





### **ABOUT ICE**

The Institution of Civil Engineers (ICE) is a global membership organisation that promotes and advances civil engineering around the world.

ICE is a leading source of professional expertise in transport, water supply and treatment, flood management, waste and energy. Established in 1818, it has over 80,000 members throughout the world, including over 60,000 in the UK.

ICE's vision is to place civil engineers at the heart of society, delivering sustainable development through knowledge, skills and professional expertise.

### **ABOUT THIS REPORT**

The State of the Nation report has been compiled each year since 2000 by a panel of experts drawn from the various fields of expertise across ICE's membership.

Its aim is to stimulate debate and to highlight the actions that we believe are needed to improve the state of the nation's infrastructure.

The report is issued to a wide range of stakeholders, including politicians, civil servants, local authorities, trade, regulatory and consumer bodies, as well as the media.

This year, instead of providing one report covering all infrastructure issues, ICE is publishing several State of the Nation reports throughout the year, each focused on a specific issue which will affect the delivery of effective infrastructure for the UK.

This is the second of these single issue reports and focuses on transport. The first, focusing on capacity and skills, is available at ice.org.uk/stateofthenation

For more information on the background to this report, please contact ICE Public Affairs:

t +44 (0)20 7665 2152 e stateofthenation@ice.org.uk ice.org.uk/stateofthenation

### ACKNOWLEDGEMENTS

### Steering Group

Alan Stilwell (Chair) Mersey Travel

Steve Feeley Regional Director, ICE West Midlands

Andrew McLusky Independent Consultant

Graeme Monteith Babcock Rail

Paul Woolford Department for Culture Media and Sport

#### Research Team

Dr Mark Beecroft

Professor John Preston

Dr Graham Wall

Transportation Research Group School of Civil Engineering and the Environment University of Southampton

#### **ICE Staff Team**

Andrew Crudgington

Lotte Grant

Ed Horton

Joanna Shardlow

Graham Siblev

Simon Whalley

The steering group would also like to thank the many ICE members from across the UK who made submissions during the consultation phase of this project.





## WELCOME TO THE STATE OF THE NATION REPORT ON TRANSPORT

Transport is riding increasingly high on the national agenda. Previous State of the Nation reports have made the case for integrated long-term transport planning to meet the nation's economic, environmental and social needs. Industry leaders and economists identify transport as one of the three key issues which will affect the future competitiveness of the UK and the Eddington report argues that the performance of the UK's transport network is crucial to sustained productivity and a competitive edge.

Despite this, the government appears to have abandoned its Ten Year Transport Plan 2000. Without any sort of national transport plan major projects are developed in isolation. High-profile transport infrastructure projects such as Crossrail and the Thameslink Programme may have recently received government approval, but the delivery of major projects from conception to completion takes too long. Without a long-term, integrated transport framework, large-scale projects risk becoming unfit for purpose and unsuited to meeting the future needs of the nation.

The UK has ambitious plans for new housing, eco-towns, and wider economic growth. ICE is concerned at the lack of planning for the provision of transport infrastructure to accommodate these demands. How will we travel to work? How will everyday goods be distributed? How do we balance these increased transport needs with the necessity to reduce carbon emissions?

The provision of effective and integrated public transport networks is crucial to answering these questions, and crucial to enabling people to travel with confidence and without complete reliance on the car.

While ICE envisages that car travel will continue to play a major part in UK

transport – particularly in rural areas where large-scale public transport provision is not always viable – a culture of car dependency, and the traffic jams and delays which go with it, is removing the sense of independence that the car once offered and increasing our carbon emissions.

ICE believes we need to redress the balance. Our nation needs a vision for transport, with bold plans to enhance prosperity, offer real choice and reduce car dependency. We need to see proposals like a network of high speed rail lines to reduce short haul air travel; a step change in local public transport to make it an attractive alternative to the private car; and network road user charging so that motorists see the real cost of car travel depending on location, distance and time of day.

This report sets out a 10 step plan to enable effective integrated transport across the UK. I invite government and industry leaders to join me to discuss how we can best take action on the ideas put forward in this report.

