Autumn Budget 2025 - Stakeholder Representation

1. Executive Summary

A representation to Autumn Budget 2025 is a written submission from an interest group, individual, Member of Parliament or representative body to HM Treasury with the aim of commenting on government policy and suggesting new policy ideas to be considered in the upcoming Budget. HM Treasury welcomes representations as part of the policy-making process.

If you have a question or comment that is not a representation for the Budget, please contact the Correspondence & Enquiries Unit using this <u>webform</u>.

HM Treasury welcomes comments on existing policy, or suggestions for new policy. In order to inform policy development for the Budget, your representation should contain policy suggestions for the upcoming fiscal event and explain the policy rationale, costs, benefits and deliverability of proposals. It should also be evidence based, providing clear arguments on how it contributes to the aims of the Budget.

You may wish to consider:

- likely effectiveness and value for money
- revenue implications for the Exchequer
- how it supports growth
- wider macroeconomic implications (for example, for economic stability, and supporting employment)
- sectoral impacts
- distributional impacts
- locational impacts
- administrative and compliance costs and issues
- legislative and operational requirements
- environmental impact

HM Treasury will accept representations until 23:59 on Wednesday 15 October 2025. This deadline allows time for representations to be processed and considered as part of the Budget process. It will not be possible for HM Treasury to consider submissions received after this deadline.

This notice sets out how we will use your personal data and explains your relevant rights under the UK General Data Protection Regulation (UK GDPR). For the purposes of the UK GDPR, HM Treasury is the data controller for any personal data you provide within the stakeholder portal.

The personal data we collect

The personal data will be collected through survey submissions and are likely to include respondents' names, email addresses, their job titles and opinions. There are some free-text survey questions where you can leave a comment. To help us protect your anonymity, please do not volunteer any personal information here, that might unnecessarily identify you or others.

How we will use your personal data

This personal data will only be processed for the purpose of obtaining opinions about government policies, proposals, or an issue of public interest and for consideration at our next Budget.

Processing of this personal data is necessary to help us understand who has responded to this consultation and, in some cases, contact respondents to discuss their response.

Lawful basis for processing the personal data

Article 6(1)(e) of the UK GDPR; use of the personal data is necessary for the performance of a task we are carrying out in the public interest.

Who will have access to your personal data

We are using SmartSurvey as a platform to collect stakeholder views. In this context, SmartSurvey acts solely as a data processor under strict instructions from HMT and will not use your personal data for any purposes other than providing the service to HMT. For more information on how SmartSurvey handles respondents' data, please refer to their privacy policy here - https://www.smartsurvey.co.uk/company/privacy-policy

Within HMT, any personal data supplied will only be available to those within relevant teams with a legitimate business need to see it and they will only use it for the purpose of this activity. We may also share your submission with other government departments, where they lead or have an interest on the policies outlined in your submission. When we do so, directly identifiable personal data will be limited to that which is strictly necessary.

As the personal data will be stored on our IT infrastructure, it will be processed by our third-party IT service providers. They will process this personal data under our strict instruction, for HMT purposes and in fulfilment with the contractual obligations they have with us.

Your personal data will be protected by adequate security measures, to safeguard your data both in transit and at rest, in a manner proportionate to the sensitivity of the data

International Transfers

HMT use external data processors that may operate data centres, and therefore process your personal data, outside the UK. In such cases, your personal data will be protected by measures that ensure an equivalent level of legal protection to that provided in the UK. These measures may include a UK adequacy decision, standard contractual clauses, or a UK International Data Transfer Agreement

How long we hold your personal data

We will retain any personal data supplied for six months from the opening of the portal, after which time it will be securely destroyed.

Your data protection rights

Relevant rights in relation to this activity enable you to:

request information about how we process your personal data and request a copy of it

object to the processing of your personal data

request that any inaccuracies in your personal data are rectified without day expect that your personal data are erased if there is no longer a justification for them to be processed

complain to the Information Commissioner's Office if you are unhappy with the way in which we have processed your personal data

How to submit a data subject access request (SAR)

To request access to your personal data that HM Treasury holds, please email: dsar@hmtreasury.gov.uk

Complaints

If you have concerns about Treasury's use of your personal data, please contact our Data Protection Officer (DPO) in the first instance at: privacy@hmtreasury.gov.uk If we are unable to address your concerns to your satisfaction, you have the right to make a complaint to the Information Commissioner. Details on complaints can be found on the ICO's website here: https://ico.org.uk/make-a-complaint.

