

# The Chartered Institute of Logistics and Transport (UK)

## GOVERNMENT SPENDING REVIEW

### **CILT Members Online Poll ~ July 2010**

As part of its action to reduce the budget deficit, and to maximise the impact and value of the reduced funding which is available, the Government announced its intention to conduct a Comprehensive Spending Review for publication in the autumn of 2010

Each Government department has been asked to conduct an internal review of its plans and interested persons and organisations have been invited to submit their views.

The Chartered Institute of Logistics and Transport (CILT) is contributing to this process and is in contact with the Department for Transport. In order to better inform and guide the CILT submission we invited our members to submit their personal responses via an online survey. We have drawn on the unrivalled expertise and experience of our membership across all modes of transport to assist the Secretary of State in the difficult choices ahead.



# The Chartered Institute of Logistics and Transport (UK)

## The Network For Total Professional Engagement



Logistics and transport professionals work across a wide variety of disciplines and modes and we are the Chartered Institute for everyone, wherever they are in the profession. We operate through our structure of Professional Sectors which provides a clear window into the work of each particular area of interest, whilst continuing to offer opportunities and involvement across the entire profession.

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## GOVERNMENT SPENDING REVIEW

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Context

What should the budget be spent on?

How can additional funds be raised?

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## GOVERNMENT SPENDING REVIEW

### **APPROACH**

Online poll among members, total of 1,244 completed responses

Fieldwork conducted between 7 and 21 July, 2010 by Brunswick Research

Questions positioned as informing and shaping CILT's contribution to the Government's Comprehensive Spending Review

All responses non-attributable and treated in strictest confidence

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## GOVERNMENT SPENDING REVIEW

### SUMMARY

Preservation of economic growth is the prevailing context for changes to transport spending, including cuts and raising of additional funds

Throughout there is a theme of maintaining the current infrastructure, rather than focus attention on (expensive) new build projects. Spending on 'softer' areas such as socially inclusive services, rural accessibility or health & safety is also relatively unpopular

#### **Spending:**

Priority is given to the conventional rail network (including increasing capacity), road maintenance and "smarter choices". New build, including HS2 and roads, are regarded as of relatively less importance

Rail and bus fare subsidies are also of limited importance, yet government funding for both rail and buses is favoured. Spending on carbon reduction is also, on balance, favoured

#### **Cuts:**

Given the need for cuts in the current budget there is a strong preference for cuts in major CapEx, rail spending (inefficiencies and overall level) and fare subsidies

#### **Raising funds:**

Road charging draws the greatest support, including congestion charges in urban areas and charging for any new build motorways and trunk roads. Green taxes are also relatively well received

