

C|B|I



Commuting beyond the Coronavirus

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Introduction

The coronavirus pandemic has had a dramatic impact on how people and businesses operate day-to-day, not least in how they approach travelling to and from places of work. Attempts to contain the disease have had an instant and unprecedented effect on working patterns all over the country, with the lockdown and increased working from home dramatically reducing use of networks and demand for public transport.

The response to the crisis has shown the ability of policymakers, businesses and the public to adapt quickly to change. Some of the changes to commuting practices will be temporary, reflecting the extraordinary circumstances of the pandemic. But others will be more permanent, reflecting an acceleration of business transformation and changes to the way we work. It is likely these shifts will continue to impact commuters' lives in the years ahead.

As lockdown conditions ease and more parts of the economy start to reopen or scale up, new challenges will arise associated with the increasing number of journeys being taken for both work and leisure. To meet these challenges, government, transport operators and businesses will need to work together to ensure that transport networks can run safely, commanding the confidence of the public as they do.

Coming out of the crisis, it will be important that well-used public transport networks return to their essential role providing affordable alternatives to private vehicle travel. Recognising people have legitimate safety concerns at present, without a wide scale return to public transport, congestion will increase, driving down productivity and increasing emissions as a result.

Transport will continue to enable the economy, and connectivity will continue to be a driver of productivity, providing businesses with better access to skills, customers and supply chains. At the same time, policy makers must also anticipate and adapt to the longer-term shifts in working patterns that are starting to emerge and that may well stick beyond the current crisis. As the UK seeks opportunities to 'build back better' there is an opportunity to create commutes that are more reliable, affordable, and environmentally sustainable. This will mean building vibrant cities and town centres that have a mix of both public transport and active travel options, offering choice to users. All these changes will help to drive economic growth.

As part of a wider campaign exploring the "Future of Commuting" with our partners, KPMG, this paper takes stock of the changes we have seen in working practices and use of transport networks in recent months and what they will mean for policy going forward. It focuses on the steps businesses and government can take now – both to successfully manage journeys to work during the economic restart and to prepare for better commutes in the future.

- *Coronavirus has prompted long-term shifts in working patterns, reductions in transport use and unprecedented interventions to support operators*
- *Government and industry must collaborate to safely restart the economy and rebuild confidence in public transport networks*
- *As part of 'building back better' from the pandemic, future commutes must be greener, more reliable and more affordable*

Summary of recommendations

The following recommendations set out how the government can create the right environment to support public transport operators and work with businesses to restore confidence in the use of public transport as we think about the future of the commute following the pandemic.

Recommendation 1: While maintaining a health first approach, the government should proactively encourage increased use of public transport.

Recommendation 2: Businesses should undertake regular reviews into their workforce travel patterns, eventually making it common practice, and communicate these findings with local decision makers.

Recommendation 3: At a national level, the Department for Transport should play a coordinating role in centralising real-time public transport data for public distribution.

Recommendation 4: The government should continue supporting transport operators to keep services running as demand recovers from the crisis.

- For the railways this should include extending and revising the Emergency Measures Agreements for rail services for a further 18 months. The agreements should incentivise efficient service delivery by the private sector and promote greater collaboration between Network Rail and Train Operating Companies.
- For bus operators, a carefully targeted approach should be taken to support, providing operators with the stability they need to provide services notwithstanding slow recovery in demand.

Recommendation 5: The government should continue to accelerate infrastructure investment plans, as outlined in the March 2020 Budget, with decisions drawing on findings of the Green Book Review to ensure additional spending delivers long term value for commuters.

Recommendation 6: The Devolution White Paper should be used as an opportunity to consider how local decision makers can be empowered to plan, design, and deliver transport systems that work for residents and business.

Recommendation 7: As a starting point, government should create a one-off fund of £90 million to support the roll-out of high capacity digital ticketing systems on rail services. This should come alongside the roll-out of "tap in and tap out" style "multi-modal" fare options across the UK.

Recommendation 8: Local authorities should work closely with Local Enterprise Partnerships to plan the allocation of new active travel infrastructure, such as walking and cycling, in a way that will see the greatest uptake by commuters and support public transport networks.

Recommendation 9: Government should scale up investment in electric vehicle charging infrastructure in those localities where the market will not deliver and introduce a "net-zero mobility credit" scheme to incentivise the switch to low emission transport, including zero-emission vehicles.

Recommendation 10: The government must publish its Decarbonisation of Transport Plan and National Bus Strategy by the end of the year.

Commuting during the crisis

Coronavirus has prompted long term shifts in working patterns, reduction in transport use and unprecedented interventions to support operators

To successfully design a strategy for how transport can support different phases of the economic recovery, it is important to acknowledge how significantly business practices and use of networks have changed because of the pandemic. The lockdown forced many businesses to stop operations entirely, more to operate at a reduced capacity, and all to adapt to new ways of working. This has had a profound impact on transport use and necessitated swift and decisive action from government to support public transport operators.

As the pandemic hit, significant sections of the economy became homeworkers overnight

Where feasible, businesses have rapidly transformed themselves to operating virtually, for the most part making greater use of videoconferencing technology. According to Office for National Statistics (ONS) only 1.7million people in the UK worked from home before the pandemic whereas during the lockdown this saw an increase to an estimated 20 million people working from their homes.¹

However, propensity to work from home varies hugely between sectors, with transport, storage, accommodation and food services among those presenting relatively few opportunities, contrasted with ICT and professional services for example.²

Differences have also emerged in the extent to which businesses have been able to operate at full capacity, either because of reduced demand for their products or services, or reduced productivity from implementing social distancing. This has resulted in widespread take up of the unprecedented Job Retention Scheme, which at its peak covered 27% of the UK workforce.³

Demand for transport dropped off a cliff

As a result of the spread of coronavirus, the resulting lockdown and the need to adhere to strict social distancing measures, millions of employees' daily travel routines were paused.

