

TRANSPORT POLICY ADVISORY GROUPPG/35/T/75FIRST REPORTMethod of Approach

It was decided to conduct the task in two stages:

- (a) Analysis - focus on the main problems so as to achieve the right overall perspective before examining the problems in detail.
- (b) Determination of solutions in the form of co-ordinated transport policy.

In reading this interim report it is necessary to have consulted the recent brief on Transport and Roads which was prepared bearing in mind the views expressed at various meetings of our Advisory Committee. In view of the length of that brief and the very full and detailed separate report on Rural Transport, these comments will, as requested, be short.

We accept that the present level of public spending on Transport is as high as it can be in view of the economic situation. Present methods of subsidies in this field are often indiscriminate and in some cases duplication can be found. The emphasis must be on better value for money. To this end we make the following points:

1. RAIL

The frightening escalation of subsidies to British Rail must be halted and reversed and we suggest that the cost of running a particular service should be separated from infrastructure and capital costs, i.e. track, signalling, maintenance. By this breakdown it will be possible to arrive at the true day-to-day costs of running each service.

It must be accepted that our transport system can no longer be based on the assumption that rail is the most important element. As it is a "fixed track system", it lacks the flexibility that can be provided by other means.

The aim must be to move to specific subsidies, rather than the present system.

## 2. ROADS

There are still parts of the national network which should be given priority as far as completion is concerned, particularly roads such as those to the ports, which show a high economic return.

There must be no emphasis on building urban roads, other than by-passes and relief roads. To protect the environment, the policy of removing the goods vehicle from unsuitable roads and from our towns and villages must be given preference over the needs of the private motorist.

## 3. THE MOTORIST

It is our intention to submit later a special report on this. The only comment we would make is that without clobbering him, some restrictions are bound to be considered, particularly in our larger towns and cities. To this end, public transport must be made more reliable and attractive. A move also to encourage shared transport cannot be long delayed.

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#### 4. PORTS

It must be in the national interest to encourage development of the smaller ports. There can be no sense or political realism in extending those larger ports which have such a bad record. There is also a strong case for the most careful study of the need to develop the concept of industrial ports.

#### 5. MAPLIN AIRPORT AND THE CHANNEL TUNNEL

There is no justification for continuing with either of these projects in the foreseeable future.

#### 6. LOCAL AUTHORITIES

We are concerned at the way in which certain authorities are interpreting their new responsibilities. To avoid the misapplication of increasingly scarce resources, the closest possible monitoring is essential.

In view of the energy crisis and the highly expensive precious resources such as oil and coal, it is more important than ever to use the existing transportation system fully, and to that end we will present in our report next year our suggestions for an overall transport policy.

25th July, 1975.

Transport, in one form or another, concerns most of us nearly every day of our lives, whether we live in towns or in the country; in our work and during our leisure time. It consumes vast sums of money, both public and private. Last year public spending on transport amounted to £1,700 million. Private spending was very much higher, with individual spending amounting to nearly £6,000 million. Never before has there been a greater need for a balanced and co-ordinated transport policy, but, not surprisingly, there are wide differences between the Conservative and Labour Parties' approach to its formulation.

The Conservative Approach

Conservatives believe that freedom of movement should be the keynote of transport policy. This means:

- Maximum freedom of movement for passengers and freight.
- Freedom of competition between the providers of transport, and
- Freedom of choice for the customer.

We have recognised, however, that no transport policy can be based on unbridled freedom; and that in order to safeguard the quality of life in its broadest sense, some constraints are necessary. To this end, therefore, the last Conservative Government framed their policies so as to take more account of

..... / three crucial aspects:

three crucial aspects:

- (1) The environment.
- (2) Safety.
- (3) Social Need.

Shortly before the February 1974 Election, the Conservative Government announced their intention of publishing a White Paper setting out a co-ordinated transport policy. This would clearly have been based on the theme, reflected in our October 1974 Manifesto, of preserving "a proper balance between the interests of road and rail transport and between those of the private motorists and public transport".

