncertainty delaying the delivery of strategically important national infrastructure projects. A clear strategic rationale can support long-term consensus building around the need for and benefits of major projects and make it harder for politicians to delay, rescope or abandon them.

It is also important to recognise in decision-making that transport is a means to an end, not an end in itself. Greater clarity on the strategic role of transport will help accelerate a shift in how investment decisions are made, from a focus on economics and the benefit-cost ratio (BCR) to giving more weight to the wider societal benefits of projects and programmes.

The ICE has long called for this change in mindset, and there is evidence that the public agrees. According to polling for the ICE, the most important success metric for the public is that projects will benefit communities. Just 3% of the public said the most important factor is that the project's overall construction cost is low.[5]

A national transport strategy could take a more holistic view than existing strategies, such as the Transport Decarbonisation Plan, of the economic, environmental and social outcomes the country needs to achieve and the role of transport in meeting them.

This would achieve what Wales has done by linking its transport strategy to its seven national well-being goals in the Well-being of Future Generations (Wales) Act 2015.[6] This approach ensures that planning considers a wider range of transport users, journey types and outcomes – including the needs of future generations. Emerging feedback suggests that this

[4] ICE (2019) Reducing the Gap between Cost Estimates and Outturns for Major Infrastructure Projects and Programmes
[5] ICE (2022) 5 Surprising Ways that the British Public Rates the Success of an Infrastructure Project
[6] Welsh Government (2021) Llwybr Newydd – The Wales Transport Strategy 2021

clarity and alignment with long-term objectives is allowing for the delivery of alternatives to road building to be accelerated and become more integrated.[7]

In New Zealand, strategic transport planning is based on the Transport Outcomes Framework, which sets a purpose for the transport system focused on improving the well-being of New Zealanders and the liveability of places.[8] The framework identifies five outcome areas to direct transport policymaking towards these objectives: inclusive access, healthy and safe people, economic prosperity, environmental sustainability, and resilience and security.

4. How should wider economic, environmental and social impacts be appraised and valued, including when the gains will largely be felt in policy areas other than transport?

See response to question 3.

5. How can longer-term certainty in planning be achieved in order to promote greater private sector investment from a range of sources?

A national transport strategy underpinned by a pipeline of projects can reduce the risk of political uncertainty deterring private sector investment.

The ICE has recommended developing a strategy with a timeframe of 30 years. This would align it with the 2050 net zero target. It also aligns with HM Treasury Green Book-compliant business cases, which commonly use a 30-year time horizon when evaluating capital investment.

However, ensuring any long-term strategy is robust, particularly in a complex devolved landscape, is difficult. Agility and the ability to manage uncertainty are critical as circumstances evolve. An effective strategy must be a continuous process linked to the ongoing development of subsidiary strategic and investment plans that deal with shorter investment cycles, such as the five-year control periods for road and rail.

Five-yearly reviews of the strategy would enable it to respond to changing circumstances and be tested against scenarios for transport growth and other variables. They would also allow politicians to influence the strategy once in a political cycle and for broader stakeholder consultation and public engagement.

New Zealand, for example, has a 10-year land transport strategy. The Minister of Transport must review and update the strategy every three years and issue a new policy statement at least once every six years.[9]

Allowing too many short-term reviews could undermine the clarity of vision the strategy aims to provide. However, an additional 'trigger point' mechanism would allow for an earlier or partial review if a fundamental change in the external context requires major reassessment – such as the impact of the Covid-19 pandemic.

[7] ICE (2023) ICE Summer Prestige lecture: transport
[8] Te Manatū Waka Ministry of Transport Transport Outcomes Framework
[9] Te Manatū Waka Ministry of Transport Government Policy Statement on Land Transport

6. How effectively is strategic transport planning and investment coordinated across and between transport modes, including with reference to achieving modal shift?

In Wales, the Sustainable Transport Hierarchy, set out in the Welsh Transport Strategy, guides investment decisions and prioritises interventions that support walking and cycling, public transport and ultra-low emissions vehicles over other private motor vehicles.[10] This has been instrumental in decision-making, such as the decision to cancel, postpone or scale back all major road-building projects in Wales. Wales and Scotland also have targets to reduce transport levels.

However, in England, there is no comparable decision-making tool or overarching targets. Instead, the fragmentation of strategic objectives for transport across different modes and regions means transport decision-making between modes risks being incoherent and contradictory. Decision-makers can struggle to identify and assess the trade-offs between modes and develop the best solutions for achieving the desired outcomes. There is no means of assessing the appropriate level of resources for different modes against wider aspirations for what the network needs to deliver.

Coordination across regions and modes tends to be ad hoc and voluntary. For example, in the rail industry, the Great British Railways (GBR) Transition Team is developing a partnership approach to engage with subnational transport bodies (STBs), combined authorities and other regional organisations with an interest in rail services. A national transport strategy could provide the architecture for greater, more formal collaboration – building on the work already underway between national agencies, STBs and other stakeholders.

