Appraisal & Modelling Strategy Consultation
Department of Transport

15 October 2018

Sent by email to: TASM@dft.gov.uk

Dear TASM

APPRAISAL & MODELLING STRATEGY

Transport for the South East response to DfT Consultation on 'Appraisal & Modelling Strategy Informing Future Investment Decisions'

Transport for the South East welcomes the opportunity to respond to the consultation on the Department for Transport's future modelling and appraisal strategy, the focus of which is to seek views on how the DfT can better support the application of WebTAG. A copy of our draft response is set out in Annex 1.

The views set out below represent the combined responses from a number of our constituent authorities. I should emphasise that this is an officer response on behalf of the Transport for the South East Senior Officer Group.

Yours sincerely

Rupert Clubb
Director of Communities, Economy and Transport
East Sussex County Council
On behalf of Transport for the South East Senior Officer Group

Annex 1
Appraisal & Modelling Strategy – Informing Future Investment Decisions

Transport for the South East - Draft Response

Priorities

1 Do you agree that these themes reflect the most pressing priorities for development of our Appraisal and Modelling guidance? If not, what other themes do you think we should be exploring?

We agree with the themes proposed and particularly support the priority to make WebTAG and appraisal / modelling tools more user friendly, which will assist in making the whole process more widely understood, interpreted and valued.

We particularly support the points about well-connected communities & wellbeing – however air quality and health need to be included within the people & place theme or another theme of transport & health should be added which encompasses air quality and health value e.g. active travel modes (walking & cycling).

It would be helpful if the final draft of the document included a more comprehensive section outlining the context for the guidance as on page 7 (Introduction), i.e. outlining what re-balancing the economy means.

2 What considerations should inform the scope and priorities of our strategy, particularly over the first 18-24 months?

Over all there is a need for the guidance to be more streamlined, user friendly and accessible to non-modellers. This is particularly important to help support local authorities in managing local stakeholders and explaining complex information. The use of case studies would be a simple option, which could be utilised to demonstrate the methodologies used and the outcomes of these.

WebTAG is not very practical when appraising sustainable transport schemes. Further guidance needs to be developed relating to sustainable transport and smaller transport schemes.

The active mode appraisal tool kit is good but has many limitations, in particular being based on length of new cycle route divided by cost. It is difficult for practitioners to make a case for improved junctions to reduce severance and improve accessibility, and therefore mode shift, unless there are cycling related collisions and injuries that a scheme would help to address. - this impacts on the quality of scheme we can justify in business cases.

The 'propensity to cycle' tool is useful – could a 'propensity to walk' tool be added to the guidance for appraising sustainable transport?

There is also very little guidance on appraising pedestrian schemes and quantifying these benefits within appraisals meaning the benefits can often be overlooked, making it harder to make the case for investment.

Likewise with passenger transport and multimodal schemes, there appears to be limited guidance and standard methods to use apart from comparative case studies.

There are issues with the current lack of representation of the value of improved connectivity, safety (perceived and actual) and of tackling significant barriers to walking & cycling. An example of this is the need for more emphasis on the value of improvements to large junctions for non-motorised users to ensure that these barriers are not categorised as 'too expensive/ difficult' by local authorities which means they are not considered.

Low carbon and sustainable transport modes need to be given additional value compared to traditional fuel modes to account for their dis-benefits on air quality. The Intergovernmental Panel on Climate Change report published last week seeks to limit the 1.5 degree increase in global mean surface temps has given added impetus to this. Transport, including aviation and shipping contributes approx. 26% of total greenhouse gas emissions with road transport alone accounting for 21 percent of these.

With increasing emphasis on smart technology either integrated as part of transport infrastructure schemes or as standalone schemes, a lead from the DfT on best practice in the emerging appraisal of these types of schemes would be welcomed. The sharing of best practice could again be through the sharing of national or international case studies.

People and Place: capturing the range of impacts relevant to transport policy today

3 What should be our priorities for improving the appraisal of people and place and why? Please select up to three areas.

- **Health impacts,** including both positive impacts for new and more walking and cycling due to a scheme, as well as capturing the negative health impacts for private motorised travel. The wellbeing of future generations must be built sufficiently into scheme appraisal and health generally should carry further weight than other criteria. Providing active transport mode options within or as part of a scheme, offers significant life year value benefits which should also be captured alongside safety, air quality etc. Need to ensure not only the direct transport benefit is quantified but the impact on people surrounding the transport link.

- **Value of urban realm and place-making improvements,** including appropriate tools based on evidence from previous schemes and their impacts.

