

Chartered Institution of Highways & Transportation Representation to Spending Review 2025 – Phase 2

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 Phase 2 of the 2025 Spending Review.

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 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 costs. 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 and promote walking and cycling and ensure access to new developments is available to those travelling by sustainable modes. 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 spending review 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 [Plan for Change](#) will require a strategic and committed approach to spending. Investment decisions 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, while 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.

Summary of Recommendations

CIHT has the following specific recommendations for Phase 2 of the 2025 Spending Review

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 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 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 to holistically promote walking, wheeling, cycling and public transport networks.
- 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 and drive down costs associated with dealing with the consequences of traffic incidents.

- 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 support for the bus fare cap is continued beyond 2025 to build 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*¹ noted that it is essential that those designing and changing the public realm are aware of issues faced by disabled people 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 personnel who are designing and changing the public realm, and incentivise disability 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.
- Invest in ensuring individuals can afford and access educational opportunities 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 vehicles and providing funding to support those who are priced out or negatively impacted.
- Investigate 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.

Kickstarting Economic growth

¹ CIHT (2024), [Creating a Public Realm for All](#), The Chartered Institution of Highways and Transportation

Planning has been identified as a key pillar of economic growth by the Government, including the delivery of affordable housing. There is a real danger 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 targets 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 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.

The recent CIHT report *Delivering a Resilient Transport Network*² 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) 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.³ As outlined in *Improving Local highways*⁴, 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:**

² CIHT (2024), [Delivering a Resilient transport network: Maintaining and future proofing highway infrastructure from extreme weather events](#), Chartered Institution of Highways & Transportation

³ UKRLG (2021), [The Case for Investing in Highway Maintenance](#), UKRLG

⁴ CIHT (2020), [Improving Local Highways: The Route to a Better Future](#), Chartered Institution of Highways & Transportation

- 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.

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.⁵ The Institute for government recently 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.⁶ The Department for Transport’s investment into active travel should be embedded in the health mission as a key form of prevention. Being physically active reduces a person’s risk of dementia by 30%, depression by 30%, heart disease by 40%, type 2 diabetes by 40% and osteoporosis by 50%.⁷ Physical activity helps prevent many types of cancer including breast, colon, endometrial, kidney, bladder, oesophageal, and stomach cancer.⁸

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.⁹ This harm is not experienced equally, with air pollution particularly impacting children and young people, as well as those living in deprived communities.¹⁰ Doubling cycling

⁵ J Bibby, M Kelly, A Kennedy, K Merrifield, G Nightingale (2024), [Health at the Heart of Government: Rebuilding the nation’s health through mission-driven government](#), The Health Foundation

⁶ N Davies, S Hoddinott, D Kim (2024), [A preventative approach to public services: How the government can shift its focus and improve lives](#), Institute for Government

⁷ Academy of Medical Royal Colleges (2015), [Exercise: The Miracle Cure and the Role of the Doctor in Promoting It](#), Academy of Medical Royal Colleges

⁸ Academy of Medical Royal Colleges (2015), [Exercise: The Miracle Cure and the Role of the Doctor in Promoting It](#), Academy of Medical Royal Colleges

⁹ UK Health Security Agency (2023), [Health Effects of Climate Change \(HECC\) in the UK: 2023 report](#), UK Health Security Agency

¹⁰ Sustrans (2017), [The Role of Active Travel in Improving Health](#), Sustrans

and increasing walking would prevent 8,300 premature deaths and save £567 million per year through improved air quality.¹¹

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,¹² and the cost of road traffic crashes was estimated to be £42.2 billion.¹³ 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.¹⁴ **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.

Break Down Barriers to Opportunity

The government's opportunity mission aims to 'break the link between a child's background and their future success.' According to DfT commissioned research¹⁵ 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, housing, recreation, communities' engagement and key goods and services. **Funding must ensure that access to affordable transport is distributed equitably and support of the bus fare cap is continued beyond 2025 to build on the positive shift to increased bus travel as a result of subsidised bus fares.**¹⁶

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**

¹¹ M Singer Hobbs, S Frost (2024), [Stride and Ride](#), Institute for Public Policy Research

¹² DfT (2024), [Reported road casualties Great Britain, annual report: 2023](#), Department for Transport

¹³ DfT, [RAS4001: Cost of prevention of road collisions and casualties](#), Department for Transport Statistics

¹⁴ CIHT (2024), [Progressing the UK towards Safe System implementation](#), The Chartered Institution of Highways and Transportation

¹⁵ S Gates, F Gogescu, C Grollman, E Cooper, P Khambhaita (2019), [Transport and Inequality: An evidence review for the Department for Transport](#), NatCen Social Research, DfT

¹⁶ According to DfT's [interim evaluation report](#) in 2023, 10% of surveyed respondents had made more journeys by bus since the introduction of the cap.

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*¹⁷, **accessibility training should also be provided for housing and retail developers.**

A key driver of transport spending should be to reduce carbon emissions. While tax incentives for electric vehicle (EV) purchases announced in the 2024 Autumn Budget are a positive step they may pose a challenge to the rollout of an equitable decarbonisation process as they benefit only those who can afford the initial cost of EVs. As outlined in the CIHT policy brief, *Ensuring a Just Transition to Net Zero Transport*¹⁸, 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.**

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 Autumn Budget, 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.

Bus Centre of Excellence

The Bus Centre of Excellence (BCoE) will require £1,409,570 to continue from 1 April 2026 to until March 2029. This would equate to approx. £67,000 top sliced each year from each of the 7 Sub-national transport bodies or £6,000 each year from each of the 79 English local Transport Authorities.

¹⁷ CIHT (2024), [Creating a Public Realm for All](#), The Chartered Institution of Highways and Transportation

¹⁸ CIHT (2024), [Ensuring a Just Transition to Net Zero Transport](#), The Chartered Institution of Highways and Transport

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
- 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 will form 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.
- 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.

- 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. The amount required to fund the Bus Centre of Excellence is around 0.04% of this total amount. Therefore, any increase in efficiency above 0.04% would make funding BCoE positive in value for money terms.

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.
- Providing Sub-national Transport Bodies access to best practice and guidance without having to create it themselves. This then enables them to share this information directly with their constituent local authorities.
- 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 report¹⁹ 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

¹⁹ <https://assets.publishing.service.gov.uk/media/658060a2e305f0001342e249/national-bus-strategy-capacity-and-capability.pdf>