By late March this year, government data showed that the lockdown enforced to counter the spread of coronavirus had caused motor traffic to fall by 73% on pre-outbreak levels. Similarly, rail travel was down 90%, while London tube and bus journeys had fallen by 94% and 83% respectively.⁴ This was driven by the fact that the vast majority of non-key workers observed government guidance and stayed at home.

Government has stepped in to support operators

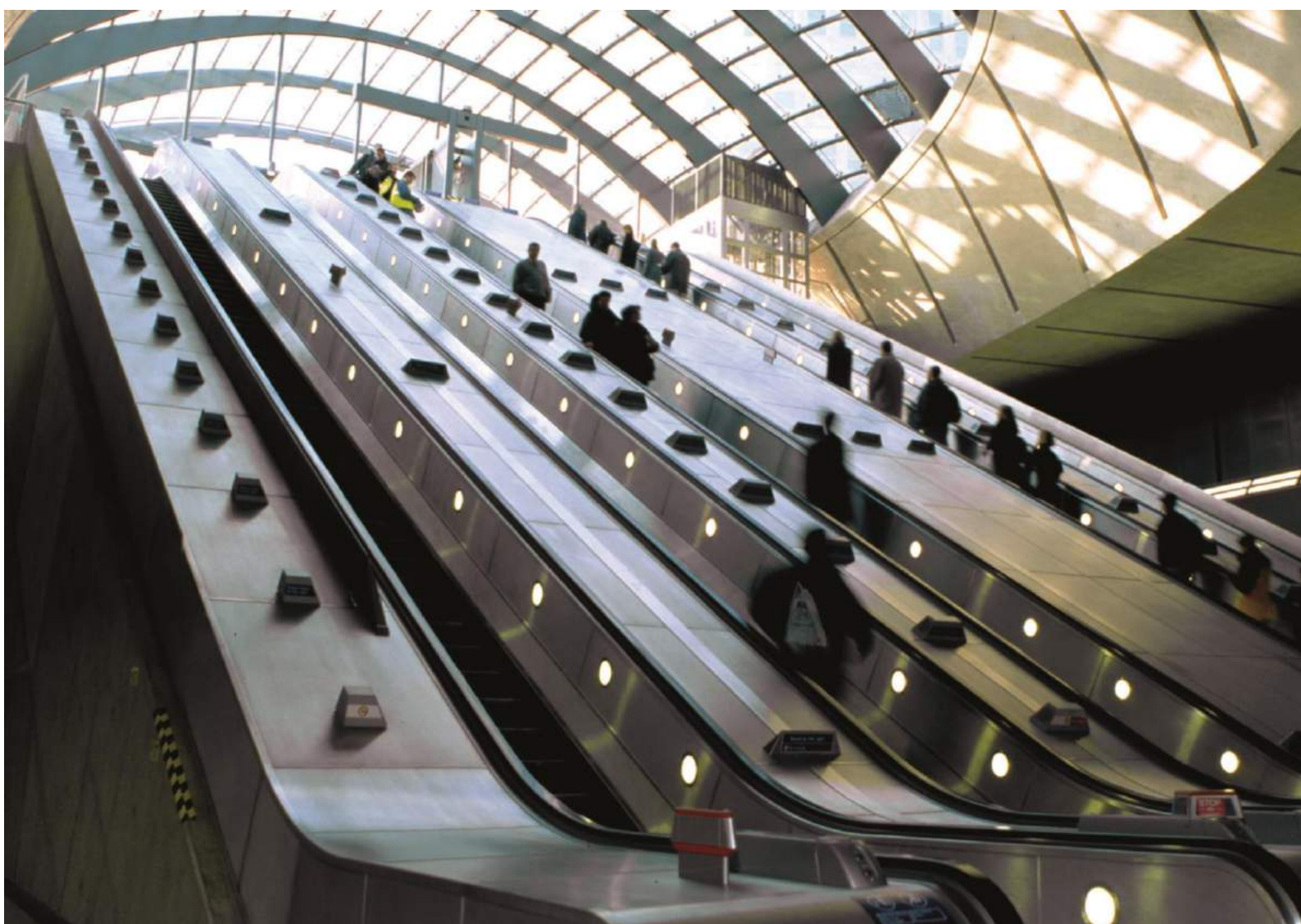
In response to this major change in commuting, alongside whole-economy interventions, such as the Jobs Retention Scheme, important solutions were put in place to keep UK transport networks running.

For the railways, the government stepped in with an initial plan to enact Emergency Measures Agreements (EMAs) lasting 6 months.⁵ This move, to give operators breathing

space by taking over revenue risks in many ways pre-empted some of the changes commentators expected to come as part of the Williams Review into the future of Britain's railways.

Beyond this, moves were made to subsidise private bus operators outside of London. This ensured key services could be maintained, and ramped up as needed, to support essential workers' travel via the COVID-19 Bus Services Support Grant (CBSSG) packages.⁶

Eventually, deals were also struck to cover some of the losses incurred by intra-city light rail and tram networks across the country.⁷ This quick action from government prevented operators and their supply chain partners from facing financial ruin. It also enabled vital services to remain operational for key workers and for parts of the economy that remained open throughout the initial period of the crisis.



Restarting commuter networks

Government and industry must collaborate to safely restart the economy and rebuild confidence in public transport networks

As we emerge from this crisis, some former commuting practices are likely to return, but while the threat of the virus remains at large in society, businesses and their staff must continue to adjust.

