Minutes – 3 September 2019

WELCOME AND INTRODUCTION

Claire Haigh, Executive Director of the Transport Knowledge Hub (TKH) opened the event by welcoming delegates to the Future of Mobility workshop. Claire said the TKH was grateful to the Minister of State for Transport, George Freeman, the minister responsible for the future of mobility grand challenge, for being able to join us on such an important day for Parliament.

TKH is a free online resource aimed at providing Local Enterprise Partnerships (LEPs), local authorities and other local decision makers with tools and information to make transport investments that drive sustainable and inclusive local economic growth. It brings together central government, local government, LEPs, businesses and the wider transport community to share their expertise.

Claire said that this was the first in a series of national workshops that will look at the role of transport in supporting the industrial strategy grand challenges. Today's event would focus on the future of mobility and Claire made clear that all the workshops will inform the TKH's research. This event follows on from the successful series of events earlier in the year which looked at the role of transport and housing.

She said that we are living in unprecedented times and in terms of transport and mobility, it is essential that we think about what we want our transport system to look like and within this, we need to think about how public transport can help contribute to the future of mobility. Claire also said that there is a risk of unintended consequences if technological changes are not managed effectively. She added that it is important to ensure that the benefits of technological changes in transport reach all parts of the UK and all parts of society.

Gerard Whelan, Director of Corporate Finance, Government and Infrastructure at KPMG said that we are in a period of social change, witnessing new trends which are likely to accelerate in the future. He noted that these trends are already impacting on transport needs and choices as, on average, people are making fewer trips as individuals. He said that whilst some of these new transport choices were enhancements, others were impairments. Gerard noted that trends were already emerging and hinting at what the future may look like but there is a huge amount of uncertainty over how these trends will evolve. He stipulated that some commentators were very optimistic about the future, whilst others were more dystopian. However, the majority of people were somewhere in the middle as they could see the huge benefits from the future of mobility, as well as the challenges around issues such as inclusion.

Gerard stated that the future of mobility was not necessarily inevitable and that there would be choices to make in the future. One of these choices was around traditional public transport and how it could contribute to the future of mobility. The focus of the debate would revolve around questions such as the extent to which we have control over the choices of the future, how much control we have over transport efficiency, how to create more inclusive choices and how quickly we can implement these new policies.

THE BIG DEBATE – HOW CAN PUBLIC TRANSPORT HELP CONTRIBUTE TO THE FUTURE OF MOBILITY?

Following the welcome and introduction, Gerard introduced the panellists and speakers for the big debate on how public transport can help contribute to the future of mobility.

The first speaker to make their case to the panel of experts was **Peter Jones, Professor of Transport and Sustainable Development at University College London.** He said that there were a number of considerations around this debate such as changes in work patterns, traditionally strong public transport markets, changes in demographic of public transport users, as well as modal competition. Generally speaking, rail was in a very strong position and its importance to the future of mobility was growing. Peter noted the example that when the night tube is running in London, there are less Uber trips central London. However, he stipulated that it was the bus industry that was most under threat.

On public transport, Peter said that rail was in a strong position because of speed reliability but that buses were increasing in quality and becoming more flexible. He noted the Oxford 'Pick-me-up' service as an example of this.

However, the debate had to consider rural areas and other parts of the country which face different challenges and have different needs to London. Within policy, Peter highlighted that the debate was around how public transport could help with issues around space efficiency, CO^2 and air quality. He said that we need to consider all these areas especially as society moves more towards electric vehicles. The industry needs to adapt to survive and prosper but there were lots of opportunities ahead as well. Peter noted that there was tension between citizens and policy makers around this debate as ultimately the mass consequences of transport such as pollution and congestion are felt by the citizens.

Hilary Chipping, Chief Executive, South East Midlands LEP stated that until the stigma around taking public transport in the private sector was removed, there would still be a reliance on private vehicles. She asked how we can overcome these challenges.