#### Labour's Record

For all their criticism of the last Conservative Government and their oft-repeated commitment to the integration of transport services, Labour have failed to produce any overall policy. Instead they have tackled a number of aspects in a piecemeal and unco-ordinated manner:

- Their Road Traffic Act 1974 omitted very important provisions contained in the Conservative Bill (lost as a result of the February 1974 Election) designed to improve transport in rural areas, and in spite of their Manifesto pledges in this respect, they have produced no proposals so far.
- They have imposed a 40% cut in the road building programme - including a reduction from 3,500 to 3,100 miles of the Conservative Government's planned network of high quality strategic routes - one of whose principal aims was to free  
..... / a large majority of

a large majority of historic towns from through traffic, particularly of heavy goods vehicles.

- Their Railways Act 1974 provides subsidies which have been estimated to amount to some £2,800 million over five years (The Guardian, 14th June 1974), and which, according to Mr. Mulley, Labour's Minister for Transport, may have to be provided at the expense of other transport services which "could be contracted as a result".

These three examples alone serve to demonstrate Labour's complete failure to heed their own advice, and to introduce proper co-ordination into transport planning.

#### The Changing Scene

// We must now take into account a number of fundamental changes which affect transport no less than other aspects of the pattern of our life today. These include such problems as energy, our zero growth rate, inflation running at about 20%, trends in the incidence of car-ownership, and the problems of overmanning in labour-intensive industries such as the railways. All these combine to increase the urgency, the inherent conflicts, and the complexity of evolving a balanced transport policy. Against this background we have to determine the true ingredients of this balance so as to make the best use of our resources, and, wherever possible, to reduce the vast expenditure involved, while improving the conditions in which transport operates. Some of the more fundamental problem areas are discussed in the following paragraphs.

The Balance Between Road and Rail: Here we have to recognise a number of hard facts. First, that 90% of all passenger transport ..... / and 85% of our freight

and 85% of our freight travels on the roads. Secondly, that most road freight travels short distances - 93% goes less than 100 miles - and is in fairly small consignments. For such traffic rail is neither economic nor practical, and the reality is that, while for long hauls of bulk traffic the railways have the advantage in both volume and speed, nothing can compare with road haulage for rapid and flexible door-to-door operations, especially since a great many factories, warehouses and shops are some distance from the nearest railway station. Similar arguments apply to passenger traffic where the railways are best suited to coping with heavy commuter flows and fast inter-city journeys. It is prudent, therefore, to maintain a proper perspective by regarding these two modes of transport as complementary - each having an important part to play in the national economy. The corollary here for the railways is surely that rail investment must be designed largely to maintain and improve the existing system so that the railways can cater more efficiently with traffic which is best suited to them. In this connection it is now generally accepted that there is no viable railway network, and that any significantly smaller network might require even greater financial support than the present day railway of 11,500 miles. When it comes to deciding how to subsidise our railways there is a fundamental difference between Conservative and Labour attitudes. We recognise the need to identify the loss-making elements of the system and then to decide on the level of subsidy on the basis of social need - taking into account the increased responsibilities and powers of local authorities in this respect. Labour prefer to provide what  
..... / virtually amounts to

virtually amounts to open-ended subsidies for the network as a whole. In the recent debate on Transport Expenditure, Mr. Marcus Fox, Opposition Front-Bench Spokesman on Transport Matters, said:

" . . . since 1970, subsidies to British Rail, in real terms, have risen by 126% with no visible sign of an increase in traffic back to the railways. . . . we all know that the [rail] subsidies amount to £450 million or £500 million. It is questionable whether a system that provides only one-tenth of Britain's transport should receive more than half of what is spent on roads".

[Hansard, 1st May 1975, Col. 783/4].

And as Mr. Timothy Raison, Chief Opposition Spokesman for the Environment, said in a recent debate on the Railways:

" . . . the fear is mounting that the situation is getting completely out of hand and that the Railways Act 1974 is providing a bottomless pit of subsidies".

[Hansard, 14th April, 1975, Col. 109].