Learning from experiences to date will be vital in keeping the economy moving while avoiding a second wave of infections. Government messaging on safer travel will form one part of this, but businesses believe a successful restart must also include a focus on;

- *Building public confidence in using public transport and increasing the “safe” capacity of networks*
- *The role of business in managing demand on transport systems*
- *Continuing support for transport operators*

Government must urgently build public confidence in public transport use

The nature of the pandemic and initial government messaging from the outset of the national lockdown regarding public transport understandably dented confidence in using these modes.

A recent CBI/ Porter Novelli /Opinium poll, conducted in May prior to the easing of lockdown, suggested that four in ten people do not feel confident travelling to work on public transport compared with three in ten who do. Unsurprisingly this research also suggested that it is physical interventions which are likely to provide a boost to public confidence, with almost four in ten stating that social distancing would increase their confidence in the using public transport safely.⁸

Other popular measures included additional cleaning procedures (28%) and additional hygiene measures (25%). A requirement to use face coverings on public transport (33%) was also popular. With these now mandatory since 15th June on all networks in England, this may go some way in alleviating the concerns the public appear to currently have.⁹

While the Government has been clear about the need to manage down demand for public transport so that social distancing can be maintained, it will also need to ensure that people are not put off using these modes, even when the health risks have been minimised. Failing to do so would mean the many benefits of public transport – from reducing congestion, to cutting emissions, to enhancing social mobility – are left unrealised, to the detriment of local economies, the environment, and the UK’s climate change obligations.

The relaxation of the 2-metre rule- in conjunction with the reduction in the UK alert level from four to three – from 4th July has been a critical first step in this journey to restoring public confidence, as well as the operational viability of public transport.¹⁰

However, even if government messaging on public transport use shifts, feedback from businesses reveals there is some way to go before demand reaches pre-pandemic levels, as the public adjusts.

Recommendation:

While maintaining a health first approach, the government should proactively encourage increased use of public transport.

Businesses must continue to play their part managing demand on transport systems

As long as social distancing is necessary on public transport, employers must continue to play their own part in ensuring that services are not overwhelmed. Using what they have learnt from the crisis about how their employees have adapted to manage their work during lockdown, they can make better decisions about shift times, expectations for in-person attendance, and plans for staff deployment.

Many firms have had to approach this from a standing start, previously having had little cause to consider questions about how and when their staff travel to and from the work. Now there is a greater need for managers to understand their teams' footprint on public transport networks, as well as how they can play their own part in supporting demand management on overcrowded routes. This need is likely to grow as more sectors of the economy reopen and a larger proportion of children return to school.

As they begin to ask their employees to return to offices and other workplaces, especially in busy urban centres, business owners will need to take into consideration people's safety concerns. Employers may not be legally liable for their employees' safety on their journey to work, however, staff will expect them to act responsibly and be flexible.

Recommendation:

Businesses should undertake regular reviews into their workforce travel patterns, eventually making it common practice, and communicate these findings with local decision makers.

To encourage safe increased use of public transport, employers should reach out to operators and local authorities, explaining how staff and customer demand for these services is likely to change over the coming months. In this way, operators will be able to plan and more easily match demand with services. To maximise their influence over evolving strategies for commuter transport networks, these businesses should also input top level-summaries of their findings to Subnational Transport Bodies (STBs) as they draw up regional investment strategies.

To support better decision making by businesses and commuters, operators should continue to explore new ways of sharing real time information about capacity on services.

Already, the success of National Rail's warning system, alerting commuters about which trains and stations are likely to be busy has garnered positive reception amongst employers eager to ensure their staff travel safely.¹¹ Similar systems trialled by Go North East, with their "How Many Seats Are Left On My Bus" live tracking website feature, have

ensured that passengers can plan their journeys ahead and avoid high infection risk scenarios.¹²

These same alert systems may well have a longer-term application, helping employees more effectively manage their commutes, ensuring that peak time congestion on these networks is spread across the day.

There may indeed be a role for government at all levels to work with operators to centralise this data more successfully with the aim of making more detailed live-time travel information publicly available for the benefit of commuters. Real time information on public transport capacity could then be communicated to employees via display screens around the workplace.

Recommendation:

At a national level, the Department for Transport should play a coordinating role in centralising real-time public transport data for public distribution.



Case Study 1: KPMG Internal COVID-19 self-assessment

As the lockdown relaxes, managing the return of employees to the physical workplace creates an unrivalled enterprise resource planning challenge. KPMG have focused on the employee experience to support staff throughout this time.

As part of this, between Friday 22nd May and Monday 8th June 2020, KPMG undertook an Internal COVID-19 self- assessment which all UK staff were encouraged to complete.¹³

It explored a range of employee preferences regarding current working environments and returning to the office following lockdown. The results showed that 79% of staff could work at home for the foreseeable future with no issues, while 21% said they were comfortable returning to the office or client site. In terms of commuting to work, the sentiment varied across cities and based on the mode of transport: 80% of London staff worried about their commute, dropping to 65% in Birmingham and Manchester, 50% in Edinburgh and Leeds, 37% in Newcastle, 32% in Cardiff and less than 30% in locations where you typically drive to work, like Gatwick and the South Coast.

Since then KPMG have worked with employees to develop a phased return, managed with a user-friendly mobile 'Restart' app.¹⁴ This also allows for all health and safety procedures, to manage office and employee risk, to be automated within it, meaning the organisation can respond easily to any changes.

All colleagues undertake a risk assessment on the app to manage their individual risk. They can request personal protective equipment, and returnees complete a daily check-in before leaving home which confirms their health and wellbeing. Behind this sits analytics which helps to report and manage risk, employee sentiment and workforce planning.

With the increased likelihood of many staff continuing to work remotely for some time, KPMG have invested in their toolkit for home workers to facilitate collaboration. Acknowledging the need to reconfigure working space to better support this hybrid of remote and office work, the app will also be able to help manage office capacity. As a result, it will enable teams to better plan and schedule collaboration space more easily.

