TRANSPORT VISIONS The Young Professionals' Perspective

A Network sponsored by the EPSRC, the Rees Jeffreys Road Fund and the DfT

Economy, Finance and Equity

A summary of the eighth report from the Transport Visions Network

This is a summary of the eighth and final report to be produced by the Transport Visions Network. The Network was a novel venture to project the views of young professionals into the debate concerning the future of transport and its role in society. It was comprised of individuals who were aged 35 or under from universities, public authorities, consultancies and industry both in the UK and overseas. The series of reports covers eight different topics and aims to build up a coherent vision for the future of transport. Each report has been produced through a managed process of discussion involving e-mail debate, a face-to-face workshop and the writing of the report with input from an editorial board of Network members.

The first report in this series, Society and Lifestyles, considered a myriad of issues and trends that are shaping or have the potential to shape the way we live in the future and our travel needs. In the second report, Transportation Requirements, the Network set out twelve guiding principles for the design of future transport systems. In the remaining six reports the Network explores possible solutions to current and emerging transport problems. The Network has not been seeking merely to guess or predict what the future of transport holds in store. In acknowledging that the future predetermined and is ours to shape, the reports have identified developments we would like to see and perhaps those we should guard against.

The third report in the series considered the role of Land Use Planning in shaping transport. Visions were developed for four different aspects of land use planning. The fourth report examined ideas for Vehicles and Infrastructure that could apply to the UK surface transport network in the future. Six visions of how our transport systems might change to meet current and future transport needs were developed.

The fifth report in the series offered a range of solutions to problems associated with Local Travel. Solutions were presented in the form of a 'toolkit for local travel'. The toolkit offered a set of options which given local areas could adopt and develop selectively as they saw fit according to their own local circumstances and aspirations.

The sixth report in the series looked at ways to improve the experience of undertaking Long Distance Travel, to reduce the need for such travel and to enable more sustainable modes to compete with less sustainable ones. Visions for the future of four different types of long distance travel were developed.

The seventh report in the series, Freight and Logistics, offered a range of solutions to problems associated with goods movement. Three different scenarios for the future of society were considered to provide a context for the development of ideas and visions which sought to enable goods movement to take place in as efficient and sustainable manner as possible.

This report considers economy, finance and equity, three key determinants of how the future of transport is taken forward. Transport's past has been driven by assumptions and beliefs about the links between transport and the economy. Approaches to financing pursued hitherto have shaped the development of our transport systems and services. The extent to which, to date, we have evolved a transport system that promotes equity within society is questionable.

In presenting the Network's views on economy, finance and equity issues relating to transport the report takes each of these subjects in turn. It begins with a consideration of the current and projected future context presenting policy approaches to the problems of economy, finance and equity. It then introduces the Network's own ideas and solutions, which are designed to address a set of key questions:

- ♦ How can transport contribute to a successful economy?
- ♦ How should our transport systems be financed?
- How can transport contribute to a more equitable society?

Economy

Irrespective of the significance of transport to other sectors of the economy, it is worth noting the number of people employed directly in the transport sector and different industries within it. 1.89 million people were estimated to work in transport and related industries in the UK in 2002. This represented 6.8% of total employment. It has been suggested that the transport sector will need to recruit over half a million new employees over the next decade to deliver the expenditure detailed in the 10 Year Plan.

The UK Government accepts that there is a relationship between transport and economic growth. It argues that transport investment is required to promote economic competitiveness and to handle travel demand growth induced by growth in incomes.

The 1998 Transport White Paper stated that "we need an efficient transport system to support a strong and prosperous economy". It noted that congestion and unreliability of journeys add to the costs of business, undermining competitiveness. The document suggests that congestion and unreliability costs the UK economy between £7-15 billion per year.

In seeking to address the subject of transport and the economy the Network identified three key aims to guide its thinking:

- 1. Encouraging the beneficial impacts of transport upon the economy
- 2. Reducing the harmful impacts of transport upon the economy
- 3. Anticipating and addressing the transport consequences of economic growth

A selection of ideas developed by the Network to address the question of how transport can contribute to a successful economy follow:

- The ability of transport to support the economy through facilitating access and communication should be complemented and enhanced by the inclusion of virtual mobility as an integral part of transport policy.
- ◆ Transport plays a vital role in facilitating trade and this should be recognised and supported through prioritisation on transport networks, such as dedicated facilities (e.g. freight lanes).
- ◆ Innovative ways of using vehicles and infrastructure such as dual use public service vehicles ('bus-trucks') and park and share facilities bring efficiency and economic benefits and so should be given all possible encouragement.
- ♦ Concerted effort should be made to anticipate and address the potential consequences for transport, stemming from economic growth e.g. smaller households and increased leisure time.

Finance

In addressing the funding of transport systems the Network recognised that perhaps more than any other subject it had discussed, this was traditionally the territory of senior professionals. However, the Network felt that this should not deter discussion, although it required care to be taken to ensure the discussion was as informed as possible.

A wide range of methods of financing transport exists, from wholly public to wholly private funding, with various combinations in between. When considering how the UK's transport systems should be financed, it is important to recognise the scope of finance required. Investment is not solely concerned with creating vehicles and infrastructure, it is also necessary to enable transport systems to operate, be maintained and upgraded.

The UK Government's Ten Year Plan for Transport envisages public and private funding totalling £180 billion over the period 2001/02 to 2010/11 with funding split evenly between railways, roads and local transport. Public Private Partnerships were expected to deliver much of the investment.