4. Respondent details

- 1. In what capacity are you responding to this survey?
 - An individual
 - On behalf of an organisation

• On behalf of a Member of Parliament

5. Respondent details - Organisations

- 2. What kind of organisation?
 - Business
 - Trade association
 - Think tank
 - Trade union
 - Charity/voluntary organisation/NGO
 - Local government
 - Other
- 3. What is the name of your organisation?

Chartered Institution of Highways and Transportation

- 4. Please provide your contact details below
- 4. Please provide your contact details below

Name Antoneta Horbury

Position Director of Policy & Technical Affairs

Email address Antontea.horbury@ciht.org.uk

6. What your Budget representation covers

- Fiscal and economy
- Business rates
- Other business taxes (including corporation tax)
- Property taxation
- VAT
- Excise duties (including tobacco and alcohol duties)

- Transport taxes (including aviation taxes, Fuel Duty and Vehicle Excise Duty)
- Energy taxes
- Personal tax (including income tax, National Insurance, inheritance tax, CGT)
- Growth and productivity (including policy to support business growth and investment)
- Infrastructure
- Decarbonisation, climate change and Net Zero
- Supporting local areas, and devolution
- Housing
- Welfare
- Cost of living measures (including cost of living support)
- Pensions
- Savings
- Energy bills (domestic)
- Energy bills (business)
- Public services (including the NHS, schools and education, police)
- The labour market (including skills and supporting employment)
- Financial services
- International affairs (including tariffs and trade)
- Other (please specify):

7. Your representation

Please provide a summary of your representation, and upload a file if you wish.

- 6. Please summarise your representation in no more than 250 words.
 - The previous Spending Review did not provide the long-term, allocated funding certainty, covering capital and revenue, needed for local roads. We recommend that the UK Government establish a five-year funding model for local authority highway maintenance unlocking efficiency savings of 5–10%, generating up to £2.2 billion for reinvestment¹.

¹ CIHT (2025) <u>Unlocking the benefits of longer-term funding</u>, published by the Chartered Institution of Highways & Transportation in July 2025

- Establish a dedicated fund to support highways projects which mitigate the effects of Climate Change.
- Fund infrastructure and services to promote active travel and public transport.
- Continue funding for the national Bus Centre of Excellence beyond March 2026.
- Prioritise the delivery of affordable housing, serviced by sustainable transport.
- Fund disability equality awareness training for local authority and private sector personnel who design or change the public realm to maximise benefits of existing funding.
- Ensure local authorities have the funds to implement best practice in road safety.
- Review the impact of improved road safety on the NHS, social care, and economic productivity, to better inform the business case for investment.
- Invest in educational opportunities to sustain an appropriately skilled workforce.
- Ensure investment decisions respond to diverse societal needs.
- Consider the barriers to the adoption of electric vehicles and provide funding to support those who are economically excluded or negatively impacted.
- Investigate mobility pricing, to reduce congestion, attain environmental targets and ensure the transition to electric vehicles does not reduce government revenues from the loss of fuel duty receipts.
- 5. Please upload your representation, ensuring that the file name includes the name of the organisation or individual it is submitted on behalf of. **(Optional)**

Chartered Institution of Highways and Transportation Representation to the Autumn Budget 2025.

Who is CIHT

The Chartered Institution of Highways and Transportation (CIHT) is a charity, learned society and membership body, with over 10,000 members across 12 UK regions and several international groups. CIHT represents and qualifies professionals who plan, design, build, manage, maintain and operate transport and infrastructure.

CIHT welcomes the opportunity to submit this representation to the Autumn Budget 2025.

Background

Highways, transportation and infrastructure will need to play a fundamental role in achieving the Government's missions and it is vital that future spending allocations reflect this. Higher growth, improved health outcomes, enhancing opportunities and accelerating net zero can readily be achieved with an effective transport network. In the past, these outcomes have been held back by fragmented, stop-start funding,

mixed messages around transport decarbonisation and active travel, and a failure to invest in skills and competency at all levels.

