Local Net Zero Delivery
Progress Report

Transport
Karen Barrass | UK100
July 2022
UK100 is a network of local authorities that have pledged to shift their communities to Net Zero ahead of the government’s legal target. They do this to demonstrate their ambition, make the case for rapid change, and enable a fast and fair transition.

The network provides local leaders opportunities to learn from each other, agree priorities for legislative and regulatory change, engage with national decision-makers and businesses, and develop a better understanding of how to build consent and support for rapid climate action in their communities.
Executive Summary

Similarly, our Rural Net Zero report delivered key insights on the challenges in the UK rural context. All of this research and insight will feed into this report.

Global challenges with local consequences

Following the release of the UK Government’s Transport Decarbonisation Plan (TDP) in July 2021 and the Net Zero Strategy in October 2021, 2022 was set to be a year of delivery. However, progress has been slow, despite an emerging cost of living crisis and a heightened awareness of the need for fuel security, highlighting that action is more urgent than ever.

However, challenges like these aren’t going away: higher prices and energy demand challenges can and must be tackled in parallel with reaching Net Zero, and local delivery at pace and scale is key.

Local authorities can lead the way

Many ambitious LAs have set Net Zero targets that are ahead of the UK Government’s 2050 deadline. The 102 (correct at time of writing) LAs that have signed UK100 members’ pledge have committed “to lead the UK’s response to climate change, acting sooner than the government’s goal by making substantial progress within the next decade to deliver Net Zero.”

Through innovative partnerships and by identifying and scaling successful pilot projects, they are focusing on sectors that urgently need decarbonising - including transport. Giving more LAs the power to set similar trajectories and build momentum for change will be key to delivering a Net Zero future.

The power and potential of local authorities (LAs) to design and deliver real progress towards Net Zero transport against a global backdrop of unpredictable and far-reaching challenges has never been clearer.

This report presents an analysis of the progress made towards delivering Net Zero transport at a local level in the UK in the past year, and our recommendations for actions needed to enable the pace and scale of delivery required for success.

In May 2021, UK100 produced Power Shift, an in-depth assessment of the powers both held by and needed for LAs to deliver Net Zero. The report outlined the challenges and barriers to progress. Alongside insights from the Climate Change Committee (CCC) and the National Audit Office (NAO), our report emphasised the crucial role LAs have in meeting the Government’s climate targets.

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1 https://www.uk100.org/sites/default/files/publications/Power_Shift.pdf
4 https://www.uk100.org/sites/default/files/publications/Rural%20Net%20Zero_May%202021.pdf
What’s in this report?

This report aims to:

1. **Assess the progress on delivery of Government commitments**

2. **Take stock of UK100’s research recommendations and identify areas where key developments have taken place and highlight where barriers remain**

3. **Share success stories from LAs.**

Background

Transport accounts for more than a quarter of all UK emissions.¹ UK100 has made clear recommendations for faster and more scalable progress towards a Net Zero transport future. In our 2021 Power Shift⁶ report, we outlined how local transport authorities are at the forefront of delivering the mobility revolution - pioneering cycling schemes, zero emission bus (ZEB) fleets and unlocking active travel.

In July 2021 UK100 together with the Mayor of the West Midlands, Andy Street, convened an international climate change summit. The summit launched a communiqué⁷ signed by a group of 32 cross-party Mayors and local leaders from across the UK. It called for a ‘Power Shift’ from Whitehall so that local and regional authorities can deliver Net Zero with six areas identified as priorities for urgent action. To decarbonise transport Mayors and local leaders agreed:

> In addition to sustained national investment in walking, cycling and public transport, the transition to low and zero emission travel requires electric vehicles (EVs) to be affordable to all who need them. Reducing the high costs of connecting EV charging networks to the grid should be prioritised to enable a seamless vehicle charging network across the UK. Not only should the costs of connecting EV charging networks be reduced, every local, city and regional authority should be included in designing and shaping the charging infrastructure across its area for public, freight and bus networks.

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⁶ [https://www.uk100.org/sites/default/files/publications/Power_Shift.pdf](https://www.uk100.org/sites/default/files/publications/Power_Shift.pdf)

⁷ [https://www.uk100.org/publications/net-zero-local-leadership-communique-delivering-net-zero-uk](https://www.uk100.org/publications/net-zero-local-leadership-communique-delivering-net-zero-uk)
We also made a series of recommendations informed by our other research activities which build on the above, and can be grouped within the following three key categories:

**Powers**
- Better devolution of funding and powers to deliver locally-appropriate transport systems, as demonstrated in London
- Provide enabling powers to LAs to require Highways England (now National Highways) to contribute more effectively.