#### The Balance Between Public and Private Road Passenger Transport

According to "Inland Transport in Great Britain" (Central Office of Information Paper No. R5633/74) "In the third quarter of 1973 there were 17 million vehicles licensed for use on the roads. Of these 13.5 million were motor cars, 1 million motor cycles, scooters and mopeds, and 1.7 million road goods vehicles; about two-thirds of the 77,000 public road passenger vehicles (excluding taxis) were publicly owned. Private ownership of cars

..... / has been growing rapidly



has been growing rapidly for many years and the car is now the most popular form of travel within Great Britain". It is no accident that people choose to spend larger sums on their cars; they value their time and their freedom to move about. But an article in the Daily Mail on 30th April 1975 suggested that it is now costing over £1,000 a year to run a medium-size saloon car. This, and other factors, led Mr. Fox to state:

"I view with suspicion the recently published report of the Government's Transport and Road Research Laboratory which suggested that, despite everything, car ownership and the use of cars is likely to rise to the end of this century at rates not far different from those anticipated before the energy crisis arrived. I cannot swallow that statement. I have a feeling that recent events have given a further push to those people who are asking whether they can afford to run a car".

(Ibid., Col. 780)

But however the trend in car ownership evolves, there will continue to be a need for good bus services, especially for those who are entirely dependent on them. They must, however, be efficient, reliable and as cost-effective as possible. The bus industry is in a parlous state at present - as the National Bus Company's recently reported annual deficit of £15 million clearly shows. The need for improved public transport is common ground between the main political parties, but, as elsewhere, there are differences in their approach to the problem. There are also, of course, fundamental differences between the problem of rural areas  
..... / and those of urban

and those of urban areas. In the case of towns and cities the main hazard to efficient bus operations seems to be traffic congestion - to which private cars contribute disproportionately to the numbers they carry. But here we have a "chicken and egg" situation. Rather than resorting to coercion, or even undue deterrence of car users, we would prefer to make the alternative, in the shape of public transport, more attractive and thus persuade the motorist not to bring his car into busy urban areas. But the bus alternative can only be attractive if it operates efficiently and reliably, which it cannot do unless traffic congestion is reduced. To break the deadlock the best short-term solution would seem to lie in the direction of extending "park and ride" schemes which have been introduced so successfully in some areas.

In rural areas the problems are entirely different. It is not generally realised that rural bus services already enjoy very considerable financial support. For every £ that a local authority provides, the Government can provide a further £, and the local authority's contribution is eligible for rate support grant. Even so, rural bus services are far from satisfactory, and this is why, in their Road Traffic Bill, the last Conservative Government, after close study of the problem, introduced proposals to improve public transport in rural areas. Unfortunately, the Labour Government, in their Road Traffic Act 1974, omitted these provisions despite strong Opposition pressure in both Houses of Parliament.

## Roads

No transport system can operate without an adequate road system. Yet the Labour Government have reduced from 3,500 to 3,100 miles the Conservative Government's planned network [see above]. This programme was to include a further 1,000 miles of motorway; but motorways, for all their advantages, can cause serious problems to the urban areas they serve, unless proper provision is made for the traffic they generate. The solution of large-scale urban road building has been abandoned in favour of the construction of by-passes, which will allow, inter alia, the introduction of a proper country-wide system of lorry routes. As Mr. Fox said in the recent debate:

"We must take the view that a look at our motorway programme is necessary" on the basis that in the case of by-passes and other alternatives "selective improvements can achieve the same objective".

[Ibid, Col. 783].

## The Way Ahead

The purpose of this brief analysis has been to focus some of the main problems in the transport field which require urgent resolution. Its conclusion reflects its preamble - that the key to solving these problems must lie in the formulation of a balanced and co-ordinated transport policy. Thanks to the Conservative Local Government Act 1972, local authorities now have much more responsibility and autonomy in devising their transport policies and allocating resources. Experience has

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already shown, however, that local authority expenditure in this respect, as in others, needs to be carefully monitored to ensure, for example, that subsidies are not mis-applied in ways which, for largely political motives, tend to deflect their contribution to solving the overall problem.

As a first priority, therefore, we need to extend to the national level the comprehensive approach now practised at local level, so as to make better use of (and wherever possible to reduce) the vast amounts of money and resources involved - and, by so doing, restore efficiency to every facet of transport for the benefit of all sections of the community.

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RURAL TRANSPORT

The problems affecting rural transport need little amplification. The country is faced with a reduced number of services and requests for higher subsidies from the bus companies to maintain even a reduced level of services, let alone what exists today.

Meanwhile, in the villages many people are becoming increasingly cut off from communication with the outside world, whether it be Government Departments in nearby towns or essential visits to their doctors' surgeries or the chemist's shop.