Peter Jones said that with conventional rail and tram, these challenges were less obvious. However, he pointed out that as bus services improved, the stigma was reducing. He noted that image and positioning were important in this debate and a lot more could be done to improve this.

Ian Wright, Head of Innovation and Partnerships, Transport Focus stated that it was better for people to have transport choices rather than being forced to use one mode of transport. He asked how we can encourage more people to use public transport?

Peter Jones said that there were two sides to this debate, on the one hand, we are seeing an increase in the number of high-quality buses with amenities such as USB charging which are helping to provide a high-quality service. He also noted that there should be a sense of ownership of buses in the community and suggested that buses should have community leaflets on board so that people feel connected and a part of their community. There needed to be a balance between making the product more attractive to deal with increased demand and less space and looking at how to make these modes of transport efficient in dealing with these challenges.

Tim Smith, Chief Executive of Thames Valley Berkshire LEP, representing the LEP Network said that some areas which have all the elements of a good public transport system such as strong rail and good investment in transport, still faced issues such as congestion. He noted that this was a real challenge to productivity, and that there was a sense of complacency as although the elements are already there, they are often not being used effectively.

Peter Jones said that whilst there has been a great focus on efficiency, pressures from a changing environment meant that there has to be a greater emphasis on resilient networks. He argued the

importance of more resilience in transport systems and the need to refocus this in terms of investment. He also noted that the threat of autonomous private cars is forcing public transport to start considering new models. In the context of the pressure to build more housing, Peter argued that more emphasis needs to be put on areas that can be serviced by public transport as well as cycling and walking access in order to deal with these challenges.

The next witness was **Paul Campion, Chief Executive of TRL**. He said that there are three things that are relevant to this debate: technology, decarbonisation and geometry. Technology can provide new possibilities to deliver transport outcomes in a different way and these possibilities had to be realised by the wider transport sector. On decarbonisation, the transport sector needs to find a way to make transport less harmful to the environment, given that transport is the single biggest generator of greenhouse gases in the UK. On geometry, Paul said that towns, cities and rural areas cannot be adapted in a hurry and the current built environment limits the number of atoms we can move from point to point in any given time. Because of this, multi-occupancy vehicles have to be part of the future transport system in order to satisfy the needs of people and the economy. Paul said that the question then becomes how the sector can take advantage of the opportunities to address these big issues. The first step is to help people reconceptualise public transport as part of the overall system that addresses the needs of people and the economy, within the context of our built environment which is consistent with decarbonisation. He noted that if people think of old and out of date when they think of public transport then we have already lost them, which is something we ought to tackle.

Naomi Green, Head of Technical Programmes, England's Economic Heartland asked how we can get the balance right between policy and funding, and between markets and regulation. **Paul** said we need to be especially careful not to think of markets and regulation as being in opposition to each other. The opportunity lies in using regulation to create the sort of markets that we want. Fundamentally, we need to rethink these problems in different ways. He added that the solution lies in primary and secondary legislation in central government, as well decision-making at local level.

Iain Forbes, Head of Centre for Connected and Autonomous Vehicles at Department for Transport asked whether it was possible for public transport companies to create products that people love to use. **Paul** said that the Centre for Connected and Autonomous Vehicles are doing good work in that area. However, to ensure this happens across the board, the objectives should be completely conceptualised.

The next witness was **Greg McClymont, Assistant Director at the National Infrastructure Commission.** He said that, in his view, the greatest challenge around the future mobility was urban congestion and the ability of transport networks to allow people to live and work in the areas they wanted to. Public transport, as well as cycling and walking infrastructure, were essential to solving this issue. He argued that whilst developments around autonomous cars will bring a lot of advantages to urban mobility, issues around urban congestion will continue to exist. In order to tackle this, there needs to be a focus on public transport.