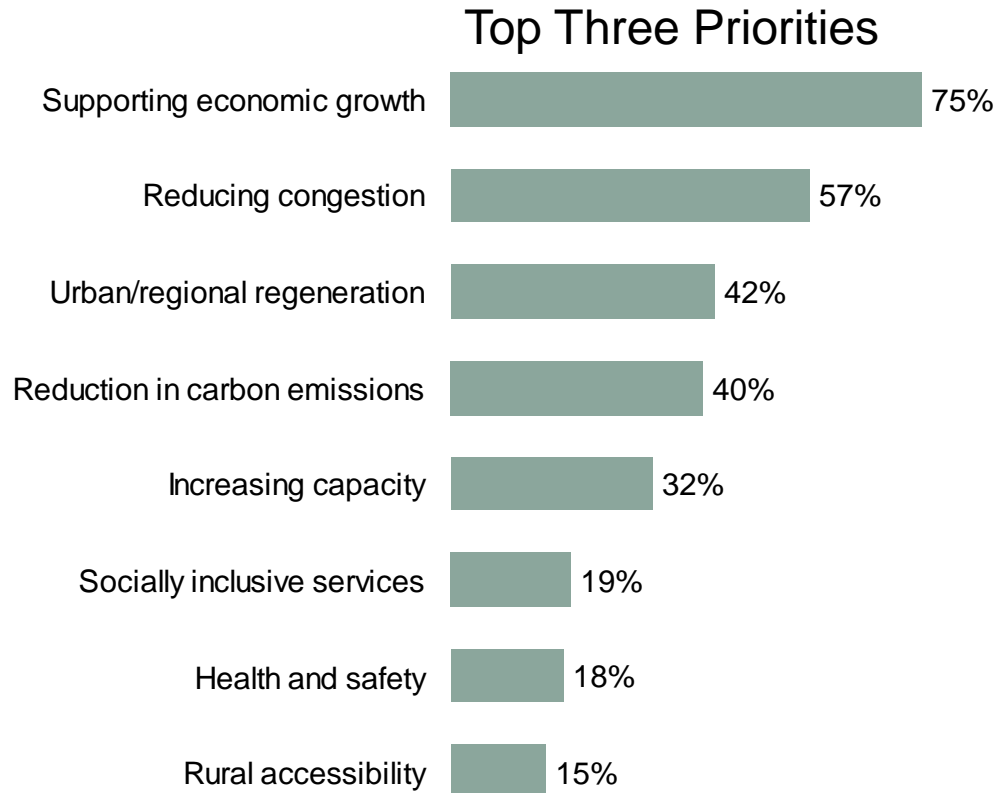


# GOVERNMENT SPENDING REVIEW

## THE CONTEXT

### PRIORITY AREAS FOR PROTECTING SPENDING

Supporting economic growth is seen as the key area for transport spending to be protected - 75% chose it as one of their top three priorities. Other key areas to protect are congestion reduction, regeneration and carbon emissions



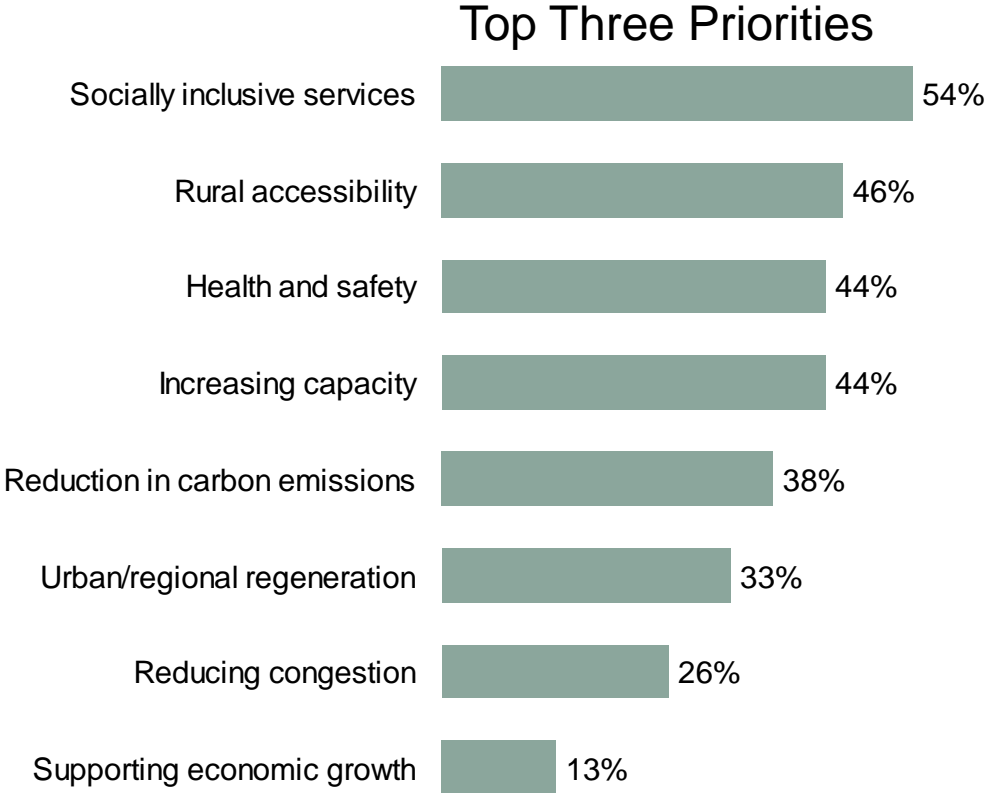
Q. In your view, which of the following broad areas should spending on transport and related activities be protected as a priority? Base: All (1,244)

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## GOVERNMENT SPENDING REVIEW

### PRIORITY AREAS FOR CUTTING SPENDING

The 'softer' issues of socially inclusive services (54%), rural accessibility (46%) and health & safety (44%) are top priorities for cutting transport spending. Increasing capacity (44%) was also identified as one of the priority areas for spending cuts



Q. In your opinion as a transport/logistics professional, in which of the following broad areas do you think cuts should be implemented as a priority? Base: All (1,244)

