Greener Transport Solutions
Pathways to Net Zero
Roundtable discussion series | March 2022
Session 2: Wider economy – Meeting Note
Thursday 24 March, via Zoom

Participants

- Professor Peter Jones OBE, Professor of Transport and Sustainable Development in the UCL Centre for Transport Studies (Chair)
- Claire Haigh, Chief Executive, Greener Transport Solutions
- Professor Jillian Anable, Institute for Transport Studies, University of Leeds
- Andy Eastlake, CEO, Zemo Partnership
- Paul Campion, CEO, TRL
- Professor Stephen Glaister CBE, Emeritus Professor of Transport and Infrastructure at Imperial College London, Associate of the London School of Economics
- Professor John Whitelegg, Senior Fellow, FIT
- Lauren Pamma, Programme Director, Green Finance Institute
- Ian Wainwright, Future City Logistics
- Derek Halden, Director DHC Loop Connections
- Alex Reid, University of Aberdeen
- Professor Peter White, University of Westminster
- Professor David Metz
- Keith Mitchell, Stantec
- Graham Pendlebury, Former Director, Local Transport, DfT
- Philip Sellwood CBE, Chair Zemo Partnership
- Edward Forrester, Mott Macdonald
- Edward Leigh, Senior Transport Officer, North Herts Council
- Dr Iraklis Argyriou, Research Fellow in Sociotechnical Transitions of Bus Transportation
- Molly Walton, We Mean Business

The meeting was held under Chatham House rules, meaning all remarks made in this summary note are non-attributable.

Summary of meeting discussion

Opening remarks

At the opening of the session, participants listened to a presentation that outlined that the transport sector alone could not achieve transport net zero. Most travel was a derived demand (i.e., moving between locations to conduct activities), and thereby strongly influenced by the conditions under which activities take place: location, frequency, timing, etc.

Most of these activities were provided by public or private sector operators, whose service delivery models often took little account of the transport consequences of their operations. The UK needed cross-sector collaboration to address transport challenges in the context of the wider economy.

Wider economic change would need to be driven with a number of elements, including substituting digital for physical meetings; providing equipment in-home; and localising facility provision to support shorter trips.

There were wider elements of modal shift to consider as well, such as supporting the shift to sustainable modes of transport and consolidation of freight.

Each of these components needed to be underpinned by decarbonisation of the vehicle fleet and an increase in energy efficiency.

The main question was what could and should be done by other sectors to contribute, either directly or indirectly to transport carbon reduction.

Pricing mechanisms and incentives

Another speaker proposed that pricing mechanisms could be used to incentivise people to gravitate towards milage delivery. Other sectors, such as food packaging were doing a better job than transport in terms of focusing the costs of moving to net zero on those with the greatest ability to pay.

The debate around decarbonising transport was focused on the design of the world meaning there were few other transport options apart from using a car. This was a reductive approach and instead road users should be focused on the impact of their choices in the here and now.

Population distribution, built environment and transporting freight

Debate moved on to focus on the impact of population distribution and urban density that facilitated people's desire for a range of choices in terms of lifestyle. It would be hard to push behavioural change given the built environment, and the focus should instead be on technology.

The planning for transporting people and goods should be undertaken together, as opposed to treating freight as a separate entity.

There were profound lifestyle changes that people would need to come to terms with if the decarbonisation of transport were to be delivered. A speaker pushed back on the assertion that profitmaking was a barrier to delivering net zero, saying it could be delivered with the right regulatory and fiscal incentives.

It would be incredibly difficult to coordinate the changes needed across the wider economy unless carbon was correctly priced by putting a huge tax on it. Doing so would provide a measure of the actual cost of the policies needed to reach net zero.

Accessibility planning and profit motivation

The debate around decarbonising transport had not moved on in the last 30 years, but resonance had been found on social inclusion. Strong motivators for cross-sector working needed to deliver economic transformation was making a better economy through accessibility planning.

An attendee argued that companies should not be distracted by the pursuit of profit and should instead focus on wider economy transformation.

Behavioural change

A study had shown that senior business leaders were not sure which changes they should make because they did not know what avenues others were pursuing. Conversations needed to be connected through policymakers and actors in the wider market.

