

# Consultation response: Welsh Transport Appraisal Guidance (WeITAG) 2017

Sustrans submission to the consultation on WeITAG 2017

## Introduction to Sustrans

- 1 Sustrans makes smarter travel choices possible, desirable and inevitable. Working across Wales and the UK, we are a leading UK charity enabling people to travel by foot, bike or public transport for more of the journeys we make every day. We work with families, communities, policy-makers and partner organisations so that people are able to choose healthier, cleaner and cheaper journeys, with better places and spaces to move through and live in.
- 2 In this submission we provide feedback primarily from the perspective of walking and cycling. We have substantial experience in evidencing the benefits of investment in these modes. Sustrans has along track record in monitoring cycling and walking activity and in evaluating the impact of interventions delivered in support of walking and cycling. We hold extensive data resources that could help to support ongoing development work on Weltag.
- 3 We hold that transport appraisals, and road scheme appraisals in particular, do not answer the questions that decision makers should be asking under the Well-being of Future Generations Act, nor do they reflect what is actually important to citizens. Transport appraisal needs to reflect, for example, wider quality of life and well-being issues including health, the balance between leisure activities and work, social connections and relationships and the environment. We want to see appraisal systems that adequately capture the impacts of congestion, carbon emissions, pollution, noise and accidents.

## Response to consultation questions

- 4 Responses to the questions posed in the appropriate form are appended to this note.
- 5 As a broad point of principle, we are inclined to be supportive of the proposed changes to WeITAG. They simplify a complex approach; they make the system more flexible; and they introduce a broader base to making the case for schemes in terms of restoring a balance in the weighting of a BCR relative to other aspects of the evidence.
- 6 However, there are a number of areas of challenge that we set out in the below. Our concerns are grouped into two broad areas:
  - Application of the approach – issues that relate to the application of WeITAG in the context of decision making
  - Technical details – issues that relate to the treatment of data in the context of transport appraisal
- 7 We feel that for WeITAG to be more equitable and for it to better address the demands of e.g. the Wellbeing of Future Generations Act, these issues need to be addressed more explicitly.
- 8 We set out these areas of challenge in the supplementary comments below.

## Supplementary comments

### Application of approach

- 9 The following sections contain comments on the mechanisms by which the new approach will be applied.
- **There are some real positives to the proposed changes to WelTAG guidance**
- 10 We generally welcome a less restrictive approach to the transport appraisal process, and the alignment of the transport appraisal process with the Well-being of Future Generations Act (WFGA) approach in Wales. We would like to add to this a strong alignment with the Active Travel Act, which, whilst implicit, does not appear to be explicit. We note the intention to list legislative requirements for the framework process on an accompanying website, and we are of the view that this will be a useful connection.
- 11 Sustrans will welcome the opportunity to be included in the list of orgs to be consulted when this is added to the website. Developing an appraisal community is also a good idea for sharing best practice and pooling knowledge. We are inclined to agree that this needs to be facilitated initially to gain momentum. We are more sceptical about whether this community can ever become self-sustaining, and would observe that it may need ongoing support. We would welcome the opportunity to further discuss with Welsh Government how Sustrans can engage with an appraisal community.
- **Advisory thresholds for schemes requiring appraisal**
- 12 The removal of an arbitrary lower limit of £5m for schemes provides a much more flexible tool for appraising AT schemes. We have often expressed a concern that the ‘weight of expectation’ of evidence in support of active travel schemes exceeds that for e.g. road schemes. We have perceived (not necessarily in a Welsh context) that the evidence required to support a £5m scheme is in excess of what is required for a £5m road scheme – and that the resource required to produce that evidence is more difficult to access. What we need to know is that active travel schemes can be assessed on the same basis as road schemes – or even that the better alignment with policy positions means that the threshold is lowered.
- **Expanding the breadth of material that can be used in transport appraisal**
- 13 The expansion of the breadth of material that can be used in the appraisal process is a very pragmatic and sensible proposal. However, it does raise issues around transparency and scrutiny.
- 14 Transparency is paramount. We see any number of appraisal exercises within relatively prescriptive frameworks where the ways that data is processed, applied and interpreted are far from clear.
- 15 In terms of scrutiny, comprehensive review of the appraisal exercise could become very onerous. We appreciate that this is bound up with the intention to form ‘review groups’ (see below).
- 16 We make a strong recommendation that the need for absolute clarity and transparency should be brought out even more emphatically in the guidance. Welsh Government may even want to go so far as to consider whether sanctions or deferrals might be applied to scheme promoters or schemes where transparency, or even ‘integrity of application’, is found to be compromised. This

issue is bound up with the political imperatives that have traditionally driven some economic appraisal work – we have no particular solution to this problem beyond absolute transparency.

