



Strategic Transport Forum

27th November 2020

Agenda Item 4: Transport Decarbonisation: Implications

Recommendation:

It is recommended that the Forum:

- a) Considers the implications for investment now, and in the future of the Transport Strategy acting more decisively in the pursuit of Net Zero carbon**
- b) Support the proposed changes to the policy and narrative in the Transport Strategy set out in para 3.1**
- c) Supports the development of Decarbonisation Roadmap by the end of 2021.**
- d) Supports the identification of a regional carbon budget for transport; and the need to commit to de-couple economic growth and traffic/carbon growth**

1. Context

- 1.1. The UK has a legal obligation to meet the 2050 targets as outlined in The Climate Change Act (2019) which "commits the UK government by law to reducing greenhouse gas emissions by at least 100 per cent of 1990 levels by 2050.
- 1.2. Nationally DfT has updated "Energy and emissions projections 2019" highlighting that current adopted policies will not deliver the reductions required in transport to meet Net Zero by 2050 and, that emissions from transport are expected to slightly increase in the next 2-5-year period (COVID-19 notwithstanding).
- 1.3. The Strategic Transport Forum has been consistent in its ambitions for the EEH Transport Strategy to be bold in its approach to environmental priorities. The Forum set its preferred direction for transport decarbonisation at a regional scale through the ambition match national policy and set a date of 2050 "at the latest" for Net Zero.
- 1.4. Since then, responses from partners and wider stakeholders during the consultation on the draft Transport Strategy have conclusively sought an even more ambitious approach to decarbonisation of transport in the Heartland region. Respondents' expectations are that EEH should accelerate the pursuit of net zero; potentially bringing forward the ambition by some years.
- 1.5. The requirement to act decisively and reduce carbon emissions from transport is a clear cross-cutting theme, highlighting the need for both policy and delivery strategies from EEH and constituent partners.



- 1.6. However, there will be implications of this course of action – particularly in regard to our approach to the planning, development and delivery of investment in our transport system, the ambition to develop clarity and decision making based on a fixed carbon budget, as well as implications for activity in other policy areas that this Forum must consider.

2. National Policy Context

- 2.1. The EEH Business Unit has engaged with the Department for Transport regarding the development of the Transport Decarbonisation Plan (TDP). This is expected to be published this calendar year. The document is unlikely to contain binding regional carbon targets or budgets; DfT has indicated that there is a wider pan-economy approach emerging regarding the development of carbon targets being led by MHCLG.
- 2.2. National policy and approaches to delivering systemic decarbonisation are evolving quickly: whilst we have some indication of the DfT approach to the delivery of the TDP, UK Energy Policy and strategy is currently opaque. As a consequence there are important elements of national policy that will have implications for our approach to transport decarbonisation that remain unclear. It is therefore important to bear in mind that in shaping the Transport Strategy there will be an element of iteration in response to other announcements.
- 2.3. This will continue to be the case over the coming decades. The final strategy will need to be flexible enough to accommodate changing economic and environmental realities that will drive deep decarbonisation in the UK

3. Proposed Revisions to the Transport Strategy policy and narrative

- 3.1. Notwithstanding the national policy uncertainties identified above, it is proposed that the final version of the EEH Transport Strategy is revised in the following ways:
 - a) Explicitly committing the region to achieving net zero carbon emissions from the transport system before 2050
 - b) Reflecting the evolving nature of national policy on decarbonisation, committing to develop a standalone Decarbonisation Roadmap, trajectories and budget by end 2021: the roadmap being prepared in support of the implementation of the Transport Strategy
 - c) This document will highlight the impact of choices made now and support the implementation of our vision for the future transport system
 - d) Setting an aspirational/non-binding Carbon Budget for the region (for transport), against which future investment requirements would be prioritised and assessed
 - e) Setting a fixed target to reduce car trip rates (against 2019) by at least 5% per decade. The UK Citizens Assembly on Climate Change points to “A reduction in the amount we use cars by an average of 2–5% per decade” as well as a whole host of other measures. EEH’s pathways work suggests that a reduction of circa 7% per decade is required to achieve net zero; however the revised date for the ban on the sale of new petrol and diesel vehicles and commitments to increase renewable energy on the power grid may mitigate this to some degree.
 - f) The level of economic and housing growth planned for the region would make this target particularly challenging if we continue with the current approach to planning for the future of transport. As noted elsewhere in consultation responses, the response to COVID-19 means that received wisdoms underpinning our current paradigm need to be challenged. The response to the consultation provides a mandate to be bold and push to end “the car as first choice” paradigm that our citizens currently live under. In this context the Forum needs to bear in mind that there will need to be an absolute reduction of circa 40% in individual trips in 2050 to maintain the statuesque in terms of the total number of trips on the network.



- g) Changing the policy in the Transport Strategy that sets out the transport user hierarchy to explicitly promote the opportunity to avoid unnecessary travel as a priority
- h) Retaining and reinforcing that in identifying future investment priorities this will be undertaken on the basis of value for money, their contribution towards achieving Net Zero carbon targets, and their contribution to wider sustainability and environmental net gain outcomes
- i) A clearer position recognising the need for Demand Management and Modal Shift programmes
- j) A commitment to support and enable the delivery of alternative fuelling infrastructure