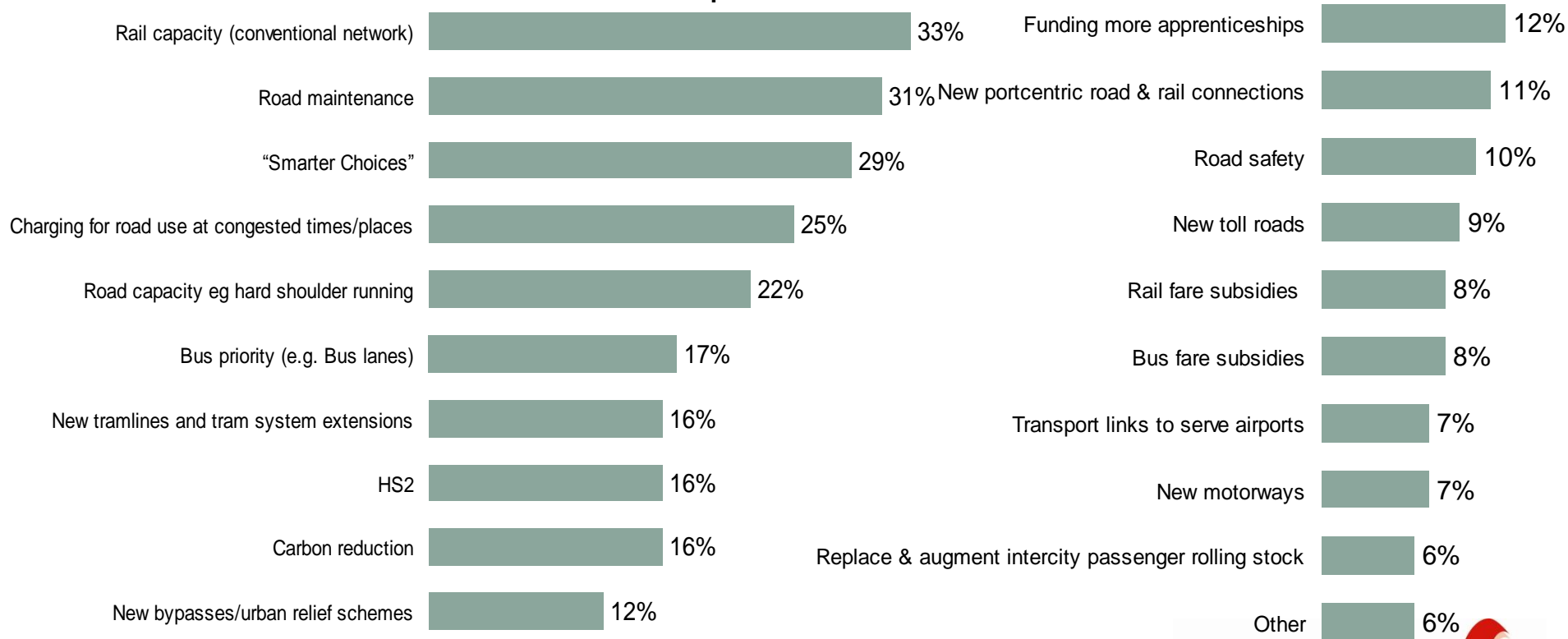
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## GOVERNMENT SPENDING REVIEW

### PRIORITIES FOR TRANSPORT SPENDING

Increasing the capacity of the conventional rail network and road maintenance are seen as the top priorities for transport spending, with bus and rail subsidies, new motorways and new passenger rolling stock being relatively unpopular

#### Top Three Priorities



Q. Please indicate your top three preferences for transport spending in order of priority from the following list?

Base: All (1,244)



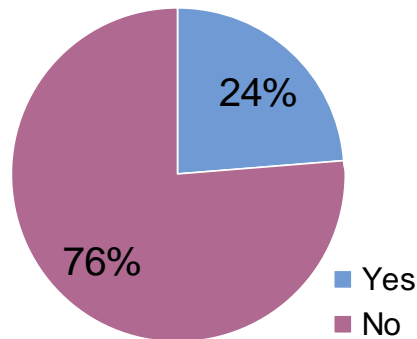
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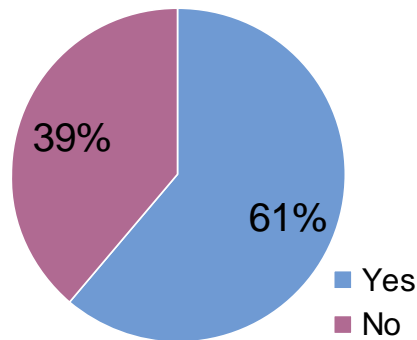
### INCREASES IN CAPACITY

Members are considerably more favourable towards Government spending to increase rail capacity than to increase road capacity