**Finance**
- Value for money assessment should be based on carbon reduction
- Devolve local transport funding to support local strategies and create funding certainty by channelling funding through local transport plans (LTPs) and ending competitive funding
- Scale up funding from UK Government as well as support for LAs to secure further investment from the business sector for ZEB alongside EV infrastructure rollout.

**Governance**
- Acknowledge the role of LAs as key Net Zero delivery partners
- Revise planning system in line with TDP
- Create a clearer policy framework for walking, cycling and public transport
- Provide clearer mechanisms, strategy and accompanying guidance.

These recommendations exist alongside the imperative to act with greater pace and scale. We acknowledge recent Government announcements, including those made during the UK’s COP26 presidency, on new strategies, funding streams and targets. Although this is a step in the right direction, we must accelerate. Barriers still remain that prevent a transformative step-change.

The CCC’s progress report highlights that surface transport emissions rebounded post-COVID-19, but is clear that the sector is relatively well placed to reduce emissions over the period to 2035.

Progress has been made in the sales of electric cars, although not vans and the charging infrastructure for EVs is lagging behind. It also noted that progress was significantly off track with regards to the intensity of both conventionally-fuelled cars and vans.

Generally, the CCC underlines that the enablers for surface transport are not in place, which presents a significant risk, and there are still barriers to overcome to resolve this.

We need confirmation of the zero emission vehicle (ZEV) mandate in regulation, and continued improvements to public charging infrastructure - as noted by UK100 as our key ask in 2021.

It goes on to state that whilst the Government has acknowledged the need to limit traffic growth, shifting travel to public transport and active travel, action is now required to ensure this. It calls out the role of the Department for Levelling-up, Housing and Communities (DLUHC) in embedding sustainable transport within the Levelling Up and Regeneration Bill. The role that place-shaping, active travel, public transport, and shared mobility can combine to play in reducing car dependence and realising a range of co-benefits is key - and UK100’s insight has demonstrated that LAs are central to the delivery of this, but there are limited details on the targets for modal shift to public transport, walking and cycling.

CCC is clear that these factors should be required to be considered from the outset of all development planning.

Finally, it’s important to understand that the issues raised in this report both influence and are influenced by cross-cutting issues. This report is one of 8 sector-based reports and there are lots of commonalities and synergies between them which are clearly signposted throughout each of the reports and are designed to serve as a set with some overarching recommendations pulled out in the Overview report. For transport, the clean air progress report is of particular relevance.
Progress

This section of the report offers us an opportunity to take stock of the past 12 months and highlight the main areas where developments have taken place. A more thorough analysis of what these developments mean is provided later in the report.

July 2021

The Government published its TDP

October 2021

The Government published its Net Zero Strategy

November 2021

COP26 Breakthrough Agenda - road transport

March 2022

The Government published its EV Infrastructure Strategy

The Local EV Infrastructure (LEVI) Fund launched

April 2022

Bus service improvement plan (BSIP) funding allocated

• LA Toolkits are published

• The Government held ZEV mandate consultation

May 2022

The Government held consultation on proposals to progress ending the sale of new non-zero emission buses.

What’s happened?

There have been some positive indicators of progress in line with our recommendations over the last 12 months.

The UK Government has recognised and clearly articulated its intention to support local leadership on transport. In its TDP, the Government said:

“Leadership and climate action at a local level is also crucial. The vast majority of all transport journeys are local. We will continue to collaborate with local authorities and other regional bodies to identify and support local solutions across the UK.”

The Government has also created toolkits for LAs to provide guidance on building business cases, developing innovative sustainable transport policies, securing funding and delivering measures on the ground.

Similarly, the Government has identified and committed to the need to reform funding for local transport infrastructure. In its Net Zero Strategy, the Government promised to “reform the way local transport infrastructure is funded to drive decarbonisation, engaging local areas about their investment priorities in the round, and making quantifiable carbon reductions a fundamental part of local transport planning.”