Greg went on to say that the key to how public transport can support future mobility is not a question of technology but of politics. A key issue to address was how to make the most efficient use of road space, which is limited in urban areas and is unlikely to increase significantly in the future. He highlighted that political leaders need to make these decisions as demands will only get stronger. They will need to make choices over how much priority buses and trams get over cars because they can carry more people. However, political leaders will also need to convince people who are used to using their own car to start using public transport. For central government, the key question will be how to empower local leaders to make these important decisions and ensure that people subscribe to their ideas. Additional questions will be around the need for adequate funding to make effective decisions, as well as greater devolution to give local leaders the power and confidence they need to make and deliver on these decisions.

He argued that public transport is essential but there cannot be a reliance on technology to ensure its success, rather there is a need to consider the political questions to ensure that people 'buy into' new concepts around mobility.

Tim Smith, Chief Executive of Thames Valley Berkshire LEP, representing the LEP Network said there was a need for urgency and stated that often, local political leaders were willing to invest but faced challenges with central government. He questioned what the National Infrastructure Commission is doing to address the challenges around pace?

Greg McClymont agreed that local leaders have ambitious plans about what they want to do and achieve in their local areas. However, he recognised that they were reliant on complex and short-term funding from central government. Local leaders need to have funding certainty to allow them to plan long term to decide on which priorities they want to invest in.

Hilary Chipping, Chief Executive, South East Midlands LEP agreed that a lot of the success of future mobility came down to local politicians and local choices. She said that the technology already exists but asked how we can encourage people to use it. She also questioned what can be done to encourage local leaders to collaborate across a larger area, rather than solely focusing on their geographic area. **Greg** said that an emphasis on local connections within the local community and from central government would change the agenda. He said we needed to change the way that local leaders set strategies, as at the moment, they are heavily dependent on putting forward business cases for individual projects. One solution was greater autonomy over funding so that local political leaders can spend less time bidding for funding and be more effective in preparing for a project in its entirety.

Naomi Green, Head of Technical Programmes, England's Economic Heartland agreed that there was a big role for subnational transport bodies in expanding the focus away from local boundaries. She raised the use of data and the need to use it efficiently to make sure that politicians make the correct decisions. **Greg** said that a lot of work was already going into data. Cities the National Infrastructure Commission had worked with, had already put a lot of effort into understanding the trends that affect them. However, he argued that the key to unlocking the data is through government funding and local communities interacting and supporting one another.

Martin Dean, Managing Director for Bus Development, Go-Ahead Group was the next witness to speak and he outlined the advantages and drawbacks of Mobility as a Service (MaaS)**.** He said that as a public transport operator, it is necessary to think which side we want to be on: a contributor to the service or a leader of the service. For a public transport operator, the downside with MaaS is the potential to lose the link with the customer which is so important. From his perspective, the central predicament with MaaS was: do public transport companies surrender the future of mobility to software providers or do public transport operators have the confidence to provide the leadership to take MaaS forward? The honest answer to that is that no one knows just yet and the best approach for a public transport operator is to be firmly in both camps.

Ian Wright, Head of Innovation and Partnerships at Transport Focus asked whether MaaS was going to work. He said that Whim currently operates in the West Midlands, but there is not a great deal of evidence that shows that it is going to work for the consumer or the operator. He also wondered whether there is any danger that if, there is one leader on MaaS, whether we will end up with one dominant platform and, on the flip side, if we end up with lots of different pockets on different platforms then will end up with systems that do not integrate.

Martin said that as a concept, MaaS must be a good thing, because it simplifies everything. He compared MaaS to contactless technology and noted that the simplicity gives people the confidence to use the service. He added that MaaS takes this confidence to another level as it offers you a choice and, in a very quick and sequenced way, it allows you to make the payment easily. Considering all these aspects, he expects it to take off at some point. On the second part of Iain's question, **Martin**

said this feeds in to the argument about whether a transport operator should lead or contribute to the service.

Iain Forbes, Head of Centre for Connected and Autonomous Vehicles, Department for Transport asked how much pressure transport operators are under to make a decision on these kinds of technological changes. **Martin** said that there is some pressure to ensure that your company is not left behind by new technological innovation. He added that there is also pressure from transport authorities to make sure operators are at the top end of innovation.