#### ROAD CAPACITY



#### RAIL CAPACITY



**ILT members who are involved in:**

	% Saying Yes	
	Road	Rail
<b>Total</b>	24	61
Bus & Coach	13	65
Rail	4	87
Supply Chain	36	54
Transport Planning	14	60
Private Sector	28	58
Public Sector	17	62

○ Indicates significantly different results from other subgroups

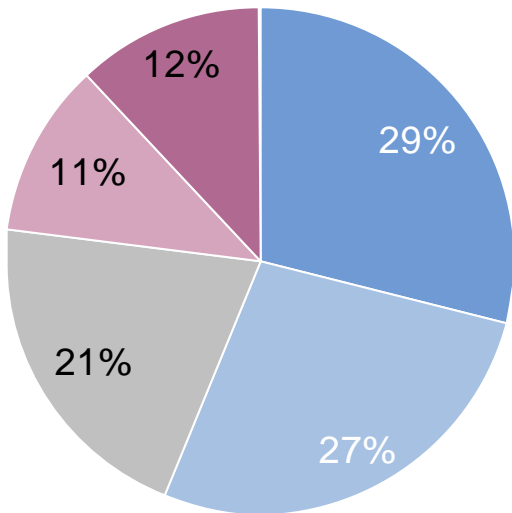


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## GOVERNMENT SPENDING REVIEW

### SPENDING PRIORITIES: SMARTER CHOICES

Members are in favour of the Government increasing spending on 'smarter choices', with almost six in ten supporting spending in this area, as well as being the third most important priority overall. Public sector members are more favourable than the private sector



- Substantially increased
- Maintained at current level
- Substantially reduced
- Marginally increased
- Marginally reduced

#### CILT members who are involved in:

	% Increased	% Reduced
Total	56	23
Bus & Coach	49	22
Rail	55	21
Supply Chain	54	30
Transport Planning	62	15
Private Sector	54	25
Public Sector	64	18

○ Indicates significantly different results from other subgroups

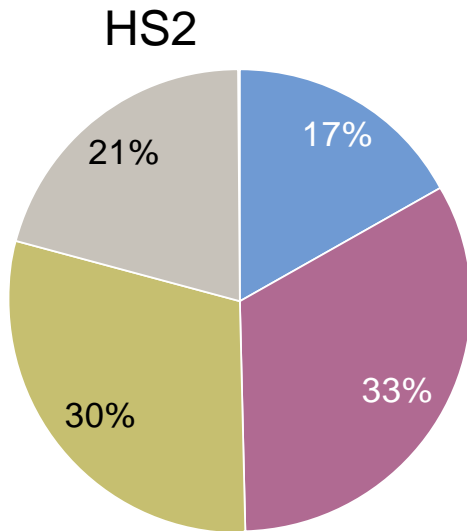
Q. One aim of transport policy is to alter the growth of car travel by encouraging changes in travel behaviour. This includes the use of green and healthy "active travel" like cycling and walking; car sharing and car clubs; and public transport, as well as alternatives to travel like teleworking & internet shopping. These measures are often referred to as 'Smarter Choices'. Should the Government increase or decrease its spending on 'smarter choices'? Base: All (1,244), Bus & Coach (100), Rail (127), Supply Chain (432), Transport Planning (292), Private Sector (758), Public Sector (236)

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## GOVERNMENT SPENDING REVIEW

### SPENDING PRIORITIES: HS2

The overall top priority for one in twenty, respondents are divided on the issue of whether the Government should accelerate, maintain, delay or suspend their plans for HS2. Members who work in the rail industry are most supportive. Overall 79% support HS2 at some point



**CILT members who are involved in:**

- Accelerate plans
- Continue existing plans
- Delay progress
- Suspend plans

	% Accelerate	% Continue	% Delay	% Suspend
<b>Total</b>	<b>17</b>	<b>33</b>	<b>30</b>	<b>21</b>
Bus & Coach	16	32	32	20
Rail	24	39	25	13
Supply Chain	16	32	32	20
Transport Planning	14	33	30	23
Private Sector	16	33	30	21
Public Sector	14	35	34	17

○ Indicates significantly different results from other subgroups

Q. Thinking about the high-speed rail network (HS2) and in view of the current economic circumstances, should the Government... Base: All (1,244), Bus & Coach (95), Rail (1147), Supply Chain (407), Transport Planning (279), Private Sector (713), Public Sector (224)