The KPMG Restart app is already being deployed to support several businesses on ServiceNow, Salesforce and Microsoft technologies, extending and building content into the features provided on these platforms. But KPMG and other businesses do not just see this as a short-term tool for risk assessments and office entry - they believe there will be an ongoing need beyond the coronavirus for data capture, workflows and analytics.

This includes:

- Managing workflows for people, team and location readiness and capacity.
- Providing 'access passports' tied into a quick response [QR] codes and access passes for employees and third parties.
- Delivering analytics to bring insights which support better property footprint and workforce planning considerations, and dashboards to manage these issues such as location capacity and risk across the enterprise.
- Designing these processes with the employee experience in mind, in the form of 8 end-to-end journeys covering each step of a worker's transition back to their workplace.

Government should extend its support for transport operators

In normal times, private operators play an essential role driving investment and innovation in the delivery of services, however, these are truly unprecedented circumstances. At current levels of passenger demand and with social distancing in place, almost none of the country's existing commuter services on public transport are commercially viable. The likelihood is that, while passenger numbers will pick up in the months ahead, demand is unlikely to reach pre-crisis levels for quite some time. Given the low margins transport operators were seeing pre-crisis, without further central government support, operators will simply not be able to keep their services running.

The enactment of Emergency Measures Agreements (EMAs) on the railways and the roll-out of financial support packages for private bus operators and regional transport networks has helped keep services running throughout the crisis. It is important to recognise that these are not long-term solutions. However, even without a second outbreak of the disease, there will remain considerable uncertainties over the increased use of public transport networks over the next 18 months. Over this period, the Department for Transport (DfT) should continue to balance the need to shield public transport networks from taking unsustainable short-term losses with the requirement for operators to independently prepare their businesses for substantially altered market conditions.

Operators will need support both from government and businesses to adapt to this change, restructuring services to meet new patterns in demand, while tackling inefficiencies to do this from a significantly reduced cost base. This may mean operators working towards consolidating back office services and driving fleet efficiencies.

When the initial wave of EMAs on the railways expires in late September this year, the government should work with operators to plan an extension to this support for the next eighteen months. This will mean working with the industry to evolve the current EMAs to a system where the government still takes revenue risks, but that builds in growth and cost efficiency incentives for operators. DfT could also transfer some controllable cost risks to the private sector, lightening the cost-burden on government. These moves would ensure that private companies can play a key role in accelerating recovery on the railways.

The next round of EMAs is also an opportunity to drive greater collaboration between train operators and Network Rail, improving both value for money and passenger outcomes. For example, whilst the network is not operating at peak levels of demand, trials could be undertaken to determine the efficiency impacts of giving Network Rail longer engineering possessions to complete major renewals. Passengers may now be more accepting of longer blockades, which are typically more efficient, now that the coronavirus crisis has given them greater confidence about working from home.

In addition, given the recent decline in performance on the network, most notably around Manchester and the West Midlands, this period of lower passenger uptake could be used to review and refine timetables to address some of today's performance pinch points.

Finally, it has long been considered that today's incentive regimes around train performance, based on principles of revenue compensation, have been a source of conflict rather than collaboration and have not resulted in punctuality improvements. The next round of EMAs could be used to trial new incentives which align all parties' interests around recovering the service as efficiently as possible during disruption. Government and operators should make the most of any extension to the EMAs as an opportunity to build a railway network that can smoothly transition into the model that will be laid out by the Williams Review.¹⁵

Similarly, when planning the next wave of support for bus network operators, the government will need to ensure that any changes to reduce the amount of money committed are gradual and carefully targeted. Operators will need continued support on routes that have been rendered commercially unsustainable by the crisis, but they will also need the independence required to prepare for new patterns of demand after coronavirus.

A gradual phasing of support in line with public re-uptake of bus routes will allow them to restructure their services so that they can make the most of the new environment and have the confidence needed for further investment.

There is also a need to think how the market can be supported and developed in the longer run, recognising the development of the National Bus Strategy.¹⁶ This will be important for setting out the vision for the market going forward, considering both the coronavirus related challenges that have arisen but also reflecting on the known trends in the market around patronage, infrastructure, decarbonisation and technology. The £5 billion the Government has previously outlined will be vital in achieving this long-term vision.¹⁷

Recommendation:

The government should continue supporting transport operators to keep services running as uptake recovers from the crisis.

- For the railways this will mean extending and revising the Emergency Measures Agreements for rail services for a further 18 months. The agreements should incentivise efficient service delivery by the private sector and promote greater collaboration between Network Rail and Train Operating Companies.
- For bus operators, a carefully targeted approach should be taken to support, providing operators with the stability they need to provide services notwithstanding slow recovery in demand.



‘Building back better’

As part of ‘building back better’, future commutes should be greener, more reliable and more affordable

The pandemic response has imposed new ways of working for the majority of businesses and some of these will be short-term adaptations to enable companies to ‘keep going’ amidst restricted operating conditions. However, coronavirus has also been a catalyst for businesses to look for longer term efficiencies that will stick beyond the current crisis and into a period when the virus is no longer a factor in most people’s daily lives.

What is clear is that, even if it were possible, businesses have little desire to revert to all the norms of the pre-crisis economy. Instead they are energised by the opportunity to ‘build back better’ to improve our economy and society to be fairer, more inclusive and more sustainable. For commuting, this means recognising longer-term trends impacting journeys to work and using this as an opportunity to design transport systems that help the UK transition to a better connected, decarbonised and rebalanced future state.