David Or

David Orr

President, Institution of Civil Engineers

> THE STATE OF THE NATION

TRANSPORT

### INTRODUCTION

In this State of the Nation report the Institution of Civil Engineers sets out a 10 step plan which offers a solution to the transport problems\* facing the UK.

The Institution of Civil Engineers (ICE) envisages major transport changes in the UK by 2020. These changes will offer people more transport choice and alter the way in which we travel, help boost our economy and improve our everyday lives. ICE wants to see:

- significant new capacity for rail services
- improvement of bus services
- new capacity for rail freight and short sea shipping
- shifting costs from taxation to individual user journeys
- integrated public transport and full information on travel options
- a 30-year national strategy delivered locally through integrated transport plans managed by integrated transport authorities

Our report was produced by an ICE panel of transport industry experts using research conducted by the University of Southampton¹. The analysis identified five goals for the UK's transport system:

- Support sustainable economic growth
- Maintain and enhance quality of life
- Promote environmental sustainability
- Enhance safety and resilience
- Improve deliverability

Two of the biggest challenges in meeting these five goals are reducing congestion and  $CO_2$  emissions. When we begin to address these challenges our roads will become quieter, our environment will become cleaner, and we will have a transport network which supports and encourages economic growth and helps improve our quality of life.

Much work has already been carried out across the engineering profession to develop solutions to address surface transport congestion and emissions. This report pulls that work together into a 10 step plan for improving the nation's transport networks (see figure 1).

ICE believes this 10 step plan offers the key to reducing both congestion and CO<sub>2</sub> emissions by improving our public transport capacity and creating a public transport network that offers a genuine alternative to the car.

ICE envisages that car travel will continue to play a major part in UK transport particularly in rural areas where large-scale public transport provision is not always viable. However, a culture of car dependency, and the traffic jams and delays which go with it, is removing the sense of independence that the car once offered.

ICE believes we need to redress the balance, with an enhanced public transport network offering people real choice and decreasing car dependency.



<sup>\*</sup> This report focuses on land and sea transport. ICE recognises that aviation has a significant impact on the environment

and the economy and will return to this subject in the future. Research available at ice.org.uk/stateofthenation.

FIGURE 1. ICE'S 10 STEP PLAN.

## OFFERS THE KEY TO REDUCING BOTH CONGESTION AND CO<sub>2</sub> EMISSIONS



THE STATE OF THE NATION TRANSPORT

### 01 POLITICAL CONSENSUS ON TRANSPORT STRATEGY

The last 10 years have seen a welcome increase in transport investment, for example revenue expenditure on public transport rose by 49% to £3.8bn in 2006/7<sup>2</sup>. However with the demise of the government's 10-year transport strategy, the UK lacks clear vision and commitment.

One of the great advantages of a long-term transport strategy is that it encourages longer term planning of infrastructure and avoids the stop-start programming that has bedevilled the UK in recent decades. It can take 10 years or more for some transport schemes to move from concept to commencement. This requires a long-term strategy and not shortterm budgets linked to the political cycle.

A clear national and political consensus on transport would provide consistency and financial stability, increasing industry confidence, speeding up delivery and allowing our transport network to grow and flourish.

Broad cross-party consensus on transport is achievable. It already exists for transport programmes like those in Northern Ireland. The need for practical and effective transport solutions is just as urgent across the rest of the UK. ICE calls for all parties to put political wrangling aside and make the same commonsense commitment to improving transport as in Northern Ireland, but this time UK-wide.

The Institution of Civil Engineers will work with all political parties to develop consensus on a national transport strategy.

<sup>2</sup> DfT (2007). Transport Statistics Great Britain: 2007 Edition. HMSO, London

# NORTHERN IRELAND – STRATEGIC INVESTMENT BOARD

Cross-party support and political focus have allowed the Northern Ireland Executive to establish a 10-year investment strategy for the province. It aims to help the public sector deliver value-for-money infrastructure programmes quickly and efficiently.

This investment strategy is far-reaching; it goes beyond transport and also deals with health, education and more. However, as part of its remit the **Strategic Investment Board** helps deliver investment plans for roads, public transport and interchanges.