Meanwhile, COP26 saw the launch of the Breakthrough Agenda, with countries committing to work together to accelerate the development and deployment of the clean technologies and sustainable solutions needed to meet Paris Agreement goals, ensuring they are affordable and accessible for all. There were four ‘Glasgow Breakthroughs’: the road transport breakthrough committed to ensure that “zero emission vehicles are the new normal and accessible, affordable, and sustainable in all regions by 2030.”

### Highlights: What’s going well

- **LA Toolkits**: The Government has produced eight guidance documents\(^\text{15}\) for LAs on a raft of transport policy interventions from active travel to road freight. Whilst delivering these later than was stated in the TDP, the Government is committed to producing additional guidance in the future and welcomes feedback on the initial eight toolkits.

- **Commitment to EV infrastructure**: From June 2022, regulations require all new homes, or those undergoing major renovation, and new non-domestic buildings with associated parking to have charge points installed. The Government has committed to reform the Electric Vehicle Homecharge Scheme (EVHS) to support home charging at flats and rented accommodation.

- **The City Region Sustainable Transport Settlements** (CRSTS) programme is a five year £5.7 billion government investment in the transport networks of eight city regions across England from 2022 to 2023. This funding will be delivered through consolidated transport settlements agreed with central government and based on delivery programmes put forward by city regions. Greater Manchester has already announced that it will bring bus services back into a franchise model in the city region in 2023.\(^\text{16}\)


\(^{16}\) [https://www.centreforcities.org/blog/bus-franchising-what-does-it-mean-for-greater-manchester/](https://www.centreforcities.org/blog/bus-franchising-what-does-it-mean-for-greater-manchester/)

### Opportunities: What we’d like to see more of/what has potential

- **Funding reform**: In its TDP, the Government said it would reform the way local transport infrastructure is funded. However, the Government has yet to consult on this, meaning this essential and catalysing reform that could enable LAs to do much more is still urgently needed.

- **Grid developments**: The Office of Gas and Electricity Markets (Ofgem) has proposed a reduction in the cost of new electric grid connections where upgrades to the existing network are required. This reduction, in place from April 2023, could make a big difference to the roll out of EV charging infrastructure\(^\text{17}\).

- **Active travel**: The government is providing £30 million per year of funding to boost capability and capacity in all LAs to promote walking and cycling. The introduction of Active Travel England a new Executive Agency to support the development of Local Cycling and Walking Infrastructure Plans (LCWIPs) is welcome. Especially if it can ensure that cycling and walking infrastructure is built where it is most needed, as the organisation was set up to do.

Challenges:
What could be going better

- **Partial funding for bus improvements**: While the Government understands the importance of a low carbon and accessible bus network across the UK, it has not yet invested enough. Only 31 BSIP’s from LAs have been funded, out of the over 70 submitted.\(^\text{18}\)

- **Competitive funding for EV infrastructure**: The £450m LEVI is essential to help every LA scale their EV infrastructure at the pace required. However, the fund is not large enough to meet every LA’s needs, and is allocated via competition.

Taking a step back, quarterly transport emissions in the UK were back up to 95% of pre-COVID-19 levels (30.4 megatonnes carbon dioxide equivalent (MTCO\(_2\)e) in Q3 2019) by Q3 2021 (28.9 MTCO\(_2\)e). There is a real danger that emissions will continue to stagnate year-on-year as we ‘bounce back’ from the pandemic, as we have seen in previous decades, when what is required is significant, sustained reduction in transport emissions, which needs to begin right away.

Gaps:
What’s missing?

- **A detailed plan for Net Zero Transport**: In its TDP, the Government committed to “ensure every place in the UK has its own Net Zero transport network by 2050”, but we have yet to see any detail on how this will be achieved.

- **A transport strategy for rural UK**: The UK’s considerable rural context requires a different approach to sustainable transport than urban areas. Although the Government consulted on this issue in January 2021, we have not seen any progress apart from a LA Toolkit for rural areas.

- **Non-competitive funding**: Every single LTP needs funding if we are to meet our Net Zero targets. By definition, competitive funding means most LAs are not receiving the funds they need to deliver their LTPs.

- **Integration of clean air and Net Zero (CANZ)**: A UK plan that integrates reducing air pollution with decarbonising transport that supports local action.

- **A National Highways plan** that supports local transport decarbonisation.

Overarching themes

We have identified three overarching themes which apply across all the progress reports in this series. By identifying blockers and sharing successes in these key areas, we can achieve the step-change we need.