People need an effective transport network to support their economic activity, provide connections and social wellbeing. Getting transport right is not simply a matter of the overall amount of funding. CIHT believes that investment in highways, transportation and infrastructure needs to be reprioritised and made certain. Investment decisions need to be evaluated on a 'whole picture' approach, which recognises the wider benefits of active travel schemes. Sustainable transport has many benefits beyond immediate travel. Improving the population's activity levels has a positive impact on people's health and the subsequent reducing of health and social care costs². This includes exercise from active travel, better air quality from replacing car journeys with walking or cycling and economic benefits from relieved congestion.

Most transport journeys begin and end on the local network, and any highway investment must include a focus on the vital role played by local roads.

Investment in the maintenance of our existing highways and infrastructure is a key priority to ensure the continued and efficient use of our transport network. Incrementally adapting our infrastructure and proactively carrying out maintenance is essential to achieve extreme weather resilience and meet our decarbonisation goals. Fixing potholes is the tip of the iceberg.

There needs to be joined-up thinking so that funding is in line with the Integrated National Transport Strategy (INTS). The INTS should make roads safer for pedestrians and cyclists, improve public transport services, make the public realm more accessible to all, promote walking and cycling and ensure access to new developments is available to those travelling by sustainable modes. There is a key opportunity for the government to align the INTS with various other strategies – particularly the industrial strategy, centred around investing in economic growth areas. These areas have transport connectivity at their heart, because if people can't get to jobs, or can't get there in an affordable way, then they won't reach their potential. Economic growth areas need to be accessible to everyone, with good provision for sustainable travel, public transport and disabled travellers.

Transport spending should aim to reduce carbon dioxide emissions, by promoting active travel and public transport, and limit the impacts of climate change.

A safe and reliable transport network requires a reallocation and reprioritisation of funding and investment to support a genuine move to net zero while delivering on economic, social and environmental aims. This budget needs to set out how the government will fund for future mobility and transport needs, while working to reduce carbon and achieve the transition to net zero.

CIHT recognises that the current fiscal and economic environment is challenging. Ensuring that the transport network can support the government's <u>Plan for Change</u> will require a strategic and committed approach to spending. Investment decisions

² CIHT (2025) <u>CIHT launches new policy brief: Making the Case for Investment in Active Travel</u>, published by the Chartered Institution of Highways & Transportation on 20 May 2025

must respond to and accommodate diverse societal needs in terms of people's characteristics, circumstances, resources, aspirations and geographical requirements. CIHT's submission outlines how transport funding can be prioritised to support the government's missions, delivering value for money and ensuring the benefits are shared fairly among everyone.

CIHT would be pleased to work with government to address the points we have raised in our submission.

We would also like to highlight our response to the UK government Spending Review 2025³. While the announcements in that Spending Review will have a positive impact on the sector, CIHT urges the government to continue to strengthen focus on proactive maintenance of the UK's road infrastructure. Especially considering the impacts of climate change and the need to future-proof highway infrastructure from increasingly extreme weather events.

Summary of Recommendations

CIHT has the following specific recommendations for the Autumn Budget 2025.

1. Kickstarting Economic Growth

- A minimum five-year commitment to funding for local roads maintenance and renewal (a local roads investment strategy). This funding consistency will enable local highway authorities to secure longer-term procurement, address decarbonisation, deliver more innovation, improve maintenance interventions, commit to staff investment and make transport networks more resilient.
- Establishing a dedicated fund to support and accelerate delivery of highways projects in vulnerable areas to mitigate the effects of Climate Change. Investment in the maintenance and renewals of highways infrastructure is needed for the network to be resilient to climate change to ensure that transport services can keep supporting the economy.
- Investment in new affordable housing should prioritise the delivery of affordable housing that is well-connected and serviced by affordable and sustainable transport means.
- Consistent investment in technical skills and expertise in transport planning and integration of public transport services is needed at a local level to deliver on the government's housebuilding plans.

2. An NHS Fit for the Future

 Consistent funding to reshape the required infrastructure and services, such protected cycleways, well maintained footways and secure cycle parking, to holistically promote walking, wheeling, cycling and public transport network, improving the physical and mental health of users, reducing health and social care costs.