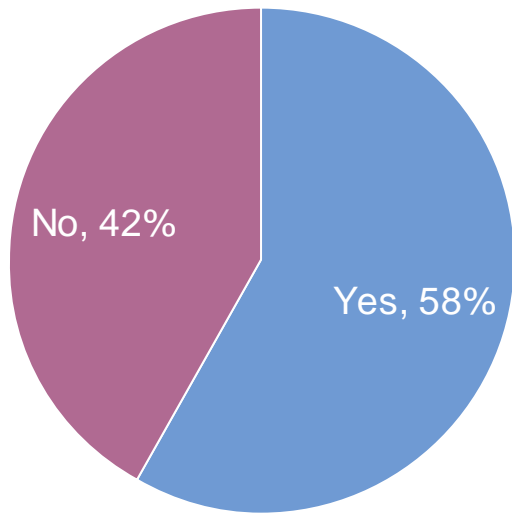


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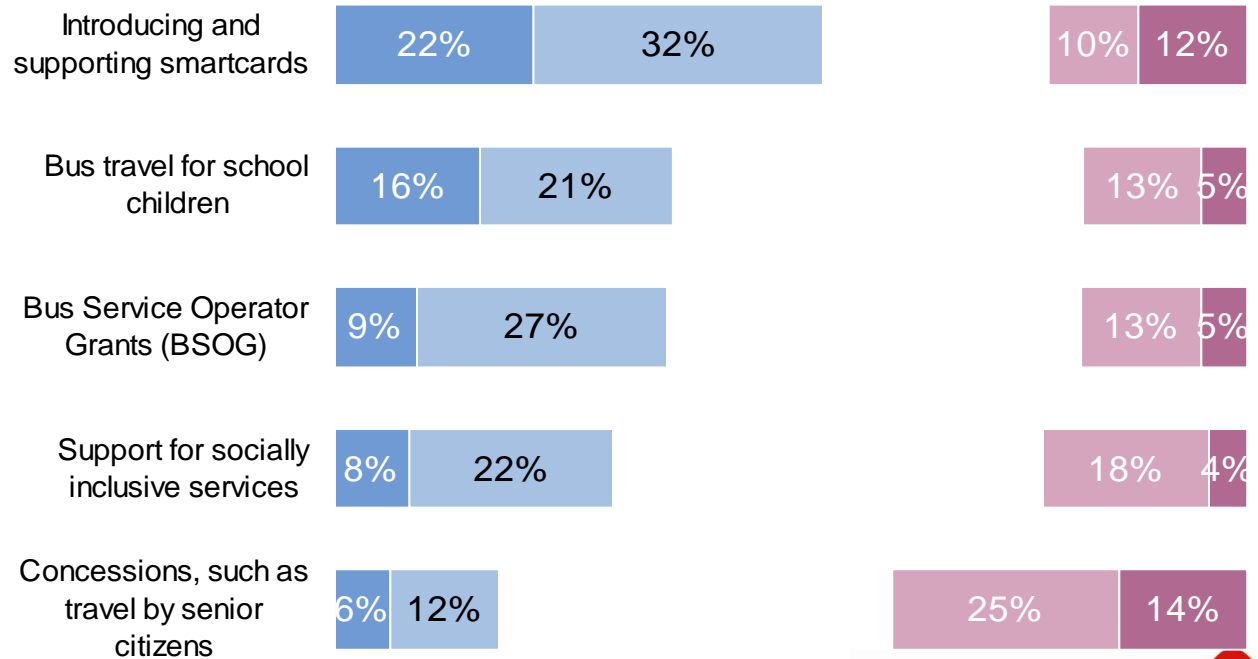
## GOVERNMENT SPENDING REVIEW

### SPENDING PRIORITIES: BUSES

Almost six in ten respondents feel that Government resources should be spent on facilitating bus use, with increasing the use of smartcards seen as the top priority. Many (two in five) support a reduction in concessionary travel for older people



■ Substantially increased    ■ Marginally increased  
■ Marginally reduced    ■ Substantially reduced



Q. Given the current economic circumstances, do you think significant Government resources should be directed to facilitate bus use? Base: All (1,244)

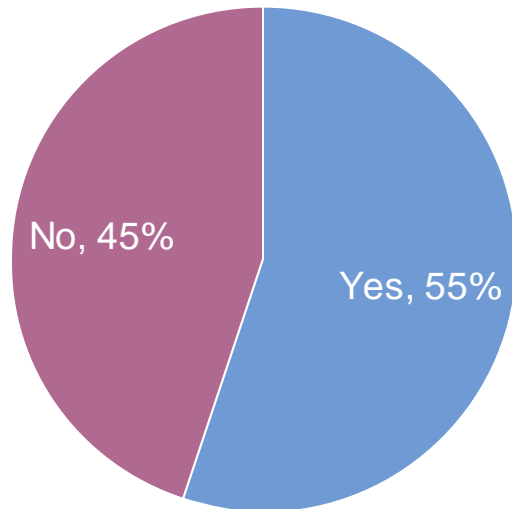
Q. In your view, should Government spending in each of the following be increased or decreased? Base: All who feel significant Government resources should be directed towards bus use (721)

