

Report to Sheffield City Region Overview and Scrutiny Committee

Date of Meeting:	29 October 2020
Subject:	Evaluating Outcomes and Value for Money from Active Travel Projects
Purpose of the Report:	Information & discussion
Recommendation(s):	That committee note the contents, ask questions and discuss the issues.
Category of Report: Open	
Under the Freedom of Information Act and Schedule 12A of the Local Government Act 1972, this paper and any appendices will be made available under the Combined Authority Publication Scheme.	

Summary:

This report provides an overview of the current evaluation of value for money appraisal for active travel work and the work to procure an evaluation and monitoring package in Autumn 2020. This will use the delivery of active travel projects in 2020/21 and the Active Travel Implementation Plan to recommend internal value for money appraisal methods for the MCA.

1. Introduction/Context

- 1.1 On 9 May 2020 the first announcement for the Emergency Active Travel (EAT) fund was made by the Secretary of State for Transport, and this was followed by 2 tranches of funding for an overall allocation of £7.1m. Tranche 1 (EAT1) was for quick implementation of temporary and trial schemes to be implemented by the end of September 2020 and the MCA was allocated £1.4m. The Tranche 2 (EAT2) bid was submitted on 9 August, but the announcement has been delayed. The details of the bid are not public.
- 1.2 Along with Emergency Active Travel schemes, our partner authorities are delivering Active Travel infrastructure through the Transforming Cities Fund (TCF), other MCA funding, and other local funding. TCF and EAT2 have Value for Money Assessments through a DfT mechanism – Active Modes Appraisal Toolkit (AMAT). As EAT1 was for rapidly deployed infrastructure it was not subject to an AMAT appraisal.
- 1.3 This paper sets out how the MCA currently assesses Value for Money for active travel schemes using AMAT and other considerations when assessing the value of the schemes being delivered.

2. Matters for Consideration

- 2.1 AMAT Appraisal is the key DfT tool that is currently used to evaluate value for money for Active Travel schemes. It is a spreadsheet-based tool that relies on a limited number of inputs about a scheme:
 - The capital cost (spread over a number of years)
 - The appraisal period

- The numbers of existing walkers and cyclists
- The types of infrastructure interventions
- The percentage of an average trip that will use the infrastructure
- A percentage estimate for optimism bias.

The tool uses this information to give an indicative Benefit to Cost Ratio (BCR) and splits this into Mode shift, Health and Journey Quality.

- 2.2 A key issue for all schemes going through AMAT is to have an accurate estimate of current users (although this year has been very atypical) and an uplift in numbers based on a clear precedent. To help with this there are other tools that the DfT has provided, such as an uplift estimation tool and the propensity to cycle tool (a propensity to walk tool has been developed by University College London but is not a recognised DfT tool).

In nearly all cases in South Yorkshire there is very little data on cycling numbers and almost no data on walking. Although cordon counts and other manual counts give some numbers, they are usually not in the exact place that a scheme is planned, and often under-represent the numbers of active travellers. The uplift tool and propensity to cycle tool return very low numbers for nearly all locations in South Yorkshire.

Further, because very few high-quality schemes have been built, and in place for long enough, it is difficult to have clear precedents for the uplift in numbers. There are precedents in West Yorkshire and a lot of information from where cycling rates are much higher. In any case, a percentage uplift on a very low number to start with does not give a large number of new users, and the benefits side of the equation is often low.

- 2.3 The MCA Executive is moving to procure a monitoring and evaluation package for Active Travel which will use the remainder of the financial year to collect data and best practice. It is also envisaged that the Active Travel Programme will give an annual report of progress which will give a programme level analysis of work to date.

The Monitoring and Evaluation package is a key plank in helping collect the overall benefits of investing in Active Travel. For instance, because the health benefits of active travel are well known, it is important not to continue with the current focus on journeys to work, as any active travel produces the same health benefits whatever the purpose.

The active travel design guidelines, adopted by the MCA, include the inclusion of automatic cycle counters in any new cycle track that is longer than 500m, but we will also rely on the monitoring and evaluation report to help advise how we can more accurately capture the numbers of active travellers, and create a series of local precedents that can be used for future schemes.

- 2.4 In working with TfGM we have identified their Programme Entry Appraisal Tool (PEAT) as something that could add value to the way we assess active travel schemes. Sustrans are also working with the MCA Executive to build a pipeline of active travel schemes that can be used for future bidding opportunities. The intention is to use a similar tool to PEAT to have a set of schemes with Strategic Outline Business Cases (SOBC) so that Value for Money estimates can be made at an early stage.

- 2.5 One key matter for consideration is the 'first on the dancefloor' situation that many of the South Yorkshire Authorities find themselves in. As there are virtually no substantial and continuous segregated active travel lanes or low traffic neighbourhoods means that the Value for Money assessments sometimes give a BCR of below 1 (the same calculated benefit as input cost) and seldom above 2 (double the calculated benefit as cost). However, the strategic case for these routes is crucial, in that they need to be placed on main routes and in key neighbourhoods to create precedents which was then be used to assess future schemes.

- a. **Financial**
This paper is about value for money assessments to inform investment decisions.
 - b. **Legal**
There are no direct legal implications
 - c. **Risk Management**
The paper has implications for management of risk funds. It also has implications on investment and value for money calculations to inform business cases.
 - d. **Environmental**
Active travel investments are aimed at reducing vehicle use and ownership and are associated with improving the environment.
 - e. **Equality Impact Assessment**
Active travel investments are based on the Commissioner's pledges to create accessible and inclusive infrastructure
 - f. **Performance Management/Measuring Outcomes**
This report details programme level monitoring, evaluation and reporting.
3. **Consideration of alternative approaches**
The EAT funding was through a government-controlled process, so the Value for Money calculations had to use tools and methods prescribed by them. Other approaches are currently being investigated for how it is assessed for MCA funded schemes, such as the PEAT model.
 4. **Issues the Overview and Scrutiny Committee may wish to consider ...**
OSC should consider the current challenges faced when assessing the Value for Money of active travel schemes given the availability of data and precedent schemes.
 5. **Recommendations**
That the committee note the contents, ask questions and discuss the issues.
 6. **Appendices/Annexes**
None.

The following section is a legal requirement

Report Author:	Pete Zanzottera
Job Title:	Active Travel Programme Director
Officer responsible:	Mark Lynam
Organisation:	Sheffield City Region MCA
Email:	pete.zanzottera@sheffieldcityregion.org.uk
Telephone:	07742 401102
Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield, S1 2BQ	
Other sources and references: N/A	