The next witness was **Birgit Wirth, Projects Director at Arriva**. She began by arguing that rail can and should be the backbone for the future of mobility because the UK has a strong railway with roughly 10,000km of rail. She highlighted her own experience of not owning a car and her reliance on public transport. She noted that there was good existing infrastructure already and if we wanted to extend the infrastructure, consideration needed to be given to environmental resources, funding and the length of time it would take. There was a need to invest in infrastructure but also to use the existing infrastructure in a more efficient way. Arriva was doing work around algorithms and artificial intelligence to improve performance using the existing infrastructure. However, she noted that the debate was not solely around trains, but also train stations and supporting infrastructure. She argued that there needed to be a more integrated system across all modes of transport. Ideally, train stations should become mobility hubs, connecting people to other forms of transport, but noted that at present, a lot of train stations were just used as car parks.

Birgit argued that the debate was also around ticketing and fares and noted that new technology was helpful in this regard, with proposals such as virtual ticketing. She was optimistic about the future of mobility and said that there were real opportunities to make change but stipulated that there were strong environmental pressures facing the industry which decision makers need to be mindful of.

Hilary Chipping, Chief Executive, South East Midlands LEP said that the majority of people could agree that integrated bus and rail user technology along with fantastic service for customers was desirable. However, she asked what the biggest challenge was preventing this from happening and what we should be doing to achieve this goal?

Birgit said that there should be cooperation and integration between different modes of transport from the beginning. Customer did not want to have five different mobile apps in order to get somewhere. However, she stressed that there could not be a one size fits all approach to transport issues in different areas. In order to achieve this goal, there needed to be a greater emphasis placed on government and authority guidance which promotes collaboration and cooperation.

Naomi Green, Head of Technical Programmes, England's Economic Heartland said that we all shared aspirations of true integration around mobility hubs, however she wondered how we can achieve this. Whilst there had been a lot of discussion around mobility hubs, progress was not being delivered. She asked how we overcome the challenge that different areas face different environments with different regulation. She also questioned how we can have a collaborative approach despite these differences.

Ian Wright, Head of Innovation and Partnerships, Transport Focus said that it was clear that technology could help integrate timetables and fares amongst other information. However, he questioned what the commercial incentive was? The challenge was not just about different modes of transport but also the fact that these services were operated by different companies. He asked how we incentivised operators to work together?

Birgit Wirth agreed that there needed to be a commercial benefit because otherwise, companies will be unwilling to cooperate. She said that she struggled to see how a continued fragmented approach would help to solve these issues and noted that there were lots research examples that has been done

but its application stopped at a border. Rather, people need to see the benefits of buying into a collective model in order to effect real change.

Following the statements from the witnesses, **Gerard** said that before he opened the discussion to the room, he wanted to note a few points that he picked up during the debate. There are trends around the economic and social context that are connected to mobility, and these are amplified and complicated through changes in technology. It is clear that we have some choices ahead of us and we have control over the market so we can design a policy and regulatory framework that can manage the market without stifling innovation. He continued that there are some tough choices to make around driving transport networks efficiency whilst managing inclusivity and equity but it is clear that the pace of change has to increase.

Gerard then opened the floor to delegate questions. **Michael Walter from Transportation Professional Magazine** asked if policymakers and the wider transport sector representatives were clear about what could and should be constituted as public transport in 20 years, and along with buses and trams, whether we should be thinking about bicycles, taxis and electric scooters. **Paul Campion** disagreed, noting that we do not necessarily need more modes of transport but rather a focus on outcomes. He said this is because outcomes are not represented sufficiently. He added that a shared vision is required to allow progress. **Martin Dean** said there is a danger that we look to the future as being the solution to all our issues and neglect what the current problems are, especially around congestion and unreliability.