As there is a movement of the young from many rural areas, an increasingly elderly population finds that the economic situation restricts their ability to provide their own private transport, and too often there is no public transport for back-up. There is little doubt that the situation will continue to deteriorate even though, following the 1972 Local Government Act, a clear responsibility now lies with the County Councils both to assess the problem and to deal with it locally.

in mind three considerations:-

1. The existing services should be saved and extended wherever possible and not undermined, although re-arrangements may be necessary.
2. The level of subsidies should be kept down to a minimum but not indiscriminately cut. Re-organisation of services is the key to a better use of public money.
3. The labour costs of public transport are up to 70% of the total cost. Therefore the size of vehicle, be it car, minibus or double decker, is often only a marginal factor in the total cost of providing a service.

Suggestion 1:

Integration of vehicles used for school journeys and public services

There is little doubt that ample vehicles exist to provide a better public transport system. There is a considerable degree of under-utilisation due to the high demand at peak periods and the effect of the shorter working week coinciding more with school hours, which has tended to exacerbate the problem.

We believe that the key to improvement in the short term, which will not involve high subsidies, must be better integration of school buses with other public services. Already some existing rural services are being maintained, albeit at a loss, because the operator has been able to combine it with profitable school journeys. One such operator in Northamptonshire considered that eight out of his total fleet of twenty-two buses would be available to operate rural service schedules if suitable school contracts were available. Even if the number of such services entailed some small subsidy, it would be considerably less than the amount needed to maintain the public service on its own.

1 (a) More effective co-ordination at County level

The provisions of the 1972 Local Government Act in relation to ~~transport services~~ interpreted in a very piecemeal way. Some counties have taken the trouble to recruit enthusiastic and very capable officials to co-ordinate public transport. Unfortunately, neither does it appear that sufficient trained staff are readily available nor does the officer responsible usually hold a sufficiently high position in the hierarchy to bring about the necessary degree of co-ordination. As the key to any substantial improvement is the effect of marrying public transport used to convey children to and from school with a more general service to the public, Education Departments will have to give up some of their independence over the arrangements for school journeys. It is, however, felt that whilst counties are responsible for their own administrative structure, the Government should advise that the position of Transport Co-ordinator probably needed a more senior position in the hierarchy.

1 (a) contd.

The alternative to an officer of the County Council being the co-ordinator is the use of the National Bus Company acting as the Agent of the County Council. This seems to work well in some areas, e.g. Cheshire, but is probably not capable of universal application because of the degree of involvement of small private operators and also the attitude of such operators to the N.B.C.

1 (b) Review of Seating Rules

Where a vehicle is used solely for conveying school children, three children are allowed to a seat built for two adults, but if the vehicle becomes a stage vehicle this is not allowed. If room is to be made on school buses it seems that this limitation should be removed.

1 (c) Review of maintenance standards

Whereas the standard of maintenance on all vehicles used for school transport should be of a high level, there is a case for allowing a lower standard of trim, i.e. state of seats, which would allow a longer life for the vehicles, as it is felt that the present standards are higher than is necessary.

1 (d) Consideration of staggered hours

Although in many rural areas it is impossible to make much alteration in the timing of school buses, where some staggering of school hours is possible this should be considered by local Education authorities in spreading the peak period to allow greater utilisation of available vehicles.

1 (e) Action on Thatcher Working Party Report

It is felt that the time has come to put into effect the recommendations of the Thatcher Working Party on school transport. A specific proposal that all children should pay a flat fare regardless of the distance travelled seems most fair because most parents have no say in where their children go to school, and therefore the distance from it seems irrelevant. Whilst this would mean that many more children would probably use public transport, at least the demand would become more

1.(e) contd.

identifiable, and although some parents would have to pay for transport, which is at the moment provided free, proposals which we support would remove many of the anomalies of the existing situation. The difficulty appears to be one of collection of fares, but it was felt that it was probably better to adopt a termly pass system which would be paid by parents.

2. Better Co-ordination between Counties

Making the Metropolitan Districts and County Councils responsible for their T.P.P.s has had at least one defect in relation to dealing with the problems of rural transport. Counties are rarely natural transport units. There appears to be no effective machinery subject to democratic control for co-ordinating the needs of those who have to cross County boundaries.