- **Measuring 'journey experience'** will need to change in future, in the context of new and emerging technologies, for example improvements to public transport information, Mobility as a Service, etc., with the potential to make non-car journeys easier and simpler, putting them more on a par with the convenience of travelling by car. We need to ensure future flexibility to account for these changes as these indicators emerge.

- **Valuing attractiveness - Urban realm** – need to retain use of highstreets for economies to reduce travel. What will the high street's place be in the future? Currently find it very hard to appraise urban realm.

- **Air quality** is also an important determinant of health and it should be easier to capture this in appraisal. Assessing the impact that induced and displaced traffic from a scheme have on the wider area/ people living nearby. Values should be given to discourage schemes which encourage more motorised traffic through areas of vulnerability e.g. town centres, past schools, hospitals, health care centres, urban areas.

- **sustainable transport uptake** - Need to ensure that the full benefits of cycling schemes are recognised in appraisal. Currently major barriers with the method of

cost/ length of route which doesn't enable the expensive "too difficult" schemes to be tackled, leaving significant barriers to active travel untouched. Connectivity with other routes needs to be quantified to enable the expensive junctions and links to be improved for cyclists even if there is a low accident record here – to enable the scheme to be promoted as a connectivity scheme not a safety scheme.

- **Lack of guidance of pedestrians** – active mode appraisal limited in appraising increase in pedestrians.

- **Propensity to cycle tool** – very useful but limited guidance for how you put in the figures for the model & also to produce a similar tool for pedestrians. Work examples are key to making the guidance more accessible.

- **Person centred business cases** – an increase in opportunities to utilise existing or new methodologies to assess the impact of transport schemes on users would be welcomed. The current outputs in assessing social and distributional impacts do not have enough prominence in appraisals. A move towards demonstrating impact at the level of the transport user would be beneficial to assess impacts on more marginalised sectors of society and facilitate a more inclusive approach. This would align with the DfT's Inclusive Transport Strategy. This type of assessment may also become more useful and necessary when assessing smart technology based infrastructure, to provide a more detailed analysis on different user groups, as this type of infrastructure will be more person centred

Reflecting uncertainty over the future of travel

4 What should our priorities be for improving our understanding and treatment of uncertainty in modelling and appraisal and why? Please select up to three.

- **An evidence-based approach to fully understanding future travel needs** and provision is needed in order to accurately reflect this in modelling and appraisal. For example, assumptions that traffic will grow, assumptions on number of Electric Vehicles (EVs) / Connected and Autonomous Vehicles (CAVs) within traffic flows, and evidence from cycling and walking schemes to reflect behavioural drivers. New scheme data, once built, should also be reviewed and fed in to future scheme forecasting where appropriate, and case studies, which would then give further confidence in future forecasting work and the system generally.

- **Impact of reduced driver behaviour on roads / at junctions due to Connected and Autonomous Vehicles (CAVs)** – and the impact of this on traffic flow.

- **Impact of changing demographics and travel behaviour / influencers**.

5. What do you see as the main challenges to adopting a more sophisticated approach to uncertainty in Business Cases and what suggestions do you have for overcoming these??

Challenges include:

- Ensuring a **robust evidence base** that is regularly updated

- Reflecting the **wider value of sustainable travel schemes** in modelling and appraisal – e.g. full acknowledgement of the impacts of 'policy-type' changes both at the local and national level, such as parking restraint, introduction of car clubs, or national policy changes (transport-related or wider policies which impact on travel)

- **Challenging the assumptions of traffic growth**.

- **National Level Forecasting** - the suggestion of publishing confidence intervals around forecasts in national level forecasts GDP, population and fuel costs, which can be utilised in business case development, sensitivity testing, scenario and Monte Carlo analysis, to provide greater understanding around uncertainty is welcomed.

- **Uncertainty Toolkit –** an 'uncertainty toolkit' would be welcomed, but it must be both applicable and scalable according to scheme size and be user friendly, to take into account the limited resources available to local authorities in undertaking this element if business case development.

Modelling and appraising transformational investments and housing

6 What should our priorities be for improving the modelling and appraisal of transformational investments and housing and why? Please select up to three.

- Ensure more weight and attention is given to the **strategic case** in these instances.

- Ensure that **cumulative impact can be taken into account** (e.g. on a programme basis) rather than just project-specific benefits (as WebTAG is currently structured).

- **Supplementary economic modelling** - additionality, land use transport interaction - additional opportunities to quantifying transformational or wider impacts. We realise that this area is in development and would appreciate the DfT sharing best practice in relation to this would be welcomed. We understand that this type of modelling is often reliant on robust evaluation of schemes. Whilst evaluation is integral to business cases, the development and delivery of this is often subject to the availability of funding, which can be challenging for many local authorities. Therefore greater prominence of this should be placed in relation to competitive government funding schemes.