### 02 A 30-YEAR NATIONAL TRANSPORT STRATEGY

ICE welcomes the government's plan to produce a series of national infrastructure policy statements (NIPS) on transport. These documents, part of a series addressing key areas of national infrastructure, are an important step in the delivery of transport change. The transport NIPS will establish the national case for transport infrastructure development and should help speed up the delivery of major infrastructure projects.

The consultation on transport NIPS, expected in 2009, will create a valuable platform for national debate and political discussion of the UK's strategic transport direction and transport priorities.

ICE calls on the government to use the opportunity to inform the development of a 30-year transport strategy. This long-term strategy would add detail and scope to the positive work of the NIPS, providing a framework in which regional and local decision-making can contribute to overarching goals. However, in order for a 30-year transport strategy to be effective it must also drive public spending commitments in the triennial Comprehensive Spending Review in 2010.







### 03 INTEGRATED TRANSPORT AUTHORITIES FOR URBAN AREAS

Recent years have seen a welcome devolution of transport delivery powers to areas including London, Scotland, Wales and Northern Ireland. ICE wants to see transport delivery devolved in a similar way across the rest of the UK.

ICE welcomes the government's proposals, within the local transport bill, to create integrated transport authorities (ITAs), which would be compulsory in England's six metropolitan areas and voluntary elsewhere. ITAs will have more powers to manage road space and public transport capacity, and to tackle congestion and CO<sub>2</sub> emissions. However outside London this control does not go far enough. For example, ITAs will not have the power to define the routes and frequency of buses in order to make them a real alternative to the private car.

In addition to handing over power, government must step back and allow ITAs to manage their own integrated transport solutions. In the context of a 30-year strategy, this method will be more effective and will avoid each authority making short-term plans without taking account of their impact on other areas.

Transport for London (TfL) is an example of successful cross-modal integration. Since the Greater London Authority took responsibility for many modes of city transport bus use is rising<sup>3</sup>, and the introduction of the congestion charge appears to have helped reduce the growth of traffic in the city centre.

ICE supports the use of the TfL model elsewhere in the UK, creating authorities with responsibility for all aspects of the planning and enhancement of integrated transport networks.

### TRANSPORT FOR LONDON

Transport for London (TfL) controls a range of transport modes across London, allowing tickets, timetables and services to be connective and complementary.

TfL implements the Mayor's transport strategy and manages transport services including the tube; surface transport such as buses and trams; river services; and the London rail system, including overground services and Docklands Light Railway (DLR).

TfL is accountable for both the planning and delivery of transport facilities, which enables a truly integrated approach to moving people and goods around London.

The authority, which was founded in 2000, also manages the city's network of main roads, including some 6,000 traffic lights, enforces taxi regulations, and promotes a range of walking and cycling initiatives.

Bus services are run by private companies but are under contract to London Buses. TfL plans the routes, specifies service levels and monitors service quality.

TfL offers a smart travelcard system – Oyster card – which can hold a variety of single tickets, season tickets and travel permits, that must be 'topped up' before travelling. Oyster cards are accepted on the underground, buses, trams, the DLR, some National Rail services and gives a discount on many river service fares.

TfL also offers an online 'journey planner' which enables users to plan journeys by multiple modes in and around London.

<sup>&</sup>lt;sup>3</sup> DfT (2007). Transport Trends: 2007 Edition. HMSO, London.

### **BIRMINGHAM INTERNATIONAL AIRPORT**

There are some good examples of integrated transport thinking already in action in the UK.

Birmingham International Airport (BIA) is one of the most accessible airports in Europe and is a good example of a fully integrated transport hub.

BIA is the UK's sixth largest airport and the third largest for charter traffic. BIA acts as the gateway to the Midlands with links to Europe, the Middle-East and North America. The airport is sited at the centre of the motorway network near the M42, enabling easy access to most major cities. It is also situated next to Birmingham International railway station on the west coast mainline, which provides passenger connections to various transport hubs via its elevated Air-Rail Link. A bus and coach terminus provides dedicated facilities for all public bus and coach services.