This is a complex and difficult task for policy makers and business, particularly as it is not yet clear exactly how companies will emerge from the crisis. However, there are some areas where consensus on the required changes is becoming clearer, and where policy changes can be proposed more confidently:

- *People are likely to work more from home but transport connectivity will remain an important driver of productivity and prosperity*
- *Public transport offerings need to modernise to better meet customer demand*
- *Future commutes must produce fewer emissions and help set us on a path to net zero*

More people will work from home, but transport connectivity will remain an important driver of productivity and prosperity

One of the most fundamental changes we are likely to see is more people choosing to work from home where this is feasible. In recent months, flexible working practices coupled with technology have proved to be key enablers in continuing to operate without the need to be based in a single location. In turn employees have recast their expectations of work, with this shift allowing for greater flexibility to accommodate additional responsibilities such as childcare or time gained from no longer undertaking the daily commute.

While some of this change has been borne out of necessity, it is fair to say that businesses have been positive about its impact and economic commentators have suggested that productivity has fallen less than expected as a result.¹⁸

One likely outcome of this structural shift is a reduction in office space needed by businesses in the future. While the scale of this change is not yet clear, anecdotal evidence from CBI members suggests that some businesses are planning to downsize by as much as 40%. Others believe they will no longer require any of their own workspace at all and will use shared space in town and city centres on a more flexible basis when they need it.

As this picture becomes clearer, it is essential that local authorities and businesses plan proactively to reshape places where the demand for workspace has decreased, particularly in urban centres. Carefully enabling the conversion of commercial space to residential is likely to be an important tool in town planners’ armory during this period.

But while a more permanent shift towards home working seems inevitable and should be planned for, policy makers should be preparing for changed commuting patterns, rather than the end of the commute altogether. The benefits of agglomeration are likely to remain, so local economies will still require improved transport connectivity to boost productivity and prosperity.

Indeed, while economic commentators have heralded how homeworking has limited drops in productivity during lockdown, it is still likely to have dropped to some extent at the company level.¹⁹ This will be particularly acute in those sectors where working from home is simply not possible such as retail, hospitality and manufacturing. From the competitive edge of doing a sales pitch in person, to the intangible benefits of hearing workplace conversations around you, there are some clear advantages of working with others at the same location.

Regular commuting will therefore continue to be a reality for a large proportion of people, even if it is technically feasible for them to work at home. That being the case, the imperative to improve connectivity that existed before the pandemic remains today.

In fact, to some extent the pandemic has served to underline this importance, for example in the efforts made to ensure that essential workers could get to work safely with a reduced provision of public transport. Reduced connectivity in the lockdown has disproportionately impacted workers on lower incomes within urban areas, who were less likely to be able to work from home, more likely to rely on public transport and who have not had access to a private vehicle.

Planned investment in commuter infrastructure should be accelerated, recognising the potential for new projects to support government's ambition to 'level-up'

To ensure that the crisis does not hinder improvements to commuter services, government should deliver on the investments in commuter transport networks outlined in the March 2020 Budget. Given the potential for unprecedented levels of unemployment, fast and effective delivery on the government's promised £100 billion of additional capital investment over this Parliament will be an effective stimulus, creating jobs and improving commuter connectivity.²⁰

The Prime Minister's recent commitment to inject £5bn of capital to accelerate infrastructure delivery this year has been welcomed by businesses across the country as a clear step forward.²¹ Similarly, the Chancellor of the Exchequer's Summer Statement has reassured businesses across the country that infrastructure investment will remain a clear focus of this government's efforts to restart the economy.²² It will be important that this momentum is maintained across the Parliament and throughout the UK's economic recovery from Coronavirus.

To guarantee that this investment delivers the greatest support for the UK's recovery, the Treasury's upcoming review of its Green Book, as announced in the March 2020 Budget, should be used as an opportunity to rethink the criteria for measuring the benefits of investment, and how it is applied.

As a new wave of infrastructure is planned to stimulate economic growth, this should include a focus on how, following the end of this crisis, the wider value of these investments will be experienced by commuters. This should mean ensuring investment in commuter transport infrastructure reaches areas of the country where it can have the greatest economic impact as part of efforts to 'level up' the country. It should also capture the potential for realising wider benefits, such as reduced emissions and improved regional connectivity.

This investment does not necessarily need to take the form of new projects. Rather, it could involve looking at how current schemes in sectors such as rail and highways might be accelerated. This could involve reviewing approaches to design and standards,

governance and assurance, as well as the legislative framework for planning and environmental issues. It may also be worth considering that passengers and users could have greater tolerance for periods of prolonged disruption during which infrastructure enhancements can be delivered more efficiently now that coronavirus has increased people's confidence around home working.

Recommendation:

The government should continue to accelerate infrastructure investment plans, as outlined in the March 2020 Budget, with decisions drawing on findings of the Green Book Review to ensure additional spending delivers long term value for commuters.

Local decision makers must be empowered to plan, design, and deliver transport systems that work for residents and businesses

This period has also shone a spotlight on the complexities of our transport governance system. Whilst DfT provided national guidance and support, some local areas struggled to take decisions about transport during the crisis due to resource challenges. In contrast, other areas with clear responsibility over transport planning and delivery, or with strong sub-national/regional transport bodies, benefitted from analysis conducted to help manage demand and safer travel.

This has highlighted that with devolved powers local and regional transport authorities can work effectively to manage transport networks. One such example is Transport for Greater Manchester, *Case Study 2*, which surveyed 14,701 residents to understand their travel preferences before the lockdown and how they expect to travel once travel restrictions have been lifted. They used this data to inform how they could deliver services to get the city moving again both safely and sustainably.

However, as we know all too well given the patchwork nature of regional transport governance and funding, not all parts of the country have had the same capacity to respond to the events of the last few months. Rural areas, in particular, have struggled to undertake this type of proactive engagement on transport issues. This has only become more acute during the pandemic, with the list of competing priorities for funding growing and money rightly pushed towards frontline services needed to respond to the aftermath from the crisis.