- **Productivity Impacts –** methods to measure productivity would be welcomed, for example how improvements in long distance travel links between geographic areas could enhance productivity.

7 What transformational impacts do you currently find it difficult to represent in a scheme appraisal? What are the barriers to their inclusion and how would you suggest these are overcome whilst maintaining a consistent and robust approach?

Greater research is required to **appraise integrated packages**. In relation to house building and transport infrastructure packages, greater weight needs to be given to benefits of sustainable transport schemes. Whilst it is difficult to demonstrate that it will unlock housing, it is integral in supporting access, but this is difficult to appraise.

Impacts on property prices from a scheme are currently hard to attribute – a way of assessing this alongside wider factors would be useful, particularly in terms of the future potential for **capturing land value uplift from schemes** (a national issue which needs to be suitably addressed).

In addition there are also opportunities for a strengthened relationship between WebTAG and NPPF, in relation to the issues between transport access and land use planning. This could be supported through the use of case studies.

Supporting the application of WebTAG and making it more user friendly

8 What are the main barriers and challenges to applying WebTAG? How do you think these could be overcome?

It is imperative to ensure WebTAG is both fit for purpose & robust as well as user friendly. There is a balance to be had here.

Barriers and challenges:

- **Resource** – the current complexity and detail of WebTAG means that many Local Authorities require resource from consultants to fully provide support with business case development at all stages. This has a time, resource and monetary cost**.**

- **Understanding amongst decision-makers** of the appraisal process, in particular WebTAG.

- Agree with the proposal to enhance **output from TEMPRO** (par 8.8). Also, the development of guidance in creating robust matrices in the light of mobile network data use (par 8.17) is welcome.

How to overcome:

- Additional training and support from DfT for Local Authority officers on **understanding, interpreting and applying** WebTAG.

- **Simplified guidance** to be produced as an additional document, for different user types and different levels of understanding, as well as video guides for how to utilise WebTAG for example schemes.

- Ensure that decision-**makers understand the need for assessing not just BCR but the wider case**?

- **Additional resource at sub-national level** to strategically assess schemes and provide expert knowledge in WebTAG.

- **Case studies** of schemes would be welcomed, showing real scheme application of the tools and guidance.

9 What more could be done to articulate the flexibilities in WebTAG and support scheme promoters apply the guidance?

- **Less reliance on BCR,** ensure it is clear that the BCR is not the sole output from the appraisal and that other elements of the wider cases are just as important. Focus on how to interpret and apply the results, with suitable guidance and tools for a range of knowledge / experience levels.

- **Provide more example \ case studies -** Provide greater clarity on WebTAG compliance to Scheme Promoters and provide greater emphasis on likely costs and timeframes to undertake different levels of scheme assessment, by mode of range of costs from >£10m mid-range and £100m+

10 How can we improve the way in which WebTAG is presented? Why? We are particularly interested to hear about how we can improve accessibility and clarity of the guidance.

- **Provide more training seminars**

- Clearly set out the **stages of the process**, actions and responsibilities for different types of user; using easy to understand methods such as flow charts.

- **Case studies** and examples of results and their application. Video guides on usage of data and tools, with practical examples of how and when to apply tools in a given context.

- **Review of existing guidance** and its content / layout – **summary leaflets welcomed.**

- Development of **a two staged approach for the guidance**, 1. Technical guidance – for those undertaking the appraisal and modelling 2. Non-Technical – simple guidance on methodologies and expected outputs, which local authorities can utilise with stakeholders.

Developing modelling and appraisal tools that meet user needs

11 What should our priorities be for improving the development of modelling and appraisal tools and why? Please select up to three.

- Ensure future applicability of these with future data changes e.g. **implications of Big Data.**

- Ensure ease of use for Local Authorities and that while being technically sound the process, inputs and outputs are **understandable to wider stakeholders.**

- Ensure **proportionality and applicability to different scales of project.**

12 How can we best encourage innovation whilst maintaining a consistent and robust approach?

WebTAG must be a **streamlined and succinct document**. The constant additions to WebTAG have often made it challenging to use. Therefore to avoid this, greater reviews of the document may be required as guidance and methodologies are developed.

13 What new and emerging techniques and methods should we potentially explore and what specific problems might they solve?

The use of and implications of **Big Data** – great potential for utilising new data sets The need for more robust data generally and **more Origin-Destination** data.