- **Review groups for transport appraisal exercises**

- 17 In principle the proposal to convene review groups around transport appraisal exercises around feels eminently sensible. An adequately skilled and informed group could add substantial value to the process, and could be a key route to sanctioning the proposal. However, the approach does present problems in terms of real and perceived integrity, whether wilful or unintentional. At one level there is the risk of the ‘echo chamber’ effect, where a group can find its conviction in a scheme reinforced by weight of peer-opinion. At altogether another level, there is a risk of vested interests becoming embedded in the decision making process.
- 18 We would like to recommend that further guidance is issued on the composition of panels, and that the panels are subject to extensive scrutiny.
- 19 Just to bring this concern to life a little – what would be the composition of the panel reviewing the case for the M4 proposal? We are not aware that there is currently representation in decision making from groups who would reasonably be expected to express a view that the scheme is ill-considered. How could a role for these groups be ensured? The converse is also true. How would a walking and cycling scheme be assured of input of a contrarian view to case-building and decision making?

- **Use of the five cases**

- 20 The fact that the transport and strategic case can be expressed more forthrightly than may have been expected at times in the past is a very positive move. Our view is that a clear articulation of why the scheme is considered appropriate, in what context, and from a range of perspectives, is a really helpful means of stimulating debate about the scheme. Of paramount importance is how this is then opened up to wider audiences. It is crucial that the cases can be reviewed in the context, particularly the context of, for example, option generation (see below).
- 21 The point has been raised about whether there is a need for even more explicit expression of alignment with policy in the context of a ‘wellbeing case’ or a ‘future generations’ case (which could be interchangeable to a degree). We would support the addition of very explicit alignment of the process of proposal in the context of Government policies.

- **Option generation**

- 22 The guidance is not clear enough about the scope and breadth of option generation. This is common across all forms of transport appraisal. How does one, in the context of e.g. a ‘local congestion’ challenge, reconcile the possible solutions offered by everything from behaviour change to road building.
- 23 We think that there should be a mechanism that introduces a hierarchy within the toolkit of potential solutions, such that lower cost and more readily policy-aligned solutions can be prioritised. So we would advocate for example the due consideration of behaviour change schemes, and then walking and cycling infrastructure, before moving on to more infrastructure intensive forms of intervention.

- **Monitoring and evaluation**

- 24 Good monitoring and evaluation is essential. We need to know whether schemes (past, present and new) deliver what modelling suggests. We have concerns that road models, for example, frequently suggest resolutions to congestion problems that are never realised. This requirement should be drawn out even more explicitly in the guidance.

- **Risk of reinforcing the predict-and-provide approach to transport planning**

- 25 One of the major risks of the failure to understand demand is the way that current approaches act as a crutch for established practice to pervade. We are thinking particularly of the predict-and-provide paradigm. This says that we predict the future based on the past and cater for a future demand that fits within the constraint of the current. In this way, current approaches to provision of transport are 'locked-in'.
- 26 This problem is well-evidenced in terms of road building. We see historic growth in traffic; future models predict growth in traffic on this basis; we perceive that the way to deal with forecasted growth is to build new roads; traffic growth ensues. We disregard the possibility of changing the paradigm by changing provision.
- 27 A case-in-point for running against predict and provide is London. Twenty years ago conventional transport modelling would never have forecasted significant increases in cycling and decreases in motor traffic. But the congestion charge and investment in cycling have changed the paradigm.
- 28 We need to be absolutely certain that in the new guidance there aren't any inherent 'loops' whereby predict-and-provide approaches are locked-in. This point speaks to our recent submission to the Travel Demand Commission – see <http://www.sustrans.org.uk/sites/default/files/images/files/Sustrans%20submission%20-%20CommissionOnTravelDemandv1%200.pdf>.

## **Technical details**

- 29 The following sections contain comment on (long-standing) questions that we have about the technical details behind the proposed approaches.

- **The treatment of fuel tax**

- 30 The distillation of guidance means that some of the resolution is lost. A particular example is the treatment of fuel tax. In DfT's WebTAG guidance there is a clear mechanism for accounting the treatment of fuel tax. This addressed an historic problem that a scheme that reduced car use had the loss of fuel sales, including tax, counted as a cost, whilst a scheme that increased car use, and therefore income from fuel sales and tax, treated this as a benefit to Government. Revenue from these sources was offset against the cost of the scheme. This immediately disadvantaged any schemes that reduce car use. The solution was to do the calculation, but to account it in a slightly different way that should be transparent to somebody scrutinising a submission.
- 31 It is not clear to me how WebTAG will treat this issue. The concern is that the flexible approach may be applied a little too flexibly in the sense that scheme promoters will seek to serve their own ends. Road scheme promoters will account the revenue generated by increased travel as a positive; active travel scheme promoters will disregard fuel tax losses. Clarity and transparency may be compromised. This is a good example of a situation where not quantifying the benefit may serve to confuse the situation.