³ CIHT (2025) <u>UK government Spending Review 2025 - CIHT analysis</u>, published by the Chartered Institution of Highways and Transportation on 12 June 2025

- Ensure local authorities have the funds and technical expertise to share and implement best practice in road safety which can help build a safer network, reducing the costs associated with dealing with the consequences of traffic incidents and increasing confidence in active travel, which has associated health benefits.
- A strategic review investigating the impact of improved road safety on the NHS, social care, and economic productivity, to better inform the business case for road safety investment.

3. Break Down Barriers to Opportunity

- Continued funding for the national Bus Centre of Excellence (BCoE) beyond March 2026.
- Invest in ensuring access to affordable transport, such as public transport, is distributed equitably and builds on the positive shift to increased bus travel as a result of subsidised bus fares.
- The recent CIHT report *Creating a Public Realm for All*⁴ noted that it is essential that those designing and changing the public realm are aware of issues faced by people with visual, mobility and neurological conditions including dementia. This awareness enables authorities to avoid wasting public money on schemes that need to be altered later as they have excluded part of the community. CIHT recommend that the government allocate funding for disability equality awareness training for all local authority and private sector personnel who are designing and changing the public realm and incentivise disability awareness training by making some of the funding for transport schemes only available to local authorities that take up the opportunity to have appropriately trained staff. CIHT recently won the Best Education Initiative at the Memcom awards⁵ for CIHT Learn courses on inclusive design in highways and transportation and would welcome working with the government on ensuring staff are appropriately trained.
- Invest in ensuring individuals can afford and access educational opportunities to enable the sector to sustain and build an appropriately skilled and motivated workforce.
- Ensure investment decisions respond to and accommodate the diverse societal needs in terms of people's characteristics, circumstances, resources, aspirations and geographical requirements.
- Consider the possible barriers to the adoption of electric motor vehicles and providing funding to support those who are priced out or negatively impacted especially the disproportionate cost of charging to those with no off-road parking at home.
- Investigate mobility pricing, such as a pay-per-mile scheme, to reduce congestion, help meet environmental targets and ensure that the transition

⁴ CIHT (2024), <u>Creating a Public Realm for All</u>, The Chartered Institution of Highways and Transportation

⁵ CIHT (2025), <u>CIHT Learn wins major award</u>, published by the Chartered Institution of Highways & Transportation on 26 September 2025

to electric vehicles does not leave a major hole in government revenues from the loss of fuel duty receipts.

Kickstarting Economic growth

Planning has been identified as a key pillar of economic growth by the Government, including the delivery of affordable housing. There is a concern that plans to deliver 1.5 million houses in England by the end of this Parliament will create housing developments that are not located in areas with adequate access to affordable transport like walking, wheeling, cycling and public transport. The Government's growth mission aims to improve living standards in every part of the UK and ensuring widespread access to affordable transport is an important mechanism for delivering on this. Investment in new affordable housing should prioritise the delivery of affordable housing that is well-connected and serviced by affordable and sustainable transport means.

The Government's housebuilding programme will require support to local planning authorities to meet targets and we welcomed measures in the 2024 Autumn Budget to boost and upskill local planning authority capacity. It is vital that this support is continued beyond 2026. Consistent investment in technical skills and expertise in transport planning and integration of public transport services is needed at a local level to deliver on the government's housebuilding plans.

Funding should be appropriately distributed across the UK, rather than just being concentrated in the South-East and allocated to ensure that the country's road networks are well maintained so they can keep providing essential transport services to the economy. The UK's road asset is ageing, and conditions are getting worse as climate change related events (like storms and flooding) happen more frequently.

CIHT's report *Delivering a Resilient Transport Network*⁶ makes clear that maintenance and renewals of aging assets need to be made an investment priority if the transport network is going to support economic growth. Investing in preventative maintenance and incremental adaptation measures now will lower future costs associated with repairs and avoid expensive infrastructure losses. CIHT calls for the establishment of a dedicated fund to support and accelerate delivery of highways projects in vulnerable areas to mitigate the effects of Climate Change and to ensure that transport can continue to support the economy.