At the moment the Traffic Commissioners control licencing, but the County Councils have responsibility for the overall planning, and their Association is now asking for more say and indeed more control of licencing in order to co-ordinate their own transport activities. This does not answer the problems of the overall network unless a high degree of co-operation is obtained between local authorities. The problems of the present situation are highlighted by cases where in adjoining counties ~~the same routes are operated by different authorities~~ suggestion for effectively dealing with the problem where many routes cross county boundaries would appear to be to invite the local N.B.C. to draw up proposals on an agency basis for the County Councils. In the current situation this would probably lead to quicker action.

3. Private Cars

We consider that the proposals of the Road Transport Bill 1974 with regard to amending the law in relation to giving lifts in return for a contribution towards running costs should be effected as soon as possible. This, from our investigations, would have little effect on the present level of public services, as evidenced during the months under the Emergency Regulations, when such activities were allowed (indeed the



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relaxation was only ended this year). We consider that once this is achieved much greater use can be made of what are called "Social Car Schemes". At the moment these tend to be restricted to certain classes of individuals and are provided by certain organisations such as the W.R.V.S. County Councils vary in their attitudes towards supporting such schemes, sometimes paying <sup>normal</sup> ~~normal~~ mileage allowances and other times paying larger amounts. The difficulties over licencing prevent a greater contribution being made towards rural transport problems.

There seems to be no reason why feeder services from outlying communities to meet buses on existing routes should not be experimented with. This would not compete with the bus companies and would in fact be a means of providing them with extra passengers. It would further mean that bus routes could often be more direct and therefore quicker rather than having to meander through small villages, which does tend to discourage those who want to move rather quickly. Such a scheme of feeder cars could be arranged locally by a Parish Council or a voluntary organisation, and the mileage allowance paid for by the user alone rather than the existing system of subsidies from the County Councils.

The way we anticipate the scheme working is through a rota of ~~private individuals who would be available at a fixed time to convey~~ people in the village to meet the bus on a nearby route. A centralised point or telephone number would be contacted, say the night before or early morning, so that the extent of the demand would be ascertained. The only difficulty we can see with this proposal is that it could prejudice the existing operations of taxi and private hire operators: we do not believe that this is everywhere of significance but it would need some investigation before services were installed.

How far the private car, in a more public use, can be employed to relieve the problems in rural areas will depend upon how much more orthodox public transport already exists. Where there are no nearby bus routes or where buses only run on one or two days a week, the principle of the use of the private car could be extended.

#### 4. More Flexible Licencing

The proposals of the 1974 Road Transport Bill in relation to minibuses now seems a little less attractive. This is because the savings on using the minibus are not as great as some people imagine and there is a danger that by the widespread use of such vehicles on a de-licenced basis they would constitute unfair competition to the existing operators, who, if forced out of business, would then reduce the overall network of public transport. There is also the Road Safety aspect, e.g. many schools are buying and using coaches or minibuses which are only subject to the annual M.O.T. Test and the drivers of which need only a normal driving licence. The result is that there are undoubtedly some very dangerous vehicles driven by inexperienced persons on our roads, and it seems desirable to consider the minimum requirements of inspection and maintenance and even perhaps of driving licences for such vehicles.

Nevertheless, the key to rural road services will mean encouraging new operators to come forward. However, there would appear to be a need for greater encouragement for experiments and pilot schemes and of resisting the blanket objections of the N.B.C. and its subsidiaries to many of the applications for public vehicle licences on existing routes. There is no doubt at the moment that although the Traffic Commissioners are able to grant new licences there is a feeling both at local authority ~~and at the N.B.C. level~~ done in this direction to encourage the supplementation of existing services or even the introduction of new ones.

However, rather than early moves towards de-licencing, perhaps the emphasis should be put for the time being on alterations in the way in which public vehicle licences are granted, i.e. perhaps the Association of County Council's proposals, that County Councils themselves should be able to control such licencing, should be considered. This would leave the Traffic Commissioners with powers on fares and standards of maintenance, etc.