In seeking to address the subject of transport finance the Network identified two key issues:

- 1. Finance Mechanisms
- 2. Decision-Making

A selection of ideas developed by the Network to address the question of how our transport systems should be financed are presented below:

- Many projects involve bespoke solutions and, accordingly, a flexible approach to transport finance must be available. To rule in or out particular mechanisms or approaches on ideological or procedural, rather than economic grounds, is unhelpfully restrictive.
- ◆ The potential application in the UK of a wide range of international approaches to transport finance (e.g. Business Improvement Districts and local sales taxes) should be given more extensive consideration and promotion.
- Public investment in transport infrastructure and services improves access and in turn property values. It is therefore appropriate that such value increases be considered as a source of transport funding.
- The appraisal framework for transport projects should give local objectives and environmental and social impacts equal weighting alongside economic evaluation, rather than considering such issues to be of secondary importance.

Equity

According to most dictionary definitions, equity means 'fairness and justice'. This is not the same thing as equality. Equality does not take into account whether the existing disparity/gap/difference is fair or just. Inequity is unfair or unjust inequality. Equity tempers equality with a compensatory principle so where things are not equal those who are disadvantaged get compensation, but not equalisation.

The debate regarding equity and transport in the UK has been largely focussed upon the concept of social exclusion and its relationship with transport. This topic has gained significant recognition in UK transport research and, in recent years, in

policy development. Academia, government and the voluntary sectors alike have sought to understand the links between transport and social exclusion and the ways in which transport inequity can be reduced, as part of a broader agenda to reduce inequity in society as a whole.

In 2003, the Government's Social Exclusion Unit published a report on transport and social exclusion, which set out a strategy, building on initiatives already in place, to deliver better access to services and activities and to reduce the impact of traffic on communities. The report focused on accessibility, which concerns whether or not people can get to key services at 'reasonable' cost, in 'reasonable' time and with 'reasonable' ease. The report referred to evidence that certain people have difficulty accessing work, learning, healthcare, food and social, cultural, and sporting activities. It noted that lack of access prevents people from being able to break out of the cycle of social exclusion.

In seeking to address the subject of equity and transport the Network identified three key issues:

- 1. The role of economic instruments
- 2. Policies to provide mobility
- 3. Policies to provide accessibility.

A selection of ideas developed by the Network to address the question how transport can contribute to a more equitable society are presented below:

- Geographical variation in the availability of concessionary fares is not equitable and should be replaced by a consistent approach nationwide.
- ♦ Policies of subsidised mobility provision in pursuit of equity (e.g. cheap car hire and half price rail travel) can have unanticipated secondary effects. These should be considered and satisfactory mitigation options developed as precondition for the introduction of such policies.
- Providing accessibility rather than mobility should be the primary consideration of any transport related policy designed to address equity issues.
- ♦ 'Accessibility Direct', a single national portal for accessibility information should

be developed along the lines of the forthcoming 'Transport Direct' initiative.

Conclusions

This report has differed from past Network reports in a number of ways. Firstly, whilst each of its predecessors has attempted to discuss a single theme, this report has sought to debate three complex The relationship distinct, themes. transport and the economy is a complicated issue. As indeed, is the relationship between transport and equity issues. Similarly, the debate over how the UK's transport systems should be financed is populated by a wide range of options and views. Given this situation, the Network felt that it would be unwise to attempt to develop holistic visions in line with previous reports. It was considered unrealistic and simplistic attempt to produce integrated visions encompassing ideas generated under discussion in each of the topic areas.

A second way in which this report has differed from its predecessors is the fact that it is the final report to be produced by the Transport Visions Network. As such, it is in the unique position of being able to consider the overall output of the Network in its discussion. Indeed, it is a feature of this report that the opportunity has been taken to reflect upon the position of a large selection of past Network ideas within debates on economy, finance and equity.

From the outset, the Network has sought to look at the underlying reasons for society's transport needs and activities. Indeed, a focus on the links between transport, society and social and technological change has become a distinguishing feature of the Network's approach to transport visioning. The territory covered by the Network in its lifetime has been considerable and the set of Network reports provides a lasting account both of future thinking by young professionals and of their interpretation of past and present developments in transport and associated areas.

The Network has benefited from the rich mix of its membership, with strong representation from academics, consultants and public authority officers as well as transport operators and service providers. Perhaps because of this mix, the Network's ideas and visions have been a healthy mix of very pragmatic, more immediate thinking (e.g. ideas for improving cycling and walking

environments) through to longer term and more contentious or even outlandish thinking (e.g. the future possibility of male pregnancy and the potential role of smart robots in the home).

The Network does not claim to have produced a definitive and integrated outlook for the future of transport in the UK, but it hopes to have offered a wide-ranging and thought provoking set of ideas, scenarios and visions that might aid thinking and policy development when seeking to address the issues we face.

Perhaps a lasting contribution to the future of transport will be the diverse community of young professionals that has been created by the Transport Visions Network. With some 260 registered members, the Network has proved to be a healthy environment both for the exchange of views and the enrichment of individuals' views and understandings. Many Network members will continue with a professional career in transport, working with their peers with whom they have become acquainted through the Network.

The Network itself, having concluded its formal business of exploring the future of transport across eight themes, will not cease to exist. Agreement has been reached for the Network to migrate into the Transport Planning Society and become the Society's electronic Young Members Forum. The opportunities for young professionals to challenge conventions, debate contemporary issues and contribute their views to the wider transport profession and agenda will continue.

To obtain the full report:

http://www.trg.soton.ac.uk/research/TVNetwork

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