The economic shift for decarbonisation would be driven by the market as they worked out how to make money from it. Businesses were not solely price-driven and social value was increasingly forming a core activity for major businesses.

Another speaker agreed it was important to bring all the key stakeholders together to discuss how trust and consensus can be built on this issue and what needed to be done to manage different mobility scenarios.

Transport Decarbonisation Plan and the location of NHS facilities

The focus on the Transport Decarbonisation Plan was delivering a 'zero-carbon mile' but did not tackle the embedded carbon. Statistics from the RAC Foundation had found that the highest milage per vehicle make was from Teslas, as opposed to any make using internal combustion engines.

At present the direction of travel was towards delivering a zero-carbon mile, but the embedded carbon in the construction of road vehicles and infrastructure, including the energy network, needed to be tackled.

Another speaker highlighted that many trips to hospitals required access to a car because the public transport links and infrastructure around them was so poor. They wanted to see the NHS approached to ensure more services were located away from acute settings.

It was important to build trust with the NHS for alternative travel plans to its key facilities, another speaker said.

Later in the session, a participant warned that the road haulage sector and its interest groups could not be trusted to help deliver net zero because they looked out for their members.

Participants also discussed how best to bring different parties together and whether this should fall to the Department for Transport to function as convenor.

Delivering net zero with social justice

One speaker argued quibbling over social justice in policies to deliver net zero because it was not possible to be so without disadvantaging someone. The reason was that failing to reach net zero targets would produce a greater impact on the most disadvantaged.

Moving to electric vehicles for entire fleet would require a 50% boost in electricity generating capacity and complete overhaul of the distribution network. Government was also focused on building road infrastructure, whereas it ought to be focused on building infrastructure for active travel for those who made journeys locally.

Traffic reduction and road building

Traffic reduction on the roads was going to be needed over the next decade as part of decarbonising transport, both on an operational basis and on am embedded level. It was important to maximise the benefits of existing infrastructure as opposed to spending £27bn on roads.

Another speaker agreed and believed that jobs and other opportunities should be offered for sectors outside the transport and logistics sector. Someone else followed up by extolling the benefits of the circular economy model.

Government needed to show more leadership on demand reduction and should be upfront with the public about the need to cut car milage over the next decade. Instead, they were transferring these responsibilities to local leaders.

The session closed with an example of Mercedes Benz taking a lead on moving ton net zero and electric vehicles, which their suppliers had followed. Change needed to be driven by brave politicians and change makers across society.

Remarks raised by participants in the chat during the event

All remarks are **unattributable** in-line with Chatham House rules.

- *Amazon's Prime membership is an example of a problem with profit-driven policy: Prime serves multiple functions for building Amazon's business size and profitability. However, setting the marginal cost next-day delivery at zero has a perverse outcome for carbon emissions. How to address this? Regulation?*
- *One of the challenges we have is that the view of economics that we have all absorbed over decades is politically loaded. The phrase "free market" is a political statement. As we all know, markets are constructs of regulation. Until we, as a society, take seriously the idea that the space we define for people/companies to make profit is, a political choice we will struggle to make progress. To come to the specifics of your question you are describing the outcome of the current set of regulations…we could, as you point out, choose to create a different space for profit, if we chose. But it is complicated, and we are hampered by the concepts/language we are using.*
- *Not necessarily disagreeing with you about the importance of construction/ embedded carbon. Greg Marsden has recently produced this: 'Everything Counts: Why transport infrastructure emissions matter for decision makers'. But by focussing on delivering a zero-carbon mile, we will miss our carbon budget, and massively increase our future requirement and reliance on electricity generation and distribution. So, reducing demand remains important, and the market can help us do this by changing their operational models.*
- *In the Derriford Hospital travel plan project the NHS created a huge problem by closing accessible sites and relocating facilities many miles away. We still reduced car use, but the NHS created the problem and the same is now happening in Shropshire. Investment must deliver reduced VKM*
- *https://www.smartfreightcentre.org/en/sustainable-freight-buyers-alliance-1/*
- *If there is time, I would like to say a few words about another sector. Housing…*
- *Focussing on the Zero carbon mile absolutely leaves us tending to "build" a huge unnecessarily redundant "system" that delvers ZE miles. My point was that unless we start to focus on the GHG impact of that infra we run a real risk of ignoring the biggest transport GHG impact in the next decade. So e.g., we have increased the no of cars on the road (or parked) by 305 in last 20 years, but actual car miles are unchanged. WE should push for a 25% reduction in travel, but if we ignore Embedded, we might not see the benefit needed. A focus on the Efficient use of what we have and what we need (digital approach) could have a much bigger influence, but agree we need focus on every front.*
- *The problem is that no government will commit to a long term, perpetual revenue subsidy for buses. A business that relies on perpetual public subsidy for survival is not sustainable.*
- *Buses… Where I live for several months every year in rural Sweden, I have an integrated bus/train offer and 26 buses every day*
- *I should have added that the Bus Services Act provides some levers (including franchising) to design and commission new bus services, but it is the lack of a reliable, long-term funding stream to subsidise bus services where needed (early years of operation, earlier and later hours and higher frequencies than is justified by farebox revenues).*
- *We also need all parts of DfT to consider the impacts of their decisions on other areas. Today they have separate bus, rail, freight, car, infrastructure teams etc who do not appear*