Partnerships

Getting the right partnerships in place and functioning well will catalyse the delivery of Net Zero transport.

- In its TDP, the Government emphasised the need for ‘sub-national transport bodies’ to act as local delivery partners. However, so far there is a lack of clarity about what this looks like or how it will be delivered.

- National Highways is a government-owned company that operates, maintains and improves motorways and major A roads in England. National Highways is not well networked with LAs, despite having huge influence over the delivery of Net Zero transport in every area of the UK. The links that do exist are focused on clean air, but should broaden to include local transport.
York Park & Ride is the largest ZEB service of its kind in the country.

City of York Council’s partnership with First York, and an investment totalling £9.3 million (including £2.7 million of funding we secured from the Office for Zero Emission Vehicles), saw 21 new all-electric double-decker buses enter service, each of which saves almost 1kg of CO₂ for every kilometre travelled.

After securing an additional £8.4 million of funding from the Department for Transport (DfT) and a £10 million investment from FirstGroup, 44 new electric buses will be introduced to the fleet, reducing the city’s carbon emissions by 3,900 tonnes per year.

The buses:
- replaced existing diesel vehicles
- expanded the fully electric fleet to 77 buses
- can carry 98 passengers
- have a range of 160 miles from one overnight charge
- can operate on the network all day without recharging.

City of York Council and First Bus are collaborating on other initiatives, including the introduction of EV Hyper Hubs at three Park and Ride locations across the city. The hyper hubs will provide rapid and fast charging facilities for EVs, reducing emissions by almost 200tCO₂e per year.

Member Insight:

York

Although funding is available, it’s neither enough nor able to be accessed in the most impactful way.

- The £450 million LEVI needs to be non-competitive and available across the country
- Under half of bus BSIPs have received the funding they require
- More fundamentally, we need to reframe government financing to better align with emissions reductions
- Similarly, we need to link funding to broader Net Zero goals, trusting local powers to make the right decisions about how best to fund local solutions - both within the transport system and for cross-cutting issues.
The ‘Transforming Cities’ programme (funded by £161 million grant funding for Nottingham and Derby, awarded March 2020) has delivered upgraded bus real time information, contactless ticketing on buses, bus priority through junctions, new cycle infrastructure, City Centre public realm and EV charge points.

Trial active travel measures were introduced, including pop-up cycle lanes, low traffic neighbourhoods, and car-free school streets, utilising £570k government funding. A further £2m government grant allowed some of these car-free school streets to be made permanent, and expanded the trial to run outside new schools alongside an educational programme.

The funding also allowed the introduction of a bus and cycle lane across Trent Bridge; installation of a permanent barrier system at Victoria Embankment, allowing the ability to open and close the road as required to traffic; further trial facilities to encourage cycling; and responding to requests for pedestrian crossing facilities.

The city is also delivering the e-scooter trial; delivery of the transport behaviour change programme including TransportNottingham communications; and implementing the Workplace Travel Service: Electric van and e-cargo bike schemes.

Frameworks and governance

Again, there are promising developments in frameworks and governance, but the pace and scale of reform is not where we need it to be:

- The partnership with Active Travel England is a positive development that will help with promoting walking and cycling
- The Government’s promise to fund LTPs is positive but currently lacks detail
- Similarly, we need to see more action around the Government’s commitment to work with the DLUHC on planning. This kind of reform takes time to work through the system - and we don’t have time to waste.
Looking at the wider landscape, there are a few issues affecting the UK’s shift to Net Zero transport. COVID-19 is still having an impact: in June 2022, rail ridership and bus patronage across the UK (including London) remains 20% below pre-COVID-19 levels, and tube figures 65% that in March 2020.\textsuperscript{22} Public transport needs urgent support to encourage users back, and to encourage people to use these services more.

Meanwhile, the rising cost of living - and the implication that costs will remain high for some time - is further incentive to provide people across the UK with affordable access to sustainable transport options.

The Government’s 2021 commitment to deliver structural reform of the railway is good news. If delivered swiftly, it will allow for a more cohesive approach as we transition to Net Zero transport.

As well as looking at the UK Government, it is important to reflect on the progress from the devolved administrations.