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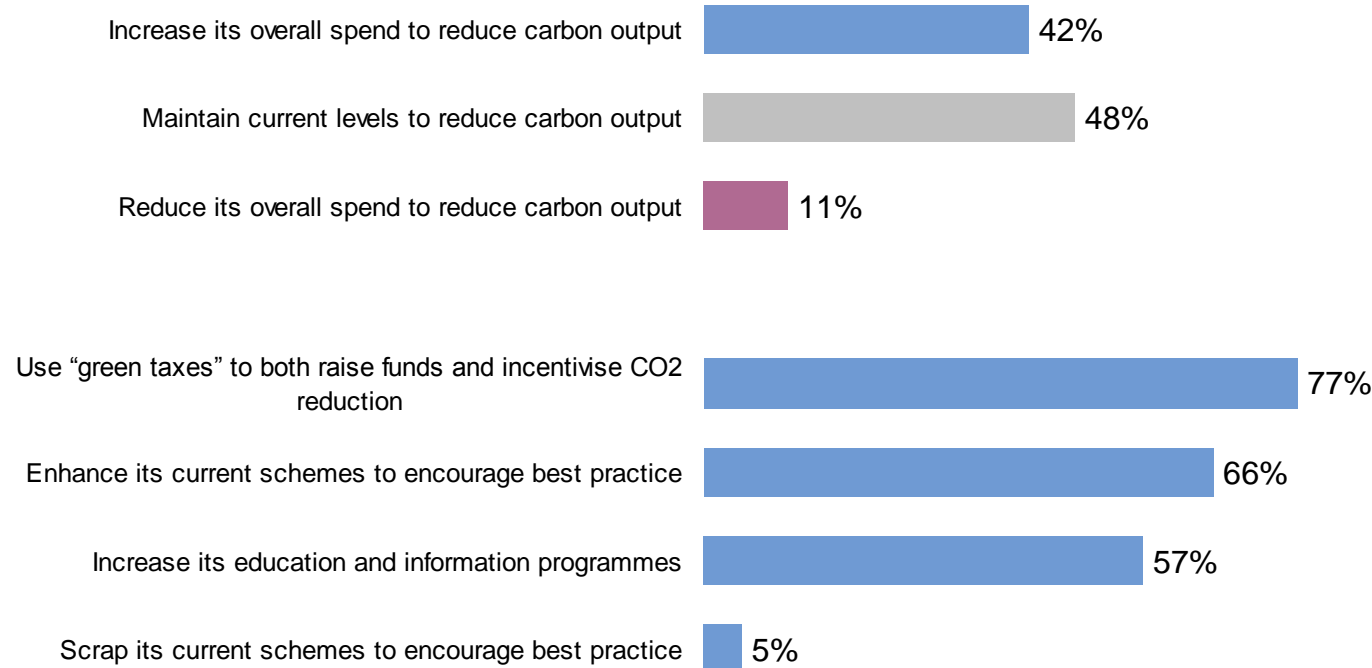
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### SPENDING PRIORITIES: CARBON REDUCTION

Over half of respondents are in favour of significant Government spending on reducing the carbon output of the transport industry, though more are supportive of maintaining rather than increasing spending. Green taxes are seen as the preferred method for raising funds



### And do you think the Government should...



Q. Given current economic circumstances, do you think significant Government resources should be directed towards reducing carbon output of the transport industry? Base: All (1,244)

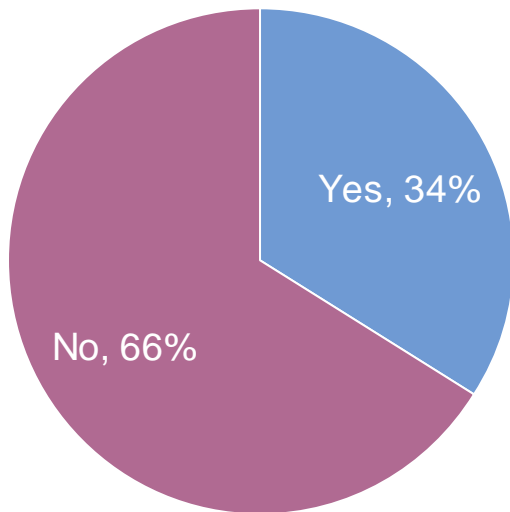
Q. Do you think the Government should: Base: All who feel significant Government resources should be directed towards reducing carbon output (681)