Local roads are vital to the movement of goods and people around villages, towns and cities. Generally, the local highway network (LHN) is not in a healthy state and requires funding and attention to ensure that it can support economic growth. Research by the UK Roads Leadership Group (UKRLG) (which is administered by CIHT) highlights that £1 investment into local roads has a minimum return of £2.20, with typical returns reaching up to £9.10 at a national level.⁷ As outlined in *Improving*

⁶ CIHT (2024), <u>Delivering a Resilient transport network: Maintaining and future proofing highway infrastructure from extreme weather events</u>, Chartered Institution of Highways & Transportation ⁷ UKRLG (2021), The Case for Investing in Highway Maintenance, UKRLG

Local highways⁸, CIHT recommends that the government commits to **deliver a four**point strategy for the LHN that will create a vision, funding and focus for the LHN over a rolling five-year period:

- Establish an improved system of monitoring that gives clarity on how the LHN is performing and includes comparisons of efficiency, effectiveness and innovation in delivery
- Commit to establish an inflation-linked local highways fund
- Create a better understanding of the asset through improved data
- Establish new sources of funding to support the local highways fund for the LHN that will create a vision, funding and focus over the next five years.

CIHT's report 'Unlocking the benefits of long-term funding for local roads'⁹, states: "CIHT proposes a five-year funding model for local authority highway maintenance, aligned with the successful approaches used for the strategic road network and the rail sector. Such a model could unlock efficiency savings of 5–10% on the current £21.9 billion expenditure, generating up to £2.2 billion for reinvestment." Shortly after the Spending Review, the government also published its 10-year infrastructure strategy, which included £1 billion for maintenance of key transport infrastructure, such as bridges, flyovers, and crossings. However, neither the Spending Review nor the Infrastructure Strategy provides the long-term, allocated funding certainty – covering both capital and revenue – needed for local roads that CIHT has previously called for.

An NHS Fit for the Future

The government has identified a reform shift 'from sickness to prevention' as a key means of achieving its goal to bring NHS waiting lists down and enable more people to live well for longer. As noted by the Health Foundation, delivery of the health mission will require action beyond the Department of Health and Social Care. The Institute for Government recommended that prevention be embedded into the spending framework, whereby the Treasury set out criteria for preventative spending and government departments propose which programmes meet that definition. The Department for Transport's investment into active travel should be embedded in the health mission as a key form of prevention, which reduces the burden on the NHS. Being physically active reduces a person's risk of dementia by 30%, depression by

⁸ CIHT (2020), <u>Improving Local Highways: The Route to a Better Future</u>, Chartered Institution of Highways & Transportation

⁹ CIHT (2025) <u>Unlocking the benefits of longer-term funding</u>, published by the Chartered Institution of Highways & Transportation in July 2025

¹⁰ J Bibby, M Kelly, A Kennedy, K Merrifield, G Nightingale (2024), <u>Health at the Heart of Government:</u> Rebuilding the nation's health through mission-driven government, The Health Foundation

¹¹N Davies, S Hoddinott, D Kim (2024), <u>A preventative approach to public services: How the government can shift its focus and improve lives</u>, Institute for Government

30%, heart disease by 40%, type 2 diabetes by 40% and osteoporosis by 50%. Physical activity helps prevent many types of cancer including breast, colon, endometrial, kidney, bladder, oesophageal, and stomach cancer. 13

Maximising people's ability to walk, wheel and cycle will improve physical health and encouraging more people to opt for active travel for short journeys (or as part of longer journeys) will serve as an effective and accessible way to enable more people to make physical activity a habitual aspect of their daily lives. **Consistent funding is needed to reshape the required infrastructure and services to holistically promote walking, wheeling and cycling networks.**

The health implications of air pollution likewise put pressure on the NHS. Air pollution is estimated to cause approximately 29,000 to 43,000 deaths a year in the UK. This harm is not experienced equally, with air pollution particularly impacting children and young people, as well as those living in deprived communities. Doubling cycling and increasing walking would prevent 8,300 premature deaths and save £567 million per year through improved air quality. 16

Consideration should be given to the strain placed on the NHS by unnecessary road crashes. In 2023, there were 132,977 casualties on roads in Great Britain,¹⁷ and the cost of road traffic crashes was estimated to be £42.2 billion.¹⁸ To better inform the business case for investing in improved road safety outcomes, CIHT recommends a strategic review investigating the impact of road safety outcomes on the NHS, social care, and economic productivity.