Buses operate from the airport to Coleshill Parkway railway station on the Birmingham-Leicester railway line. This link improves access to the East Midlands as well as providing further links to north Warwickshire and south-east Staffordshire.

Transport information is provided for passengers at a number of locations in the airport terminal, at the bus and coach terminus and Birmingham International interchange.

By 2012 the airport's target is to see 25% of its passengers arriving via public transport.

### 04 INTEGRATED INFORMATION ON JOURNEY TIMES, COST AND CO2 EMISSIONS

The preceding steps in ICE's transport plan will create more public transport capacity and help the UK manage its transport networks more effectively. The next step must be to provide the public with the information they need to make effective use of this network. The widespread provision of coherent and consistent information is therefore essential.

Two examples of existing websites, which go some way to meeting this goal, are www.transportdirect.info and www.traveline.org.uk, which give useful door-to-door travel information for the whole country, including comparative times, costs and CO<sub>2</sub> emissions.

ICE supports the development and promotion of such sites to establish the more informed culture of travel needed to address both congestion and  $CO_2$  emissions.

Websites and timetables can help users work out their travel options in advance, but this needs to be accompanied by real time information, easily available to people while they go about their daily business.

An increasing number of towns and cities are taking advantage of improvements in Global Positioning System technology to roll out live information. Cardiff has over 300 information panels at bus stops, while a similar scheme in Nottingham is also able to provide information for the visually impaired, activated by a key fob.

Mobile phone technology is also increasingly being used, with areas such as west and south Yorkshire allowing users to access public transport timetables via SMS text messaging. ICE supports the continued development and improvement of such services throughout the UK.

### **05 FASTER INFRASTRUCTURE DELIVERY**

Speeding up the delivery of infrastructure projects is a vital component of our plan. There are two critical factors in speed of delivery – the major scheme approval process overseen by the Department for Transport and the need to secure planning permission from the relevant authority.

At present many important projects languish for years at the scrutiny and review stage. In order to gain government funding, local authorities are required to complete costly and time-consuming major scheme business cases.

ICE would like to see similar powers to those held by TfL devolved to every metropolitan and urban authority. It would give them real power to get things done quickly, effectively and within budget, without getting delayed by the lengthy and bureaucratic approval process.

ICE welcomes the planning bill which is currently passing through parliament, with its provisions for an Infrastructure Planning Commission (IPC). The IPC will act as a 'one stop shop' for the consents needed for nationally significant projects. Together with the NIPS, the IPC will help speed up the passage of major infrastructure projects and ensure that the decision-making process is transparent in line with national strategy and not overruled by short-term political interests.

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### 06 INTEGRATED TRAVEL SERVICES AND TICKETING

Once transport services are under the control of a single authority, a journey becomes a more straightforward and attractive prospect for the user.

An integrated authority is able to create timetables which fit together; services which support each other; intermodal maps and timetables – in short, a better service for the public.

TfL, with its control over the commercial bus and rail network, is able to offer such a service and has seen public transport usage increase as a result. London's bus use has grown over the past few years<sup>4</sup>, while generally bus use has declined in the rest of the UK.

There is a clear case for the introduction of bus franchise systems in other parts of the UK. This would allow integrated transport authorities, rather than private bus companies, to manage timetables and routes, encouraging cohesion and giving them the power to create integration across the network.

London may have one of the most integrated transport systems in the UK, but it is also one of the most expensive in Europe. Integrated travelcards have proven successful in Europe, with lower prices and greater flexibility than is currently offered in the UK. The cost of a monthly transport pass in London is almost double that of the same in Paris, while in Switzerland a half-fare public transport card was already being used by 25% of the population nearly a decade ago<sup>5</sup>. The introduction of transferable season tickets<sup>6</sup> and environmental travelcards<sup>7</sup> in some European cities has led to significant increases in public transport use.

ICE supports the government's plans to introduce integrated transport authorities, but believes legislation must go further to allow authorities to offer a single ticket journey, no matter how many forms of transport are involved.