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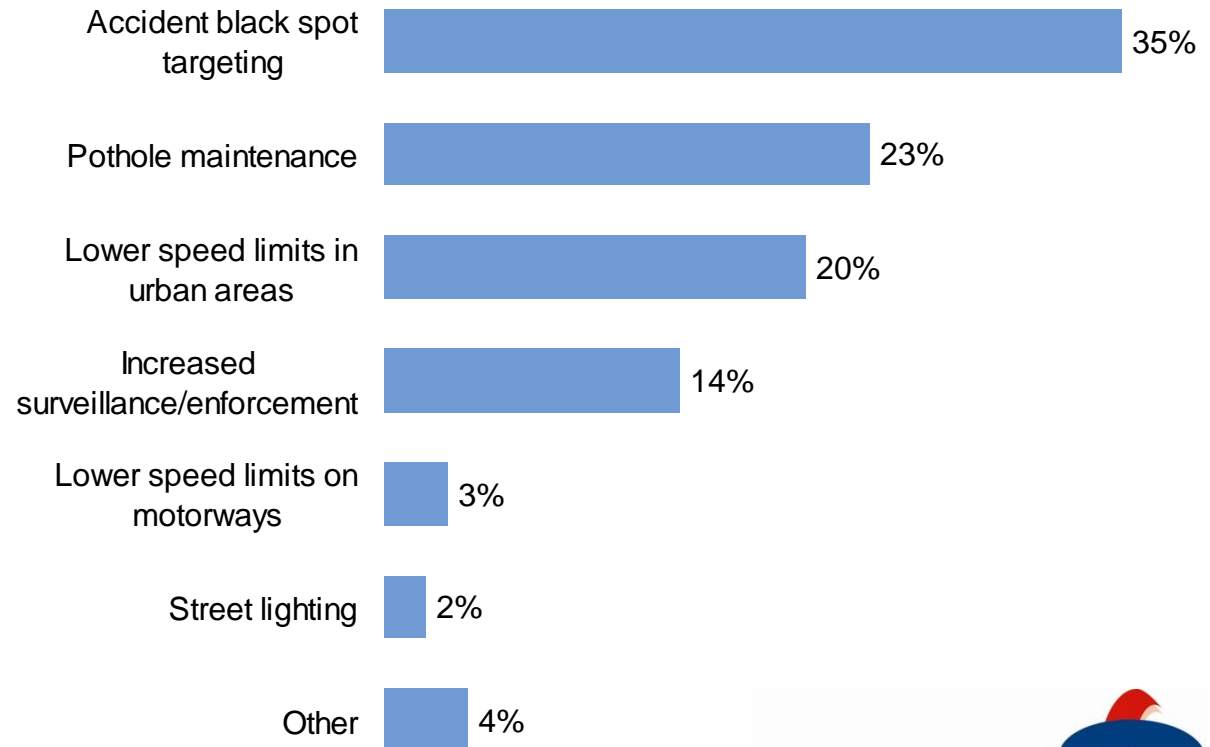
## GOVERNMENT SPENDING REVIEW

### SPENDING PRIORITIES: ROAD SAFETY

Just over one third of members feel Government spending should be directed towards improving road safety, and targeting accident black spots is seen as the best way of doing so



### Top priority of those saying "Yes"



Q. Given current road safety records and the current economic climate, do you think significant Government spending should be directed towards improving road safety? Base: All (1,244)

Q. From the following list of options, where do you consider that Government spending should be best directed to improve road safety? Base: All who support spending on improving road safety (418)