Whilst there will never be a one size fits all approach to regional and local transport decision making, businesses believe that the crisis presents an important opportunity for government to look again at existing governance structures. This is essential if local decision makers are to be able to both effectively manage transport networks in the short term and tackle the current regional disparities in transport infrastructure in the years ahead

Recommendation:

The Devolution White Paper should be used as an opportunity to consider how local decision makers can be empowered to plan, design, and deliver transport systems that work for residents and business.

Case Study 2: Transport for Greater Manchester - Covid Recovery Research

The impact of coronavirus on all elements of local transport in Greater Manchester (GM) has been significant. Patronage levels on Greater Manchester's trams, trains and buses have plummeted as a result, impacting on the financial sustainability of the network and requiring government subsidy to protect core services for key workers. For Transport for Greater Manchester (TfGM), the significantly reduced levels of Metrolink farebox revenues have resulted in monthly deficits (after financing costs) of c.£5.3 million.²³

During the initial lockdown, public transport patronage dropped significantly. Bus down to 10-15%, Metrolink to 5% and rail to 3% of pre-lockdown levels. Road traffic reduced by around 60% on GM's local roads, with congestion almost disappearing.

A reduced supply of public transport is likely for the rest of 2020 at least, with significant impacts on how people travel in the future. Pre-coronavirus c.750,000 trips a day were made by public transport; and more than 63% of trips in the morning peak period (0730-0930) into the city centre were made by bus, tram and rail.

Responses to TfGM's Covid recovery survey²⁴ suggests there will be a significant shake-up in commuting travel patterns once travel restrictions are lifted, with many respondents suggesting that they will be doing less commuting in future. Estimates (based on how respondents in May 2020 anticipated travelling when restrictions were eased) suggest that commuting could be down by about 1 in 10 trips, with responses also implying a move away from the 5-day commuting week to more working from home.

TfGM has been working with businesses, local authorities, schools and other sectors to manage travel demand as Greater Manchester 're-opens'. Based on survey responses, public transport is likely to suffer the greatest loss from change in travel behaviours, with up to a 20% decline in trips estimated compared to previous travel patterns. Commuting by car also has the potential to fall by circa 10%, whilst active travel is set to rise by about the same proportion.

In fact, there are indications that there could be 50% more cycling trips for commuting after lockdown ends, and not all by stalwart cyclists either - about half of these are from people who never cycled before for their commute! Cycling also looks set to rise to be the fourth most common way of commuting; now more popular than travelling as a passenger in a car, and only just shy of the number travelling by bus.

With walking being the second most common method of commute after driving, active travel is looking popular post lockdown, and is therefore a key component of Greater Manchester's ambition to build back better and to mitigate against a bounce back to greater reliance on car travel and increases in congestion, poor air quality and carbon emissions.

To support this, GM made £5m available to councils under the Safe Streets Save Lives campaign in early May for emergency active travel measures such as pop-up cycle lanes and pavement widening, and in addition secured a further £3m from the government's emergency cycling and walking fund.

Public transport systems must modernise with customer demand

To adjust to anticipated long term changes to work patterns, operators will need to collaborate with local and national government leaders to offer services which are more clearly customer orientated.

The rail sector will also need to rise to the challenge of delivering simplified ticketing solutions, with greater options for customers to build flexibility into their journeys. In early May this year, YouGov polling data of over 2000 UK adults found that 82% of those asked thought that, if they were to return to the railways, it would be important that they buy their ticket in advance online. Of the entire surveyed group, 41% believed that the option to buy a ticket online had become more important since coronavirus had impacted the UK.²⁵

Amongst other things, this data shows how operators will need to adjust to tackle consumer concern about the dangers of spending prolonged periods waiting to purchase tickets in person at busy stations.

Building out of this challenge, the crisis should be recognised as an opportunity to complete the full roll out of digital tickets, making it safer and easier for commuters to book their journeys in advance. This process should happen alongside maintaining the option for customers to pay by cash, ensuring those without access to the right technology can use services.

On the railways a significant ‘digital gap’ remains. Considering the trips customers choose to make, around 22% of rail journeys still can’t be made by smart ticketing.²⁶ Enabling them through installing barcode machines on gatelines and bringing forward handheld scanners would come at a relatively low-cost relative to the benefit they will bring to passengers as they return to rail travel.

Similarly, bus operators, including FirstBus, have successfully rolled out digital ticket purchasing across their network.²⁷ However, there is still some way to go to ensuring that well managed cross-modal ticketing systems with high user uptake are consistently available to commuters across the country. This will mean creating systems like Transport for London’s Oyster card for “tap in and tap out” ticket purchasing across different modes of travel available across the UK. A similar model of national tap in and tap out ticketing systems has been successful across the Netherlands.²⁸ This should come alongside more developed trials of flexible season ticketing to meet new patterns of demand from commuters.²⁹

The creation of a one-off fund to support all public transport, bus, tram, and rail operators, with the complete roll out of digital tickets, as well as trials for more flexible purchasing options would not only drive a faster return to public transport, but also bring in long-term benefits for customers earlier than planned.

The Rail Delivery Group, that represents all the operators of UK rail, as well as HS2 and Network Rail, has estimated that ticketing reform will require £50m for the funding of fares trials and £40m to deliver a National Rail ‘National Back Office’.³⁰

Recommendation:

As a starting point, government should create a one-off fund of £90 million to support the roll-out of high capacity digital ticketing systems on rail services. This should come alongside the roll-out of “tap in and tap out” style “multi-modal” fare options across the UK.

Above all else, to remain viable as they meet significantly changed and less-reliable demand after coronavirus, private sector operators will need support to offer more innovative services.