- <sup>4</sup> DfT (2007). Transport Trends: 2007 Edition. HMSO, London.
   <sup>5</sup> See https://www.sbb.ch/mct/wi/shop/b2c/tree.do?2 (Accessed 29 August 2008).
- <sup>6</sup> Fitzroy, F. and Smith, I. (1994) The demand for public transport: some estimates from Zurich. International Journal of Transport Economics, 21, 2, 197-207.
- <sup>7</sup> Fitzroy, F. and Smith, I. (1998) Public transport demand in Freiburg: why did patronage double in a decade? Transport Policy, 5, 3, 163-173.

### 07 ENHANCED PUBLIC TRANSPORT CAPACITY AND REPUTATION

The previous steps are all essential in creating the framework for the planning and management of effective public transport systems. However, public transport has a poor reputation in the UK and many elements suffer from a lack of capacity. Much has to be done to improve both intra-urban and inter-urban public transport provision before people become less dependent on their cars.

#### RAIL

ICE believes that rail travel generally offers the most practical solution to inter-urban travel – travel between cities and towns. The UK has one of the densest rail networks in Europe<sup>8</sup>, but rail capacity is severely strained. Passenger usage levels have grown by 40% over the past 20 years<sup>9</sup> but rail capacity has failed to increase correspondingly.

However, things are gradually improving in certain areas. Thanks to significant investment and the introduction of public performance measures, rail punctuality and reliability has risen steadily since 2001/02 to reach a figure of 90% <sup>10</sup>.

While these improvements are to be applauded, it must be recognised that unless significant increases are made to rail capacity this level of service will be impossible to maintain. Without major investment in the capacity of both the network and the rail services offered to the public, our trains will grow ever more overcrowded and we will have longer delays on a system already under pressure.

ICE seeks a commitment from government to develop short, medium and long-term programmes of rail network capacity enhancements, starting with the 1,300 additional rail carriages already earmarked for delivery between 2009 and 2014.

In the medium-term the government should consider electrification of the principal non-electrified rail routes. In the long-term, ICE believes that additional high-speed rail links along east and west coast routes" are the best solution. It is vital that planning begins now.

#### **BUSES, TRAMS AND LIGHT-RAIL**

Bus services suffer from different problems. The flexibility of the bus network means buses are an excellent mode of intra-urban transport – travel within towns and cities. However, bus travel outside London has been in steady decline since its heyday in the 1950s, when it was the most popular mode of transport.

Figures show that bus usage has technically been increasing in the UK since 1998. This rise can be attributed almost entirely to London, where there has been an increase of 75% in the number of local bus journeys, up from 1.14m to 1.99m between 1985/6 and 2006/7. The biggest fall has been in the English metropolitan areas where the number of journeys almost halved between 1985/6 and 2006/7. In the same period, bus journeys fell by 30% in Scotland, 28% in Wales and by 22% in English non-metropolitan areas<sup>12</sup>.

ICE encourages the government to move forward with its plans to reform the bus services operators' grant by removing the link between fuel usage and bus subsidy levels. This would allow the introduction of better targeted support for much needed routes.

More frequent, predictable and reliable bus services would mean lower waiting times; more routes would mean lower walking times and the expanded scope for mixing stopping and express services would mean a more rational service and a quicker journey for many passengers. Changes to infrastructure, such as introducing and improving bus lanes in towns and cities would also help make bus travel faster and more punctual.

While there has been an overall decline in bus use, the introduction of modern, accessible tram routes in metropolitan areas such as Manchester, Sheffield and Nottingham is helping to boost public transport usage. This momentum should be continued with the introduction of further tram schemes in other towns and cities.

While the improvement of rural public transport is important, it must also be recognised that car travel is the only practical option for many people who live in the countryside. However, there are ways in which car journeys can be integrated with public transport. Regular, reliable intra-urban public transport would make existing park and ride schemes a more feasible option.

People are ready to use public transport. There are indications that car owners are willing to use their cars less, in favour of public transport. 65% of respondents to an RAC survey state that they would use their car either a little or a lot less if public transport were improved and 10% are ready to give up their cars altogether<sup>13</sup>.