Whilst it is possible that de-licencing may well make a contribution, more research is necessary into the effect of proposals on existing networks. In the meantime more experiments such as that being undertaken in Norfolk,

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where the County Council is supplying and maintaining a vehicle which villagers themselves manage and operate, would appear fruitful. One change that could be considered would be an amendment of the provisions of the 1968 Transport Act which precludes the use of school transport vehicles owned by County Councils being employed out of school hours to carry fare-paying passengers. We do not think that this should encourage County Councils to run what would in effect be their own bus services. We feel that in the future they should be discouraged from purchasing their own vehicles and should rely on the greater co-ordination of the N.B.C. and the private operators. Nonetheless, for those vehicles already in use it appears very wasteful that they should operate for very limited parts of the day and year.

5. Post Buses

The post bus scheme appears to be the most popular alternative form of public transport system being adopted by some counties, and a number of new services are already being negotiated by the Post Office. The cost of providing such a service is relatively small, indeed in a number of cases counties have found that the services have become self-financing. There are, however, obvious limitations on the number of passengers that a post bus can carry and on the timing of such services, and the collection and delivery of mail must take precedence bearing in mind that there have to be connections with mail trains. This means that routes are roundabout and that transport is necessarily slow, to enable the collections and deliveries to take place. Fears are expressed that the Post Office does not yet have the necessary planning resources to develop the system, but it is at the moment preparing a national costing scheme for post buses, to enable them to ascertain the level of subsidy they would require from counties. When this is to hand County Councils will be able to decide the scale of contribution that post buses can make to the problem.

6. Subsidies

To advocate the abolition or severe cuts in subsidies would only mean the wholesale cut-back of whatever public transport now exists. Furthermore,

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it is felt that if there is to be an overall limitation on the amount of money available to local authorities, there is the danger of a sudden alteration in what is available to subsidise local transport services. This could have an adverse effect upon operators who may have been encouraged to buy vehicles and employ drivers. One alternative source of income for very local services might be for County Councils, when being forced to limit their subsidy, to approach Parish Councils to see whether a local addition to the subsidy should be paid from the Parish rate (this pre-supposes that parish rates will continue).

On the question of subsidies for concessionary fares for O.A.P.s, it is strongly felt that these should be on a national rather than a local basis, to avoid the anomalies which currently exist.

We further considered whether before any subsidy was granted the services involved should be put out to tender for other operators. This suggestion was opposed by officials of the N.B.C., who felt it would encourage too many short-term operators, and although many services might be installed and would run for even up to two or three years, in the long run they would probably fail because too many operators would start by subsidising such operations from their other activities and would not be able to maintain them. This would undermine the existing network, which would result in an overall reduction in N.B.C. services, and when the new ones failed the public would be left with a vastly inferior transport system. They felt that even if experiments might be tried with adequate safeguards the problem remained as to how these safeguards could be obtained. Nevertheless we feel that the possibilities should be further investigated, as despite what the N.B.C. says, in fact they do have to consider individual services when making cuts, and just as the loss of an individual service can affect the whole network, so conversely the interests of the network can and do affect the operation of individual services. Very often a bus runs at a time which is manifestly inconvenient to the people living along its route. There seems no reason why some other operator should not be allowed to put forward plans for providing a service when the use of considerable public funds is being considered.

## CONCLUSION

We have come to the conclusion that especially in the current economic climate no startling improvement is likely, nor can any new piece of legislation completely transform the present situation. On the other hand, we feel that this study has been useful in outlining areas where important decisions should be made to effect improvements. At the same time, we have been able to dispose of the many misconceptions which have crept into discussions on this subject.

## SUMMARY OF PROPOSALS

1. Much greater use of all vehicles, particularly school transport, achieved by:-
  - (a) More effective co-ordination at County level
  - (b) A review of the existing seating rules
  - (c) Review of existing maintenance standards
  - (d) Consideration of staggered hours
  - (e) Action on Thatcher Working Party recommendations
2. Better co-ordination between counties, particularly by using the ~~on an agency basis~~
3. Greater use of the private car, particularly through Social Car schemes and feeder routes.
4. More flexible licencing, particularly on issue of licences for vehicles at present prevented from acting as stage carriage services.
5. Greater use of post buses, particularly because of the low subsidy often needed.
6. Much more selective use of subsidies, not by withdrawing them but by putting them on a fairer basis and perhaps using them to encourage re-arrangement of services and new operators to come into the field.

25th July, 1975.