to always be aware of what each other is doing. Will be interesting to see whether the EV infrastructure strategy document (from DfT/OZEV, which has been confirmed as being published tomorrow) includes wider awareness of how decisions on where and what speed of charger to install can influence method of travel. Free charging in city centres for example encourages car use vs bus.

- *If we were serious about zero carbon transport (embodied and operational) and social justice, we would switch the £27 billion RIS2 road cash into world best public transport and at the same time reduce congestion and improve public health*
- *We have currently got (arguably) a cost per mile that is absolutely the reverse of GHG/mile (Plane, Car, Bus, Rail). There is no coordinated GHG assessment/policy*
- *Social justice will have to addressed through the fundamentals - levelling up, education, quality of available jobs etc.*
- *I argue that all the policies we need to get to zero carbon also deliver maximum social justice. It is in my reports. EVs do not deliver on social justice, and they still produce health damaging PM2.5 and this will exacerbate health inequalities*
- *Completely agree. We are experiencing that now for a transport strategy project in Australia and we were told by the council that the strategy must include a section on congestion busting* 😡
- *I also agree with the earlier comments on pricing - community engagement and communication are a must. And we must also clearly communicate the benefits. How are we using the benefits for the good of society and how are we using them to address social justice? It is an opportunity, not a risk - sadly, the climate delayers that have a personal stake in maintains the status quo do not see or do not want to see that*
- *Best way to reduce congestion is to have less transport: "you are not stuck in traffic - you ARE traffic"*
- *I would be very interested to see that paper you referred to when published. It would help local authorities develop a coherent strategy that balances (or even largely ignores) consumer demand for on-street charging points with provision of destination and hub charging points.*
- *It is being launched at a free event a week today (including a free lunch) https://evenergytaskforce.com/events/ev-energy-taskforce-charging-the-future/*
- *We are launching the modelling and recommendations therefrom next week At the EVET conference https://www.zemo.org.uk/news-events/events,ev-energy-taskforce-charging-the-future_3961.htm*
- *We can reduce VKM of car travel and we show how to do it in the South Shropshire Climate Action plan this was supported in the Commons by Philip Dunne MP/chair of EAC*
- *Surrey CC have launched "Better Points" which aims to incentivise Surrey residents to use more sustainable forms of transport. Points translate into financial incentives.*
- *Lund could be a good example - but its population is 92,000, significantly smaller than, say, Mansfield.*
- *and Freiburg is excellent at 250,000 and Stockholm is excellent at two million*
- *TDP does specifically say "we will use our cars less" but does not have much in the way of encouraging that!*
- *and Gothenburg is even better than Stockholm. Not sure about population but is around 900, 000.why do we not learn from other places?*
- *Decarbonising Transport. Unfortunately, technology only will not be enough. Demand reduction is necessary, and a substantial change in the way DfT promotes schemes (road/ rail) is needed to focus on operational carbon reduction.*
- *Citizens and consumers are fickle but far too much of the transport agenda appears too inflexible to fit with people's lifestyles. We need to construct the delivery approaches differently.*