Ahead of the crisis, market-led innovation for the roll-out of demand responsive bus services, such as Transport for London's trials in Ealing, had highlighted the potential for future services to be more closely designed around consumers' needs.³¹

While the government had pledged support for further demand responsive transport trials ahead of the crisis, there is now a renewed urgency to get these services up-and-running across the country.³² In the struggle to meet significantly fragmented patterns of commuter travel after the crisis, more experimental approaches to bus and rail demand matching will likely deliver important cost and time efficiencies.

Many innovative, market-driven approaches to servicing commuter traffic, such as the open access Hull Trains services, were suspended by the crisis and the need to implement emergency measures.³³ Through close cooperation between government and operators, these more experimental, consumer-led services should be resumed.

Future commutes must produce fewer emissions and help set us on a path to net zero

Most of all, there is clear agreement across industry, government, and the public that commuter networks that emerge from the crisis must emit fewer emissions and be firmly on route towards helping the UK meet net-zero targets. Building back better will mean ensuring that the best practices of mass active travel and shared mobility uptake adopted during the crisis are sustained afterwards, while a clear path forward is set for a return to public transport use. Coming alongside this, the government and operators will need to set updated plans for enabling and restoring confidence in a mass transition to decarbonised transport.

As large employers plan for a return to on-site working over the next few months there is a danger that past progress to reduce employee reliance on cars could be reversed by safety concerns. In the long-term interest of cutting carbon emissions from the commute, as well as improving air quality, local and national government leaders, as well as operators will need to tackle this head on. Working to rebuild consumer confidence in the safety of public transport services must be understood as more than a logistical problem – it will be essential to have long term plans to reduce congestion and commuter emissions.

Steps should also be taken to ensure that changes which have contributed to the increased uptake of cycling and walking to work by employees, have a long-term effect on journey choices. From the £2bn package to create a new era for cycling and walking³⁴ to the fast-tracked legislation for e-scooter trials³⁵, the response has shown the government's ability to accelerate future of mobility ambitions. This capacity for innovation and quick policy design should be retained and seen as an opportunity to recast the way we plan and design for future transport infrastructure.

Planning for lower carbon commutes post-coronavirus will rely on close collaboration with business. The government's emergency active travel fund, for instance, is designed to support uptake of active travel options by commuters and has been welcomed by employers looking to reduce their workforce's carbon footprint and exposure to the disease. However, to ensure sustained, long-term uptake of active travel options, the local authorities that will receive these funds should engage in closer dialogue with employers, mapping out how investment can facilitate greater uptake amongst their staff.

Recommendation:

Local authorities should work closely with Local Enterprise Partnerships to plan the allocation of new active travel infrastructure in a way that will see the greatest uptake by commuters and support public transport networks.

For some commuters, cars will continue to play a role where it is not possible for individuals to practically access active travel options or if they reside in rural areas where even public transport is limited. In these cases, every effort must therefore be taken to ensure each mile driven is a low emission one.

To enable this change there must be a seamless end to end experience, with access to affordable electric vehicles alongside a reliable and comprehensive charging network to give individuals the confidence to make such a step change. The announcement of a Rapid Charging Fund in the March 2020 Budget, to ensure coverage of ultra-rapid charge points across motorway service stations, is a step in the right direction.

The response to the crisis has highlighted that access to infrastructure, across both rural and urban areas, should not be a prohibiting factor to undertaking greener journeys. This must go hand in hand with the ability to purchase the right choice of low emission vehicle. However, with grants prior to the crisis already facing reduction³⁶ and consumer and business confidence waning, more ambitious support will be critical. To this end the government must continue to leverage investment in infrastructure across the regions, supplementing it with incentives that encourage and support both the public and businesses to make their next vehicle purchase low emission.

Recommendation:

Government should scale up investment in electric vehicle charging infrastructure in those localities where the market will not deliver and introduce a 'net-zero mobility credit' scheme to incentivise the switch to low emission transport, including zero-emission vehicles.

The transition to low carbon transport has been predicated on significant investment taking place across the private sector. Whilst this remains the case, the pandemic will undoubtedly leave companies and transport operators with high levels of unanticipated debt that could risk much needed investment. To this end the crisis should be an opportunity for the government to deliver on pledges of support for projects designed to decarbonise the commute and accelerate investment in future of mobility solutions.

Government commitments throughout the crisis to projects such as the introduction of electric buses, hydrogen trains³⁷ and electric vehicle charging infrastructure³⁸ have all been welcomed in their intent. Now these must be matched by the right levels of funding required to make them a success. However, any recovery must not rely on either public or private investment alone, underpinning the success of any investment must be strong public-private partnerships, including local and regional authorities, that together embed low-carbon polices at the core of rebuilding the economy.

Getting the policy and regulation environment right will also be vital for unlocking private capital, both domestically and internationally. With capital searching for a return many investors are actively looking for financing opportunities in the low-carbon economy and progressive policy will be key for this finding a home in the UK. As we look ahead to COP 26 in Glasgow³⁹, there has never been a more important time to set out a clear pathway for how we intend to achieve net zero emissions from transport.