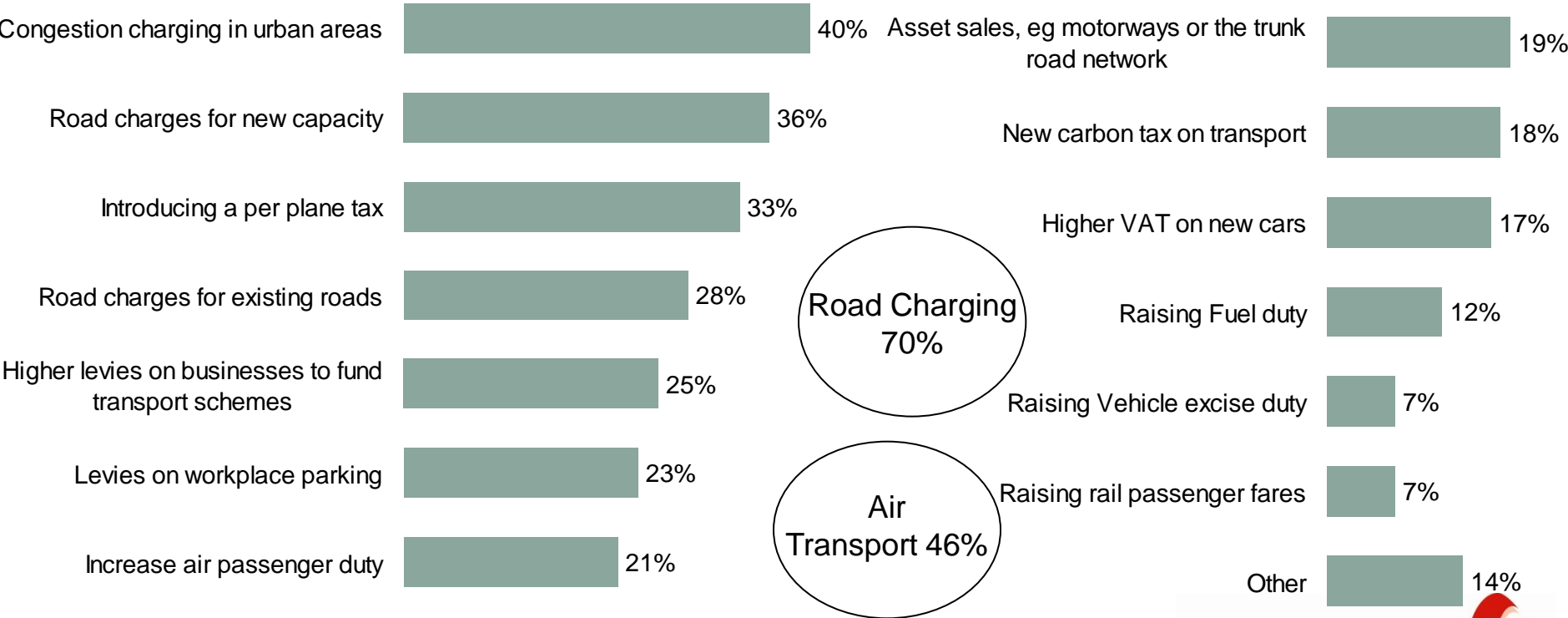
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## GOVERNMENT SPENDING REVIEW

### RAISING ADDITIONAL FUNDS FROM TRANSPORT SECTOR

Seven in ten members identified some form of road charging in their top three priority areas for raising funds from the transport sector. Just under half point to the air transport sector including one third who recommend the introduction of a per plane tax

#### Top three preferences



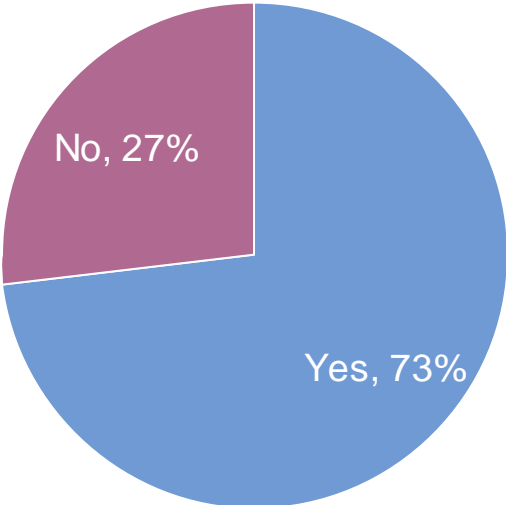
Q. From the following list of options where do you think Government can best raise additional funds from the transport sector? Base: All (1,244)

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## GOVERNMENT SPENDING REVIEW

### AIR TRANSPORT TAXATION

Almost three quarters of respondents support changes to current air transport taxation policy, with members from the rail and transport planning sectors particularly supportive of this idea



		% Yes	% No
<b>Total</b>		73	27
<b>CILT members who are involved in:</b>	Bus & Coach	80	20
	Rail	80	20
	Supply Chain	66	34
	Transport Planning	79	21
<b>Private Sector</b>		72	28
<b>Public Sector</b>		75	25

○ Indicates significantly different results from other subgroups

Q. Acknowledging the current economic circumstances, do you think there should be any changes to current air transport taxation policy, such as tax per plane, fuel duties and VAT? Base: All (1,244), Bus & Coach (100), Rail (127), Supply Chain (432), Transport Planning (292), Private Sector (758), Public Sector (236)