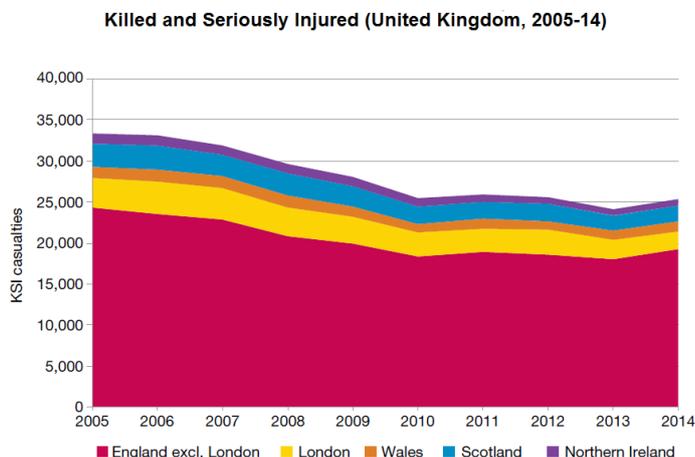


BUDGET 2016 AND TRANSPORT SAFETY: WHAT YOU NEED TO KNOW.

- The *British Road Safety Statement* in December 2015 confirmed the Government’s commitment “to reduce the number of cyclists and other road users killed or injured on our roads every year.”¹
- The downward trend in killed or seriously injured casualties across Great Britain has slowed considerably since 2010.
- In 2014, 1,775 road users were killed and a further 22,807 seriously injured in Great Britain – an increase of 5% on 2013.²



This briefing assesses the Chancellor’s March 2016 Budget in terms of its contribution to transport safety.

ANNOUNCED: ULTRA-LOW EMISSION VEHICLE TAX INCENTIVES.

The Budget announced further support for zero and ultra-low emission vehicles, intended to improve air quality in UK towns and city centres and to reduce emissions of greenhouse gases.

- The Government’s tax incentives (including Vehicle Excise Duty and First Year Allowances) for ultra-low emission vehicles place no priority on safety. The Chancellor could have required vehicles to meet the Euro NCAP 5-star safety standard in order to qualify for the subsidy.³

ANNOUNCED: INSURANCE PREMIUM TAX RISE.

The Budget announced that the standard rate of Insurance Premium Tax (IPT) will be increased by 0.5pc. Following the 3.5pc rise in November 2015, this will bring the rate of IPT up to 10pc.

- This tax increase will hit young drivers hardest as they pay the highest premiums. It will increase the incentive to drive without insurance. The Chancellor could have offered a discount for telematics (black-box) based policies which incentivise safer driving.

ANNOUNCED: ROADS INVESTMENT STRATEGY 2.

The first Roads Investment Strategy⁴ was, according to the Budget Report, the biggest programme of investment in England’s strategic road network since the 1970s. The Budget marked the launch of the second Roads Investment Strategy (RIS2) that determines spending and investment plans from 2020-21 to 2024-25.

- The first Roads Investment Strategy ring-fenced £105 million specifically for road safety and a further £100 million for 200 projects to improve cycling and walking across and alongside existing stretches of the strategic road network. As yet, there is no confirmation that the RIS2 will allocate a specific budget to road safety or cycling.

¹ Department for Transport. ‘Working Together to Build a Safer Road System. British Road Safety Statement.’ December 2015.

² Department for Transport. ‘Reported Road Casualties Great Britain, 2014. Annual Report’. September 2015.

³ Office for Low Emission Vehicles. Plug-in car grant eligibility guidance. March 2016

⁴ Department for Transport. Roads Investment Strategy. December 2014.

ANNOUNCED: FUEL DUTY TO STAY FROZEN.

The Budget announced that fuel duty will remain frozen for the sixth year in a row. Combined with the sharp falls in international oil prices, the real cost of fuel as of January 2016 had fallen to 101 pence per litre for petrol and 102 pence per litre for diesel. This was between a quarter and one third lower than in June 2012.⁵

- Whilst this may seem to be good news for drivers, lower fuel prices reduce incentives for more economical and therefore safer driving.⁶ Reduced concern over fuel consumption can lead to faster driving and sharper braking and acceleration. It also reduces incentives to purchase smaller, more fuel efficient vehicles.

ANNOUNCED: ALCOHOL DUTIES FROZEN.

The Budget announced that the duty for beer, cider, whisky and other spirits would be frozen in cash terms for this year.⁷

- Evidence from the Alcohol Health Alliance UK suggests that raising alcohol taxes can reduce incidents of excessive consumption and address the harms caused by alcohol.⁸
- There remains a very real issue with drink-driving that could be further exacerbated by keeping alcohol prices low. In 2013 there were 240 deaths and 8,270 injuries in Britain in road traffic collisions involving a driver or rider over the legal drink-drive limit (80mg).⁹ This number has remained static since 2010. Initial estimates for 2014 indicate no change. This amounts to 14% of all road deaths.
- The Government is opposed to reducing the drink-drive limit in England and Wales. It supports enforcement based on current limits. However, the number of breath tests undertaken by the Police in the UK has reduced substantially in the past two years. For more information on drink-driving, see PACTS' briefing.¹⁰

ANNOUNCED: DRIVERLESS VEHICLES IN THE UK.

The Budget announced that trials of driverless cars and trials of truck platooning will begin on the strategic road network by 2017.¹¹

- Driverless vehicles could offer significant safety benefits.
- Details have yet to be published of how the trials will be conducted and how the safety of other road users on the strategic road network will be ensured.

ANNOUNCED: UK RAIL INVESTMENT.

The Budget announced investment in transport infrastructure nationally such as commitments to Crossrail 2 and High Speed Rail 3. The Chancellor announced investment in the UK rail network that should help maintain safety standards across the network.

ANNOUNCED: CYCLING

Following the Budget, Transport Minister Robert Goodwill has launched a new strategy committing £300million over this Parliament towards encouraging cycling and walking.¹² The strategy aims to double cycling by 2040, reverse the decline in walking and to reduce the cyclist casualty rate.

PACTS PACTS is the Parliamentary Advisory Council for Transport Safety (an All-Party Parliamentary Group). It promotes transport safety for the public benefit. It is chaired by Barry Sheerman MP. For further information or to become a member of the All-Party Parliamentary Group please contact katy.harrison@pacts.org.uk or visit the PACTS website at www.pacts.org.uk.

⁵ [House of Commons, Petrol and Diesel Prices. March 2016.](#)

⁶ [Chi, G. Porter et al, 'The impact of gasoline price changes on transport safety: a time geography explanation.' Journal of Transport Geography. 28 \(2013\) 1-11.](#)

⁷ [Updates to the alcohol duty rates available in full at the HM Revenue & Customs site](#)

⁸ [Alcohol Health Alliance UK: The Alcohol Health Alliance's position on taxation, 2015.](#)

⁹ [Department for Transport. Final Estimates for reported road traffic accidents involving illegal alcohol levels: 2013. August 2015.](#)

¹⁰ [PACTS briefing: Lords Bill to Lower the Drink Drive Limit. 2016.](#)

¹¹ "1.237 The government will also establish the UK as a global centre for excellence in connected and autonomous vehicles." Budget Report, March 2016.

¹² [Department for Transport. 'Transport Minister Robert Goodwill calls for an increase in cycling and walking' March 2016.](#)