Recommendation:

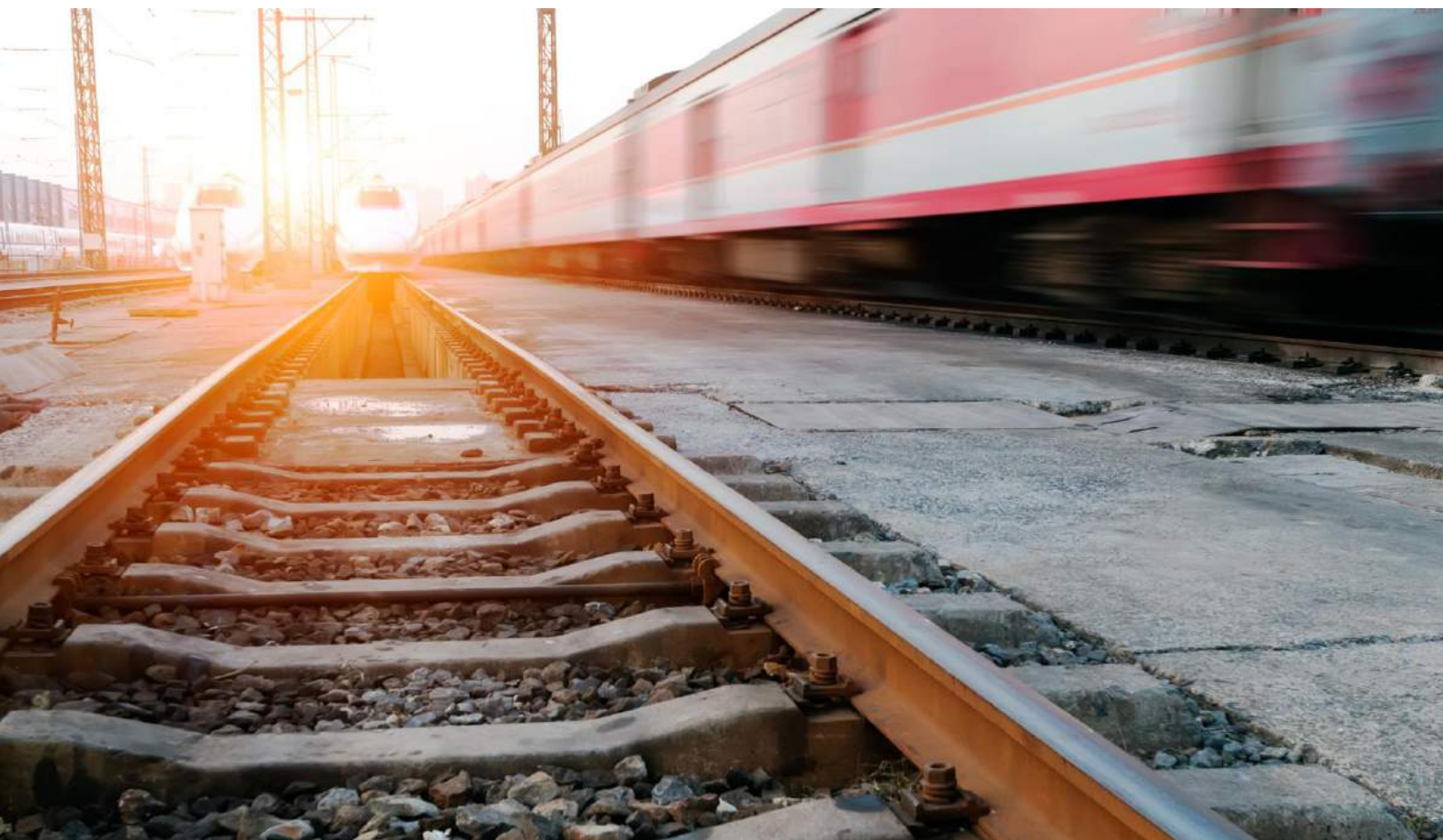
The government must publish its Decarbonisation of Transport Plan and National Bus Strategy by the end of the year.

Conclusion

The coronavirus pandemic forced changes of an unprecedented scale to take place across the UK's commuting networks. Yet despite significant challenges, the crisis has also created a real opportunity to rethink the journey to work, and fostered greater collaboration between business, government and operators.

As this paper argues, this opportunity must not be squandered. The UK's recovery from the pandemic must be taken as a once in a generation chance to re-invent the commute, opening the door for businesses, operators and government to 'build back better' with lower carbon, more customer-orientated, and better-connected transport networks.

Looking ahead, the CBI will continue its work with KPMG, publishing further papers over the next 12-months that will provide practical guidance on making this happen. In the meantime, it is hoped that the recommendations laid out in this paper can be the first steps towards a better future for commuting.



Methodology

CBI/ Porter Novelli/ Opinium Everyone's Business Reputation Tracker

The Everyone's Business Reputation Tracker was conducted by Opinium Research in partnership with CBI and Porter Novelli between 26 May 2020 and 29 May 2020. The sample of the survey was based on 2000 UK adults, with results weighted to nationally representative standards. In instances where the base size falls below 50 respondents, figures should be seen as indicative only.

KPMG Internal COVID-19 self-assessment

KPMG LLP, a UK limited liability partnership, operates from 22 offices across the UK with approximately 17,600 partners and staff. At KPMG we have focused on the employee experience to support our colleagues throughout this time. Between Friday 22 May and Monday 8 June, we undertook an internal COVID-19 self-assessment which we encouraged all colleagues to complete. It explored a range of employee preferences regarding current working environments and returning to the office following lockdown.

Transport for Greater Manchester Covid Recovery Research

TfGM ran an online open-to-all survey with those aged 16+ and who travel within or into Greater Manchester (GM). The survey was live between Wed 20 May – Mon 01 June 2020 and received 14,701 responses (includes 635 living outside GM).

The objective was to understand whether people's travel preferences will change, coming out of the lockdown, to support planning, policy and operations. The survey focused on how people travelled before lockdown and how they expect to travel once their travel restrictions have been lifted. It covered how they travel for commuting, shopping for essential items, travelling to education (both adult and children) and social or leisure trips.

The online open-to-all method means that it was neither a random nor representative sample of the GM population. The sample is inherently skewed due to the very nature of its promotion (such as via TfGM newsletter and social media promotions). However, this gives a wealth of data on previous or existing customers.

Instead of weighting the data, other sources of information, such as the GM Travel Diary Survey (TRADS), was used in combination with the survey analysis to help calculate the scale of any potential changes in travel behaviour and trip proportions.

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