Regarding modal shift, behaviour change is not at the heart of the government's approach to net zero in the way it should be.[11] Any plan to reduce tailpipe emissions by the required level will be difficult without significantly reducing demand as well, even with the uptake of electric vehicles (EVs). However, polling for the ICE found that over two-thirds of the public (68%) would currently find it difficult to live car-free.[12]

Policymaking needs to be more realistic about how much travel demand a sustainable transport system can manage. The Transport Decarbonisation Plan goes some way to recognising the need to reduce traffic growth, increase average car occupancy, and increase active travel. However, more needs to be done to achieve the behavioural changes which will result in people choosing more sustainable options.

For example, ensuring sustainable funding for public transport remains a challenge. If public transport is not effectively funded, there is a risk of causing a spiral of decline in which poor-quality services make public transport less attractive, leading to lower passenger numbers and lower revenues which, in turn, lead to further cuts.[13]

7. How could planning for transport infrastructure across government and coordination of policy (for example, with policy on energy, digital or planning) be made more coherent and streamlined?

Infrastructure is a system of systems. To be effective, a national transport strategy will need to enable greater alignment of planning and investment between transport and other relevant sectors, particularly energy and digital.

There is also a need to clarify how transport and spatial planning can coordinate more effectively so that local plans align with regional and national priorities and to prevent strategic developments from being thwarted by local planning objections.

[10] Welsh Government (2021) Llwybr Newydd – The Wales Transport Strategy 2021
[11] ICE (2023) Civil engineering insights on pathways to decarbonisation - delivering the UK government's Net Zero Strategy
[12] ICE (2022) How Easily Does the British Public Find it to Take Personal Action on Climate Change?
[13] ICE (2022) ICE briefing paper: public transport funding after Covid-19 – what happens next?

This systems integration already happens in parts of England. England's STBs are well positioned to deliver 'place-making' and are working to unlock the wider benefits of transport investment by integrating transport with land-use planning and other infrastructure systems. London has an integrated plan covering land use, economic development and transport. The challenge is developing and applying this approach consistently.

Achieving this level of coordination is a challenge for other governments as well. For example, the 2021 Australian Infrastructure Plan, developed by the independent government advisory body Infrastructure Australia, sets a 15-year vision for infrastructure in Australia.[14] Regarding transport, it highlights the need for:

- consistent national movement and place standards applied under a transparent framework;
- transport activities to be 'aligned across short-, medium- and long-term horizons' between different levels of government and jurisdictional boundaries; and
- on overarching vision within which the staged delivery of public transport services, corridors and networks can establish 'a culture of sustainable transport'.

Its recommendations include the requirement to align transport projects with published population and land-use plans to maximise the benefits of transport investment.

8. How effectively is strategic transport planning and investment coordinated between national, devolved, regional and local government and other public bodies? Do the current division and distribution of powers help or hinder?

At present, investment in the operation, renewal and enhancement of England's railways and strategic roads is determined on separate cycles by central government, which also controls investment in the capital maintenance of local roads, bus support, and a myriad of smaller funding pots.

A range of subsidiary bodies are responsible for planning around and maximising the benefits from these investments, as well as developing projects that would qualify for central funding. In England, these bodies include national agencies such as National Highways, Network Rail (or GBR) and Active Travel England. At subnational level, it includes the Combined Authorities, STBs and Local Transport Authorities.

These bodies would benefit from a clearer strategic framework that looks across the piece and sets out what wider outcomes the government is seeking to achieve, what its plans are for those investments it determines itself, and how it wishes to see the framework of funding and powers functioning at the various, appropriate subnational levels.

This would help clarify the roles and responsibilities required of the various stakeholders to avoid duplication and optimise delivery. It would ensure that subsidiary strategies developed by those bodies – and the associated investment – are aligned with the wider national outcomes the government seeks to achieve. Subnational bodies such as STBs would still retain the flexibility to respond to local needs and deliver in the local context.

Indeed, a national transport strategy could also be a basis for furthering devolution more strategically.

At present, decision-making is constricted by which local powers exist in any given area. This can limit how effectively different transport modes can be matched to local needs. For example, local leaders may choose to invest in buses because they do not have the right levers over rail, even in scenarios where rail might offer a better solution.

[14] Infrastructure Australia (2021) 2021 Australian Infrastructure Plan

The variety and competitive nature of funding streams are further barriers to developing integrated transport systems. Subnational authorities with less capacity struggle to invest time in applying for competitive funding, thus creating a cycle of underinvestment. Bodies responsible for delivering transport infrastructure and services must be suitably empowered and resourced with long-term funding settlements while retaining an appropriate level of governmental oversight.

Progress is being made, for example, through the trailblazer deals and single multi-year budgets announced for the Greater Manchester and West Midlands combined authorities. However, more reform will be needed to build capacity and resources at the subnational level. More broadly, STBs may also need to evolve to become subnational infrastructure bodies, as the ICE has previously recommended.[15]

A national transport strategy that provides the architecture for greater, more formal collaboration between STBs and other stakeholders – building on the work already underway – would help maximise the national benefits of subnational transport investment. For example, the development of strategic transport corridors in England that cross regional boundaries could be enhanced.

Enhanced coordination between England's STBs and other transport bodies could also form the basis of a wider dialogue with the devolved administrations (facilitated by the Department for Transport) to enable consideration of UK connectivity needs in the round.

[15] ICE (2021) ICE Policy Position Statement: Evolving the UK Strategic Infrastructure Planning System