Kamal Panchal from the Local Government Association then asked about the role of public subsidy in the future. He said that critically for local authorities, concessionary fares are taking up a huge amount of resources out of local authority budgets. **Martin Dean** said public subsidies should be as low as possible. The least dependant we can be on public subsidy, the more control we have of the future of the public transport system. He added that he would still like public subsidies to play a role, but in a much more targeted way, as opposed to a blanket approach. **Greg McClymont** said that clarity on how much the subsidy costs and where it comes from is needed. **Paul Campion** said that there are lots of different ways of providing subsidies and we need to be able to reimagine the structure of these economic incentives in order to get more desired outcomes.

Peter Molyneux from Transport for the North said he is an every-day bus and rail user and the government has failed to provide an interoperable, multi-modal public transport system. He said that it is time to change that and part of the solution lies in devolution and a move away from a national programme. He added that service providers need to leave the balance sheet behind. He also said that there needs to be a change in business case and there needs to be a move to transport being an enabler. **Paul Campion** agreed with the statement.

Simon Statham from Midlands Connect asked the panellists about what they think is within the realms of possibility for public transport. He said at the moment 75% of all journeys are made by car and asked how we can change this number through the use of technology. **Peter Jones** said the scale of change depends on geography, as rural areas rely heavily on car, but there is real opportunity to enable change within cities. **Paul Campion** agreed with Peter and asked why a city like Leeds could not be like Copenhagen in terms of uptake of public transport. He said the difference is not the climate or terrain but the fact that Copenhagen had a long-term vision for public transport. We need to be ambitious, but this ambition has to be supported by consistent behaviour and a long-term vision.

Gerard Whelan then asked panellists for their concluding remarks.

Hilary Chipping, Chief Executive, South East Midlands LEP said there was a high degree of consensus around the future of mobility and the importance of transport, not just as a means of getting from A to B but also around issues of health and wellbeing. She said that the discussion around commercial viability and the role of local politicians was interesting. She noted that funding was always an issue

and that it was an interesting debate about whether devolved funding would lead to more effective decision making. It was important to have these discussions as greater collaboration is essential. The key challenges remained helping to get local politicians to address a shared vision, making use of the technology that is available, as well as ongoing issues around regulation and funding.

Naomi Green, Head of Technical Programmes, England's Economic Heartland said that the day's discussion had challenged the word 'future' as she argued that the discussion was less about the future and instead, we should focus on what is deliverable now. She noted that it was helpful to see the future of mobility as a tool rather than as an end game to help decision makers achieve what they aspired to. England's Economic Heartland was working to understand people's appetite for change and people's needs both now and in the future. However, she said that for future mobility to be successful, there was the need to look at transport as a whole rather than as different modes. There was a need for a shared outcome and there is a real role for sub-national transport bodies to work with local leaders, the government and the Department for Transport. Geography was also a key issue in the debate and there could not be a one size fits all method.

Tim Smith, Chief Executive of Thames Valley Berkshire LEP, representing the LEP Network said that it was clear that many of the solutions were already available, with excellent examples of integrated transport in existence. He reiterated the importance of having a public conversation and noted his concern that whilst the solutions existed, they were not being used. He said that there was a need to make these solutions more attractive and encourage people to use them.

Ian Wright, Head of Innovation and Partnerships, Transport Focus felt that the biggest issue facing the future of mobility was not the technology, but rather regulation, commerciality and strong political leadership. He reiterated the earlier point that it was important for buses to be seen as part of the community. He also highlighted the importance of resilient transport systems, particularly around rail networks and stated that this would make public transport more attractive. However, he highlighted that part of the debate was about incentivising people to use public transport and stipulated that we need to use a 'carrots' rather than 'sticks' approach to encourage sustainable behaviours.

Iain Forbes, Head of Centre for Connected and Autonomous Vehicles, Department for Transport said he was hopeful that change can happen as there are already examples of cities in the UK and around the world where they have been able to deliver this change. He noted that our conceptions of what public transport will be like in the future will change and that there was a need to concentrate on rural mobility as a lot of the conversation often centres on towns and cities.