The UK needs to capitalise on this positive attitude. Public transport must be accessible, reliable and affordable; it has to offer a genuinely viable alternative to the private car. The UK needs an integrated public transport system which has the lower fares, higher frequencies and greater levels of subsidy common in Europe.

- Body Statistics for Great Britain 2007 Edition. HMSO, London.
- <sup>9</sup> Nash, C. and Smith, A. 2008. Advice on Value-for-Money Examinations of the Rail Industry. Report for the National Audit Office.
- Office of Rail Regulation (2008) Network Rail Monitor Q1 2008-09: 1 April – 21 June 08. ORR, London.
- 11 ICE (2005). The Missing Link: A report on high speed rail links in the UK. The Institution of Civil Engineers, London.
- DfT (2007). Transport Trends: 2007 Edition. HMSO, London.
   RAC Foundation (2007). Trends in modal shift: an analysis of the British Social Attitudes Survey. Royal Automobile Club Foundation for Motoring, London.

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### 08 RAIL FREIGHT AND SHORT SEA SHIPPING CAPACITY GROWTH

Transport is not just concerned with moving people; it is also concerned with moving goods, giving transport an essential role in the UK's economy. More of our goods than ever are imported from overseas and this cost is carried by the consumer. Methods of transporting freight that take vehicles off our roads and emit less CO<sub>2</sub> already exist, but we are failing to make the most of them.

The movement of freight by road has increased by 79% over the last 30 years and road freight now accounts for 66% of all goods moved<sup>14</sup>. The more time-consuming and fuel-heavy the journey, the higher the transport cost.

#### **RAIL FREIGHT**

Rail produces between five and 10 times less carbon per tonne than road transport<sup>15</sup> and over the past six years rail freight has saved an estimated 2m tonnes of pollutants – equal to 6.4bn lorry kilometres and 31.5m lorry journeys.

Despite being safer and better for the environment than road freight, rail accounted for only 9% of all goods moved in 2006<sup>16</sup>. The UK must do more to increase the attractiveness of rail as an option for freight transport.

### **SHORT SEA SHIPPING**

The UK's ports are a national asset; the busiest and most successful in Europe and among the most productive in the world. They handle almost 600m tonnes of freight a year – 95% of UK imports and exports by tonnage<sup>17</sup>.

Growth in imports has been strong over the past 20 years, reflecting the shift in the UK's economic structure. However, this increasing volume has not been matched by any increase in road or rail capacity, resulting in our ports becoming congested and inefficient.

Short sea shipping – moving goods round the coast to their destination, with local ports servicing a 'coastal ring road' – could provide a vital method of removing some of the pressure freight puts on our highways. However, the issue of  $CO_2$  emissions associated with short sea shipping would need to be addressed, in order to meet ICE's goal of a lower carbon transport network.

Investment in the capacity of the UK's 120 commercial ports, more efficient use of existing port capacity and the creation of effective integrated transport hubs are key to encouraging freight off the roads and onto other forms of transport.

- <sup>14</sup> DfT (2007). Transport Trends: 2007 Edition. HMSO, London.
- 15 See http://www.freightonrail.org.uk/FactsFigures.htm (Accessed 29 August 2008).
- 16 DfT (2007). Transport Trends: 2007 Edition. HMSO, London.
- <sup>17</sup> See http://www.ukmajorports.org.uk/profile.htm (Accessed 29 August 2008).





### **09 CHANGING PUBLIC BEHAVIOUR**

Improvements to public transport alone will not be enough to dramatically change the way we travel – most of us are too reliant on our cars to adjust overnight. Government must address this culture of car dependency if meaningful grassroots change is to occur.

If congestion is to be reduced, government must provide incentives to encourage a shift from cars to the public transport network, once capacity on our trains and buses has been sufficiently increased.

Popular opinion is that running a car is increasingly expensive. However, after inflation has been taken into account the cost of motoring in the UK has actually remained static between 1980 and 2006 and on occasion even dipped below its 1980 level. Over the same period, average disposable income has nearly doubled in real terms. In contrast, public transport fares have risen in real terms since 1980, with bus and coach and rail fares up 40% between 1980 and 2006<sup>18</sup>. Even taking into account recent hikes in fuel prices the increase in cost of motoring since 1988 is well behind the increase in average disposable income<sup>19</sup>.