At a local level, resource limitations have limited local authorities' ability to improve road safety outcomes. ¹⁹ **Investment must ensure that local authorities have the funds to share and implement best practice in road safety**, so they can help build a safer network and drive down costs associated with dealing with the consequences of traffic collisions. Local road safety would be greatly enhanced if all new vehicles complied with General Safety Regulation, including autonomous braking and intelligent speed assistance.

Break Down Barriers to Opportunity

¹² Academy of Medical Royal Colleges (2015), <u>Exercise: The Miracle Cure and the Role of the Doctor in Promoting It</u>, Academy of Medical Royal Colleges

¹³ Academy of Medical Royal Colleges (2015), <u>Exercise: The Miracle Cure and the Role of the Doctor</u> in Promoting It, Academy of Medical Royal Colleges

¹⁴ UK Health Security Agency (2023), <u>Health Effects of Climate Change (HECC) in the UK: 2023</u> report, UK Health Security Agency

¹⁵ Sustrans (2017), The Role of Active Travel in Improving Health, Sustrans

¹⁶M Singer Hobbs, S Frost (2024), Stride and Ride, Institute for Public Policy Research

¹⁷ DfT (2024), Reported road casualties Great Britain, annual report: 2023, Department for Transport

¹⁸ DfT RAS4001: Cost of prevention of road collisions and casualties. Department for Transport

¹⁸ DfT, <u>RAS4001: Cost of prevention of road collisions and casualties</u>, Department for Transport Statistics

¹⁹ CIHT (2024), <u>Progressing the UK towards Safe System implementation</u>, The Chartered Institution of Highways and Transportation

The government's opportunity mission aims to 'break the link between a child's background and their future success.' According to DfT commissioned research²⁰ transport policy has the most impact on reducing inequality when part of wider initiatives, including skills, education, employment policy and housing. The government must **invest in ensuring individuals can afford and access educational opportunities** to sustain and build an appropriately skilled and motivated workforce.

Transport modes like walking, wheeling, cycling and public transport can break down barriers to opportunity by providing affordable access to education, training and employment, social networks, retail, housing, recreation, communities' engagement and key goods and services. Funding must ensure that access to affordable transport is distributed equitably and build on the positive shift to increased bus travel as a result of subsidised bus fares.²¹

It is also important to ensure that physical barriers to opportunity are not created by the public realm. Those designing and changing the public realm need to be aware of accessibility issues faced by users to avoid wasting public money on schemes that need to be altered later because they have excluded part of the community. CIHT encourages the government to allocate funding for disability equality awareness training for all local authority personnel who are designing and changing the public realm. Disability training should be incentivised by making some of the funding for transport schemes only available to local authorities that have trained staff. As stated in CIHT's report *Creating a public realm for all*²², accessibility training should also be provided for housing and retail developers.

A key driver of transport spending should be to reduce carbon emissions. CIHT welcomed the announcement in the 2025 Spending Review to support the rollout of charging infrastructure²³. There is a need to ensure that the rollout of charging infrastructure Is accessible, affordable, and efficient. As outlined in the CIHT policy brief, *Ensuring a Just Transition to Net Zero Transport*²⁴, decarbonisation policies and interventions do not land on society on a level playing field, they interact with a complex network of existing inequalities. CIHT calls for government to **consider the possible barriers to the adoption of electric vehicles and provide funding to support those who are priced out or negatively impacted** such as those without off-road parking, typically people living in flats and houses on lower incomes than those with off-road parking.

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²⁰ S Gates, F Gogescu, C Grollman, E Cooper, P Khambhaita (2019), <u>Transport and Inequality: An evidence review for the Department for Transport</u>, NatCen Social Research, DfT

²¹ According to DfT's <u>interim evaluation report</u> in 2023, 10% of surveyed respondents had made more journeys by bus since the introduction of the cap.