KEYNOTE ADDRESS

Claire Haigh then introduced **Minister of State for Transport, George Freeman** to give his keynote address.

Minister of State for Transport, George Freeman introduced his aim to transform the Department for Transport into a department that was focused on the future of mobility. He said that this was the first time there has been a Prime Minister who is passionate about public transport. He stipulated that this was due to Boris Johnson's experience of being a Mayor of London and that Mr Johnson recognised the urgency of the transport agenda. This was why as a Minister, Mr Freeman had not been given a particular remit, instead he said his role within the Department for Transport was to drive public leadership.

In regards to leadership within the department, there was increased collaboration and the future of transport was centred around linking up different modes of transport. The Minister said a key issue was around digitalisation and how this can be harnessed to create a better system. He recognised that the Department for Transport is not yet seen as the department leading on innovation and technology

but he had commissioned baseline work on how much money the UK brings in, in terms of transport innovation and the export of transport expertise.

The Minister said there were three Ds that he was focussing on: disconnection, decarbonisation and digitalisation. On disconnection, he said that his constituency feels disconnected from growth due to bad transport links and that the Norfolk to Cambridge rail link was not seen as a priority within the industry. He noted that disconnection is about communities that feel like they have been held back and that a key aim of his was to bring faster connectivity to these communities to bring about better mobility.

Next, he spoke about decarbonisation and said that this issue was also about clean air which is a subject that holds political clout with the public. However, he stated that many people are not sure what decarbonisation means or how to deal with the issue but that this was a key challenge for the department to address.

Finally, he talked about digitalisation and the role it plays in signalling and ticketing, for example. He stated that it was unacceptable that when buying a train ticket, there were often price inconsistencies between using machines and buying a ticket at the ticketing office. There needed to be an increased use of smart technology for the benefit of the customers and that there should be a digital network across train operators. If we are able to properly digitise inner cities and our UK transport networks, then we could become a powerful global hub in informatics.

The Minister said that at the heart of his work, he wanted to inspire the public to believe that they are living in a country which is a global leader. He cited that aspirations such as committing to running fully electric airlines or zero carbon commutes could inspire the public and gain public buy-in. He argued that bold policy offers were necessary to get people excited about this. His previous experience as Minister for Digital Health had shown that whilst the technological opportunities were very exciting, people were still wary of them. He said there was a need to frame the digitalisation of transport around healthier futures.

Mr Freeman said that a key concern was what future mobility looked like in rural areas and questioned whether the Department for Transport was being bold enough and embracing the present opportunities. He then opened the floor to questions.

Jenny Raggett from Transport for New Homes said that as part of a project, she had visited housing estates in mostly rural areas and asked whether the department was aware of the undersupply of infrastructure in these areas. She said that the issue was not just about technology, but having appropriate infrastructure in place as well.

Minister George Freeman said he recognised this portrayal as in his constituency, there was house building on a huge scale but these developments had mainly been designed around using cars, despite their proximity to the station. This raised the question of why we do not encourage more people to use public transport and that in many cases, especially with housing, we have built an architecture that has disincentivised people from using public transport. The Minister wanted to see local communities harness the benefits of growth and said that the big reform was around how to incentivise real local leadership and change the reality for communities on the ground.

Peter from Transport for the North said there was a need for greater devolution in powers and budgets to make the business cases for local decision makers. He said he hoped the government would inject greater pace into the delivery of this.

Minister George Freeman said that upon his appointment he had written to all regional transport bodies and noted that he thought if a framework of freedoms and incentives was put in place then local leadership would be capable of effecting change. The Minister hoped that the department could

move away from small pilots which only affect a small proportion of the population to ones that affect much larger regions.

Claire Haigh returned to the stage to thank Minister George Freeman and the expert panellists and witnesses for their contributions. She said that she was delighted that the workshop had covered so many different aspects of mobility and reiterated that the discussion will help inform the Transport Knowledge Hub's research.