ICE believes the key to encouraging a redress in the transport balance is to change the way motorists pay for their trips. More of the costs of car travel can be paid for at the point of use in the same way as rail or bus travel, with the long-term 'sunk' costs of car use, such as vehicle tax, shifted to become 'point of use' payments.

Road users pay the Treasury £5bn per annum in vehicle excise duty<sup>20</sup>. These costs could be transferred from taxes and onto the cost of the journey itself.

Paying more of the real cost of a car journey, in addition to the cost of fuel, at the point of use would reveal the actual costs of car use and offer a fair comparison with public transport travel. It would also encourage people to consider whether taking the car is genuinely the cheapest and most efficient way to make a journey.

Change can be encouraged in a number of ways, from charging for parking at work and the reallocation and reduction of road space, to congestion charging and a full road user charging system.

A fundamental change in the way we pay for car travel, created by the introduction of an up-front payment system and a corresponding reduction in taxes would allow people to effectively measure the direct cost of their car journey against the price of a rail or bus trip. This flexible system would help nudge people towards a change in their travel habits.

DfT (2007). Transport Trends: 2007 Edition. HMSO, London.
 RAC (2008), 20 Years of Motoring 1988/2008: Report One, RAC, Norwich.

Office Light Group (2007) Road pricing: What are the facts? Institution of Civil Engineers, London.



### 10 LINK REVENUE AND FUNDING

The money collected through vehicle excise duty and fuel duty is not directly allocated to improving our roads or public transport infrastructure. It is subsumed by the Treasury to be spent across a range of different departments, meaning that while transport taxation is a major source of national revenue, our transport network does not receive a proportionate share of funding.

In other countries, for example Germany and the United States, some transport revenue is ring-fenced. In Germany the federal petrol tax and tolls on heavy goods vehicles are invested back into transport and in the United States automobile taxes, local sales taxes and property taxes provide dedicated income streams for transport investment<sup>21</sup>.

ICE calls for the UK to introduce a similar system of ring-fenced transport funding. Ring-fencing part of the revenue created by the transport sector would provide a secure budget for public transport and related infrastructure improvements.

ICE also suggests that a clear link between transport costs and transport funding is created, with at least a portion of the proposed money from any road user charging scheme being ploughed directly back into the transport network to help meet the objectives in ICE's 10 step plan.

<sup>&</sup>lt;sup>21</sup> Nakagawa, D. and Matsunaka, R. (1997). Funding Transport Systems: A Comparison Among Developed Countries. Pegamon, Oxford.



# IT'S TIME TO ACT

ICE's aim is to see a transport system which offers people real choice. To do this the UK must create a network which meets the ICE-identified five transport goals:

- Support sustainable economic growth
- Maintain and enhance quality of life
- Promote environmental sustainability
- Enhance safety and resilience
- Improve deliverability

When our transport system meets all these goals it will be efficient, accessible and environmentally friendly. It will be a transport system which can help redress the transport balance and allow us to be less dependent on our cars for many journeys.

However, these goals will never be achieved until we reduce the congestion on our roads and cut CO<sub>2</sub> emissions – the key to a successful transport system. ICE's 10 step plan offers a solution to this challenge:

### **ICE'S 10 STEP PLAN**

- **01** Political consensus on transport strategy
- **02** A 30-year national transport strategy
- **03** Integrated transport authorities for urban areas
- **04** Integrated information on journey times, cost and CO<sub>2</sub> emissions
- **05** Faster infrastructure delivery
- **06** Integrated travel services and ticketing
- **07** Enhanced public transport capacity and reputation
- **08** Rail freight and short sea shipping capacity growth
- **09** Changing public behaviour
- **10** Link revenue and funding

A government which commits to the thoughtful and thorough application of these measures will gift the nation a transport system better able to support economic growth, improve the environment and enhance quality of life.





One Great George Street
Westminster
London SW1P 3AA
t +44 (0)20 7222 7722
f +44 (0)20 7222 7500
e stateofthenation@ice.org.uk
ice.org.uk