²² CIHT (2024), <u>Creating a Public Realm for All</u>, The Chartered Institution of Highways and Transportation

²³ CIHT (2025) <u>UK government Spending Review 2025 - CIHT analysis</u>, published by the Chartered Institution of Highways and Transportation on 12 June 2025

²⁴ CIHT (2024), Ensuring a Just Transition to Net Zero Transport, The Chartered Institution of Highways and Transport

Generally, more incentivisation for low carbon modes is needed. Although CIHT recognises pressures on household budgets, the freezing of fuel duty, also announced in the 2024 Autumn Budget and with no change in the 2025 Spending Review appears to be a failed opportunity to incentivise the use of low carbon modes. Fuel Duty accounts for around 4% of all government tax receipts, and will slowly decline to zero as the UK transitions to an electric and hydrogen vehicle fleet. Proceeds are not hypothecated to support the highways system so currently it does not "pay for roads." Given the poor condition of much of the UK network, CIHT would welcome a debate on creating a stand-alone roads fund. This would help reassure the public that any new scheme will support improvements for all road users. If the government wishes to continue with its current policy of raising revenue directly from drivers, it is fair that owners of electric vehicles contribute, although care needs to be taken to ensure the level of any charge does not undermine the push for transport decarbonisation. CIHT recommends that the government investigates mobility pricing, such as a pay-per-mile scheme, to reduce congestion, help meet environmental targets and ensure that the transition to electric vehicles does not leave a major hole in government revenues from the loss of fuel duty receipts. Mobility pricing would need to reflect disparity in available transport options for those in rural areas.

Bus Centre of Excellence

The Bus Centre of Excellence (BCoE) will require additional funding to support capacity building in the sector.

BCoE supports the DfT's strategic objectives of:

- kickstarting economic growth and breaking down the barriers to opportunity by ensuring everyone can access jobs and services required to support the economy
- supporting preventative health measures such as walking and public transport use rather than more sedentary modes such as car use
- supporting local authorities in their provision of socially necessary bus services and demand responsive services
- improving transport for the user by spreading best practice and skills, thereby ending the postcode lottery
- o reducing environmental impacts by promoting modal shift to bus from more polluting modes and encouraging the decarbonisation of the bus fleet.

The Bus Centre of Excellence supports the government's aspirations in the following main ways:

• **Support bus franchising:** Franchising is an area where local authorities often lack expertise. BCoE can assist by providing guidance on managing a franchised network, understanding an authority's obligations, and upskilling new and existing bus professionals in technical, commercial, operational, marketing, and customer care skills necessary to deliver franchising.

Additionally, BCoE has a dedicated support network for local authorities outside London considering or implementing franchised regimes, enabling them to share experiences and best practices. BCoE excels at sharing best practices and can facilitate staff secondments to authorities already operating franchising regimes for on-the-job learning.

- While franchising is one approach to improving bus services, BCoE also supports a variety of other options, including Enhanced Partnerships and Qualifying Agreements, suitable for both rural and urban areas.
- Promote inclusive transport: Buses are often the only accessible public transport for the less well-off, young people, the elderly, and people with disabilities. BCoE supports these groups by helping to provide sustainable and affordable travel options for employment, hospital appointments, and education. There is a high correlation between social deprivation and transport exclusion. Improving the bus network will provide transport opportunities for those in deprived areas, breaking this link. BCoE offers training opportunities to bus professionals and shares best practices between local authorities and operators to maximise the efficient use of limited public funds. The role of buses in rural locations- often the only form of public transport available for many rural communities- needs investment.
- Crack down on antisocial behaviour: BCoE hosted a successful conference in conjunction with the DfT on 28 November 2024 on tackling antisocial behaviour and violence against women and girls on public transport. Antisocial behaviour on the bus network creates service disruption and unreliability, threatening the existence of bus services in some areas. BCoE is uniquely positioned to facilitate discussions and disseminate best practices among all stakeholders involved in tackling antisocial behaviour and will build on the work from its successful 2024 conference on this issue.
- Promote the decarbonisation of buses: BCoE supports the Zero Emission Bus Regional Areas (ZEBRA) scheme through seminars, e-learning and a ZEB drop-in surgery where local authorities and operators can ask anything around zero emission buses.