\textbf{Scotland}

Scotland is working on:

- Phasing out new petrol and diesel cars and vans by 2030, and working with public bodies to phase out the need for new petrol and diesel light commercial vehicles by 2025
- £120 million investment in the expansion of bus links, ensuring that most new buses are zero carbon from 2024
- Improving rail links, putting railways into public hands, and ensuring they’re fully decarbonised by 2035
- Delivering a new strategy for public EV charging infrastructure
- Commitment to reduce average car kilometres by 20% per year by 2030, promoting active travel and public transport
- Enabling new models of financing for public EV charge point and delivery. And commitment to enabling LAs to plan public EV charging infrastructure – both locally and regionally
- Free travel scheme for young people
- The Low Carbon Transport Loan scheme offers interest-free loans to drivers to purchase EVs.\textsuperscript{23}


\textsuperscript{23} https://www.snp.org/net-zero-by-2045/
Wales

Wales has committed to:

- Reduce emissions from passenger transport by 22% by 2025 and by 98% by 2050 (compared to 2019 baseline)
- Reduce the number of car miles travelled per person by 10% by 2030
- Increase the proportion of trips made by sustainable travel mode (public transport and active travel) to 35% by 2025 and 39% by 2030
- Ensure that by 2025, 10% of passenger travel is by ZEVs, and 48% of new car sales are zero emission
- A comprehensive network of EV charging points by 2025, and the transition of a large proportion of bus, taxi and private hire vehicles fleet to ZEVs.

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Analysis

UK100 asked the UK Government to change how funding for transport is allocated, to progress the roll out of EVs and to improve public transport. These requests have been acknowledged (to a greater or lesser degree) in the Government’s TDP and Net Zero Strategy, and there are statements of intent and some guidance around each of our key asks.

While we recognise this progress, we must be clear that change is not currently happening at the speed or scale required to achieve the country’s Net Zero transport goals.

We asked for funding reform:

Most transport funding from the Government is currently allocated through competition for multiple different ‘pots’. This is problematic for several reasons. Many councils simply don’t have the capacity to complete lengthy funding applications, particularly when there’s a good chance they won’t receive anything. Competitive funding also tends to favour bidders who are already ahead in some way.

Alongside this, there is no new money available. Everything is being delivered through existing funding streams, which will only serve to restrict the step-change we need.
We asked for an acceleration of EV charging infrastructure roll out:

The main barrier to increasing the number of EVs on our roads is the lack of charging infrastructure. The Government’s much-awaited Electric Vehicle Infrastructure Strategy and £450 million LEVI is a step in the right direction, but the fund is not large enough and is still awarded through competition rather than according to need. This will continue to make access to affordable EV charging unreliable and unequal.

We asked for better public transport:

Better buses are the most efficient way to decarbonise our transport network - we urgently need to give them the funding they need to fulfil their potential. However, on average, LAs only received a third of requested funds for their BSIPs. Greater Manchester (which introduced franchising to begin in 2023) only received 50% of its funding request.

We asked for better understanding of the rural context:

Future of rural transport was consulted on in Jan 2021, aside from a rural transport toolkit, the Government has offered no clear policy/strategic direction subsequently. Accounting for the differences between rural and urban transport needs is essential and this needs to be an urgent strategic priority for the Government.

Recommendations

In conclusion, our key recommendations are as follows:

• End competitive funding - replace it with funding that is long term, tied to Net Zero outcomes and available to all. Provision should be made across the sector, with public transport and active travel prioritised.

• Ramp up support for rural transport provision - we need much more sustainable rural transport, and it must be designed to work in the rural context, not just replicated from urban areas.

• Bring key partnerships to life - promising collaborations have been announced, but the roles and responsibilities are not yet clear. How, for example, will the DfT’s involvement in the Local Net Zero Forum26 support local Net Zero transport delivery?

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Glossary of terms

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<th>Abbreviation</th>
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<tr>
<td>BSIP</td>
<td>Bus service improvement plan</td>
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<td>CCC</td>
<td>Climate Change Committee</td>
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<td>CO2</td>
<td>carbon dioxide</td>
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<td>CRSTS</td>
<td>City Region Sustainable Transport Settlements</td>
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<td>DfT</td>
<td>Department for Transport</td>
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<td>DLUHC</td>
<td>Department for Levelling Up, Housing and Communities</td>
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<td>EV</td>
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<td>EVHS</td>
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<td>Local Cycling and Walking Infrastructure Plans</td>
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<td>Local EV Infrastructure Fund</td>
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<td>LTP</td>
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