4. Consideration – Carbon Budgets

- 4.1. Consultees have universally stated that the region needs to show more ambition in its commitment to achieving net zero: this includes the need to set clear carbon budgets for the region and against which future investment priorities are considered.
- 4.2. The final Transport Strategy provides the Forum with the opportunity to grasp this mandate and set out a bold approach to decarbonisation in the Heartland.
- 4.3. Policies developed to address and deliver decarbonisation must have a specific carbon reduction impact attached to them. Without this, the efficacy of the policies will be difficult to monitor, measure and quantify. As a result, the policy framework in the revised transport strategy is based on achieving the aims set out above.
- 4.4. Notably, and in the context of a regional carbon budget, “value for money” will become increasingly challenged: funding allocations for decarbonisation programmes will need to be outcome based if they are to have the desired impact. Monitoring and impact methodologies will likely mean additional responsibilities – potentially for local authority partners.
- 4.5. In the context of the ambitions set out in section 2, traditional transport interventions and investment in roads can no longer be the only/primary solution considered for delivering improved connectivity.
- 4.6. Following an approach where carbon budgets/targets are used to identify future investment priorities will require a change in the way that schemes are appraised/assessed. An inevitable consequence is that some of schemes currently planned will not be delivered or will need to be radically altered to deliver against our carbon budgets. This is an important consequence that Forum Members will want to be cognisant of.
- 4.7. We recognise the challenges this step change in approach brings to the funding landscape for local authority partners. The traditional cost benefit ratios of well-developed schemes may implicitly change and/or become open to challenge as we commit to reduce the need to travel and the use of private cars.
- 4.8. Such an approach will require a change in the allocation of funding made by Government with greater emphasis given to supporting a more aligned, holistic approach to delivering world class connectivity and supporting new ways of decarbonising our economy.
- 4.9. Investment will need to be refocused away from traditional solutions, towards those that deliver improved connectivity without the implicit need to travel. This particularly relates to digital and major road investments.



- 4.10. The COVID-19 pandemic has accelerated nascent trends around remote working and access to services, goods, education and the wider economy. In doing so it creates an opportunity to realise the paradigm shift that transport policy makers have long sought. By embedding these trends, we can fast-track and begin to address the absolute requirement to decouple economic growth from rising traffic and transport emissions.
- 4.11. We must look to consider investment in improved digital connectivity as the first response when looking to support planned growth. We must adjust our approach to investment in our transport system such that it complements investment in digital connectivity, rather than the other way around as it is at present. Whilst such a shift will be fundamental if we are to achieve our ambition to accelerate the realisation of Net Zero, it also represents an opportunity to deliver on the 'build back better, and greener' ambition outlined by the PM, by actively encouraging innovation and investment in new business models.
- 4.12. In addition to strategic connectivity, local connectivity requirements are currently unmet. More than 50% of car journeys in the UK are under 5 miles. The opportunity to reduce emissions through the provision of better digital, local and intra-regional infrastructure and modal shift is vast but will require collaboration on a scale not previously realised.

5. Consideration – Balancing 'growth' and 'managing decarbonisation'

- 5.1. A number of respondents to the draft Transport Strategy viewed any growth as counter intuitive and out of step with our commitment to Net Zero and the wider decarbonisation agenda.
- 5.2. Moving forward, the imperative on EEH and its partners is to shape and develop a shared narrative that serves to highlight the need to decouple economic growth from environmental degradation, increased traffic and increased carbon emissions.
- 5.3. Consideration of the level of carbon emitted by our transport system is coming under increasing levels of scrutiny; greenwashing will not stand. Our approach needs to be robust, defensible and inclusive – with high levels of stakeholder engagement. Failure to do so will disenfranchise our citizens and create political risk for Members who will be held to account against environmental targets outlined.
- 5.4. Urban localities may decarbonise rapidly and deeply, whilst rural localities will face different challenges. There are trade-offs to consider with the wider economy which will evolve as globalised, pan-economy decarbonisation targets emerge.
- 5.5. For the region to truly achieve the ambition of decoupling 'growth' and carbon, we will need to harness and unleash the potential of our innovation sector. The innovation and research capability that exists within England's Economic Heartland provides the ideal framework to plan a different future in terms of connectivity. Our Transport Strategy is already clear on the significant opportunity that the innovation ecosystem offers, scaling pilots quickly and implementing faster.
- 5.6. We will continue to highlight to Government that the current DfT traffic forecasts and approaches to scheme appraisal are not consistent with the required systems perspective on future energy demands and carbon reduction targets.
- 5.7. We will reinforce the messaging that, if we are to decouple 'growth' and carbon, the quickest way of achieving this is through single regional funding allocations that are modally agnostic and that can be allocated flexibly to deliver on our ambition of growth and decarbonisation.

6. Technical - Stetting the baseline, trajectory and targets

- 6.1. To develop a robust and defensible programme of work to take forward the recommendations in section 3, EEH will need to agree on a methodology for baselining the current regional transport emissions profile and, develop a deeper understanding of the impact of policies currently adopted by the UK government.
- 6.2. There are different approaches that could be adopted to achieve this: our proposal is to (wherever possible) use nationally available data and build on the tools EEH has previously commissioned and validated.
- 6.3. This approach delivers transparency for our partners and central government and will facilitate an iterative approach: when underlying data changes, so can our projections and targets be adjusted quickly.
- 6.4. Projections outlining housing and population growth will continue to be based on local plan data and government figures.
- 6.5. Following discussion with Transport Officers and subject to agreement from the Strategic Transport Forum, the EEH Business Unit will begin work on a proposed methodology for the development of the Decarbonisation Road Map.

7. Next Steps

- 7.1. EEH Business Unit will continue to engage and support the DfT in the development of the Transport Decarbonisation Plan and await the publication of the Energy White Paper. Upon the publication these documents, EEH will provide a further update to Transport Officers and the Strategic Transport Forum, including analysis of their implications for EEH, our constituent authority partners and on preferred next steps.
- 7.2. If agreed, EEH Business Unit will begin work on planning and developing a methodology for the delivery of a standalone Decarbonisation Roadmap.
- 7.3. In anticipation of broader decisions on future investment prioritisation options, EEH will continue to develop our research, thinking and approaches in response to our ambitions for decarbonisation.

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