BCoE has a close working relationship with the DfT. BCoE provides benefit to the DfT in the following ways:

- BCoE supports the DfT's strategic objectives of improving transport for the user and reducing environmental impacts.
- BCoE supports the DfT when publishing guidance and consultations with webinars or training events or focus groups to provide richer feedback from the industry and ensure better understanding of the issues
- The DfT can use the BCoE forum to test ideas at early stages of development and gather sector intelligence
- The DfT can use the networking meetings to get direct feedback from a range of stakeholders

In 2023/4 the DfT spent circa £1.2 billion pounds a year supporting buses in England, however this figure does not include the funding of bus schemes through capital schemes such as the City Region Sustainable Transport Settlements, the Local Transport Fund and government support for Local Authority spend on concessions and supported bus services.

BCoE has added value to the Bus Sector and others by:

- Facilitating sharing of case studies and problem solving between bus service operators and local authorities in a neutral, independent and safe environment, thereby improving the service to passengers by sharing of best practice.
- BCoE is the only pan industry body which is publicly funded and therefore holds a unique, impartial, position in the bus industry. Other membership organisations, such as the Confederation for Passenger Transport are naturally influenced by their funders in their approach to policy.
- Providing a "Matchmaking" service to be able connect with industry experts, user groups etc and have questions answered.
- Allowing DfT to disseminate information on central DfT initiatives with training / explanation.
- Provided people working in the industry free learning and training opportunities, continual professional development (CPD) and career development.
- Providing passenger representative and interest groups a central focal point to provide information / guidance to for dissemination for example accessibility issues.
- Providing those considering careers in the sector, useful information about how the sector works, the type of jobs and innovation and demystifying the sector
- Providing a wider industry one-stop-shop to ask for advice, identifying speakers for events etc.

The economies of scale provided by BCoE make it the most efficient model to deliver the capability improvements needed to facilitate effective bus service improvements. Without BCoE each local authority would need to arrange its own training (for sometimes only a handful of people) and ensure an officer actively looks for good practice which would improve services.

The content provided by BCoE, i.e. blogs, case studies and webinars is provided by bus professionals on a free of charge basis. This is one of the reasons why the funding required to continue BCoE is so small as people are giving their time and expertise for free. If local authorities had to pay for this material individually, it would cost a lot more than to fund BCoE.

The DfT has an objective to boost skills in the transport sector more widely and funding BCoE supports this objective. BCoE also helps to address the DfT wide risk of a lack of local authority capacity and capability especially when in areas such as franchising.

If BCoE is not funded beyond March 2026, then all the key benefits of sharing best practice and knowledge sharing will be lost. The networks which have been created via BCoE are unlikely to continue in its absence as somebody would need to take forward the coordination functions - with other work priorities and the costs involved this is unlikely to happen. In particular:

- The amount invested on setting up BCoE would be wasted if it were not continued and much of the good practice captured from the BSIP programme would not be collected and disseminated to all areas and stakeholders without the knowledge sharing provided by BCoE
- Innovation and initiatives would happen in isolation, with frequent duplication and repetition of work and research that had been carried out elsewhere.
- Knowledge sharing of key issues such as franchising and decarbonisation may take longer.
- DfT would have to respond directly to all questions and enquiries about initiatives.
- Gaps in knowledge would increase as the aging workforce retires as BCoE acts as a repository of information for new generations of bus practitioners
- The ongoing difficulties in recruitment will continue without dedicated support
- The skills gaps between larger and small transport authorities would increase
- There would be no sector specific free training and learning
- There would be no central voice for the sector on capability building

The risks associated with not funding BCoE beyond March 2026 are:

- Capability and capacity have been identified by various studies, such as the Campaign for Better Transport's July 2021 report ²⁵ on National Bus Strategy: Capacity and Capability, as being key risks to local authorities making bus service improvements. Without economies of scale and the support provided by BCoE this issue will only worsen and delivery of bus service improvements less likely to happen.
- Roll out of franchising would be made more difficult with no knowledge sharing and lessons learnt from the early adopters

We therefore submit a request for Bus Centre of Excellence (BCoE) Funding beyond March 2026 to help local authorities achieve one of the 5 strategic DfT priorities of improving bus services and growing usage across the country.

CIHT looks forward to working with the government to support its objectives and encourages the government to continue engaging with the sector over the issues raised.

ENDS

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²⁵ https://assets.publishing.service.gov.uk/media/658060a2e305f0001342e249/national-bus-strategy-capacity-and-capability.pdf