- **The treatment of time-savings**

- 32 A perennial concern, the appraisal system values often extremely small time savings in such a way that they dominate BCR's. In this sense, downplaying the significance of the BCR can be a good thing. But this does not alter the fact that current approaches disproportionately value small amounts of time saved by individuals and allows them to acquire a value far beyond their worth to each of us in our daily lives by multiplying them by the number of passengers that could

benefit. The extent to which this is monetised or not may be a moot point – we assume that they will be considered, and we assert that they can distort the reality of an intervention. And very rarely do models accurately forecast the reality of time losses when congestion levels rise following an intervention (otherwise, presumably, road schemes would rarely be built).

- 33 Again, our recommendation relates to clarity and consistency in treatment of small time savings. However, we do have strong reservations about the appropriateness of this metric as a useful contribution in the context of the value of a scheme.
- 34 Please see Sustrans' response to DfT's consultation on small time savings for further commentary on this issue - [http://www.sustrans.org.uk/sites/default/files/images/files/policy/submissions/0116\\_DfT%20Values%20of%20time%20research%20and%20implementation\\_Sustrans%20response.pdf](http://www.sustrans.org.uk/sites/default/files/images/files/policy/submissions/0116_DfT%20Values%20of%20time%20research%20and%20implementation_Sustrans%20response.pdf) and <http://www.sustrans.org.uk/blog/how-do-we-value-travel-time>

- **The treatment of carbon dioxide emissions**

- 35 Schemes are typically compared against a 'business as usual' scenario when it comes to carbon dioxide emissions. The 'business as usual' scenario accepts that emissions will increase over time, even though it is a stated desire of Government to reduce CO<sub>2</sub> emissions. As long as the scheme accounts for smaller CO<sub>2</sub> emissions than business as usual, then it is assessed to be 'good', when in fact the with-scheme scenario could still fail to meet carbon reduction targets.
- 36 In addition any increases in CO<sub>2</sub> generated by a scheme are often 'offset' by time-saving benefits to reduce or remove the cost of this increase.
- 37 Alignment of the impacts on CO<sub>2</sub> with legislative imperatives, such as the Well-being of Future Generations Act, will be challenging, but essential. We recommend that Welsh Government should adopt a position of not supporting schemes that raise CO<sub>2</sub> emissions.
- 38 Other emissions that impact on air quality should be addressed in the same way as CO<sub>2</sub> emissions.

- **The treatment of physical activity**

- 39 Any initiative that increases levels of physical activity, for example schemes that enable people to walk and cycle more, is able to include improved health and well-being as a benefit.
- 40 However, the range of health benefits that can be included is restricted. For example the benefits valued for cycling and walking are related to mortality, rather than morbidity associated with conditions such as coronary heart disease and type II diabetes. The health benefits to children and young people are not valued at all within the current system.
- 41 The shift away from the benefit to cost ratio approach raises questions about how the relative extent of benefits of different options are generated and compared.
- 42 For example, although improvements to public health through physical activity are included to a point, equal emphasis is not usually given to worsening public health conditions that may result from schemes that reduce levels of physical activity by, for example, encouraging people to drive short distances, or creating an environment that discourages walking and cycling.

- **Additional benefits of cycling and walking**

- 43 One of the benefits of expanding the breadth of material that can be included in appraisal is the possibility for inclusion of a wide range of impacts of investments in cycling and walking that are not currently captured by the WelTAG framework. Among others, major gaps and problems in using WelTAG to quantify economic benefits are found in the following areas:

- Leisure cycling and walking – Recent research by Sustrans estimated that leisure and tourism cycling on the National Cycle Network is worth in excess of £650 million UK-wide each year, much of which directly benefits local economies. There is nowhere within the current framework for this expenditure to be captured
  - Health benefits – the current approved methodology, utilising HEAT, is limited in the extent of the health benefits articulated, not least in the exclusion of morbidity. It is also subject to the problems associated with a willingness to pay methodology discussed earlier
  - Benefits to children – We estimate that over 100 million trips on the National Cycle Network in 2014 were made by children. However the WeITAG framework cannot be robustly applied to cycling and walking trips made by children. Huge economic benefits are being ignored as a result
  - Retail benefits of cycling and walking – Research conducted by Sustrans as part of the Cycle Safety Fund evaluation provides evidence that cyclists will spend an average of £19 on a trip to a retail area. This is expenditure that should not be ignored when assessing the impact of investment in cycling and walking
  - Job creation and safeguarding – The evidence of the Cycle Safety Fund programme shows that schemes create and safeguard 5.5 direct FTE jobs per £1 million invested. When indirect and induced jobs are added, Cycle Safety Fund schemes create and safeguard 13.3 direct FTE jobs per £1 million invested. As it currently stands, it is not possible to incorporate these impacts within the WeITAG framework
  - Increased productivity – There is evidence that increased physical activity and improved mental wellbeing for employees can have a positive impact on businesses’ profitability through personal productivity, but this important business metric is not captured within the current WeITAG model
- 44 We have estimated that amending the framework so that these issues (and others) are resolved could double the reported benefits (in BCR terms) of an investment in cycling and walking.
- 45 We recommend that inclusion of such benefits for walking and cycling is explicitly recognised in the guidance.
- **The treatment of behaviour change interventions**
- 46 The guidance remains ambiguous in respect of whether behaviour change schemes (as distinct from infrastructure interventions) can be adequately built in to the appraisal process. Although in principle this should be entirely possible, the view remains that the tools are not in place that allow behaviour change to be treated on a level playing field to infrastructure.
- 47 There is substantial evidence that shows that a whole range of smarter choices interventions, including behaviour change programmes, significantly reduce car use whilst increasing levels of travel by foot, bike and public transport.
- 48 However, it is very hard imagine a scenario whereby behaviour change interventions could be considered as one of the options in respect of resolving the set of problems that the M4 relief road seeks to address.
- 49 As an aside, the evidence also suggests that smarter choices programmes pay back their investment far more quickly. In the time it takes to build a new road, railway or guided bus lane, a behaviour change programme alone, or in combination with some capital investment, could successfully remove the need for large-scale investment at all.
- 50 Despite this there is still no clear guidance on how to appraise these kinds of initiatives.

- **Treatment of ‘wider economic benefits’**

51 The extent to which those benefits that WebTAG describes as ‘wider economic benefits’ (usually determinants of impact on economic growth) are or are not included in WeITAG is unclear. We have profound reservations about the veracity of these ‘wider economic benefits’.

52 We express a range of concerns in our recent submission to the WebTAG consultation on ‘wider economic benefits’

(<http://www.sustrans.org.uk/sites/default/files/images/files/Sustrans%20submission%20-%20updating%20wider%20economic%20impacts%20v1%201.pdf>) but the three main points are as follows:

- The extent to which economic impacts of intervention can be accurately forecasted and quantified leads to questions about how the economic case can be appraised and discussed
- We are concerned about the veracity of the modelling involved in making the predictions of wider economic impacts. The nature and extent of the impacts is hugely complex, and we are sceptical about the ability of scheme promoters to forecast these impacts accurately
- Of particular concern are the questions of whether intended consequences result, or whether the consequences of transport schemes are harder to anticipate than the proposed guidance implies; and also questions arise about the extent to which such an approach reinforces the predict-and-provide approach in transport that inhibits transformative and more equitable transport interventions

## **Supporting the ongoing development of WeITAG**

53 If Sustrans would like to offer support to the ongoing development of WeITAG. This could be in terms of ‘dry-testing’ (with our extensive data resources), critiquing proposals, helping to counter weight of opinion from more ‘traditional’ transport quarters, or generally thinking through approaches. We will be very willing to contribute.

## **Contact details**

For further information about this response please contact:

Andy Cope  
Director of Insight  
Sustrans  
Higham House  
Higham Place  
Newcastle upon Tyne  
NE1 8AF

Email: [andy.cope@sustrans.org.uk](mailto:andy.cope@sustrans.org.uk)

Tel: 0191 269 9370

# Welsh Transport Appraisal Guidance (WeITAG) 2017

## Consultation Response Form

**Your Name:** Andy Cope

**Organisation Name (if applicable):** Sustrans

**Email / telephone number:** andy.cope@sustrans.org.uk / 0191 269 9370

**Your Address:** 2nd floor, Higham House, Higham Place, Newcastle upon Tyne, NE1 8AF

**Question 1:** Do you think WeITAG 2017 is an improved process for developing, appraising, and evaluating transport related projects?

**Yes/No:** Yes, but...

**If no, please explain the reason for your answer:**

To be an improvement WeITAG has to address a number of systemic problems that are inherent in the tool as it currently stands. These are spelled out in the text provided as part of this submission.

**Question 2:** WeITAG 2017 has been written to encompass the goals, objectives, and ways of working set out in the Well-being of Future Generations (Wales) Act 2015. Are there specific areas where the document needs to be improved or strengthened?

**Yes/No:** Yes

**If yes, Please explain the reason for your answer:**

We remain unconvinced that the needs of future generations are given adequate consideration in the proposed approach. Whilst one may reasonably argue that some of the tools are provided, on the one hand the reality is that the proof lies in the application of WeITAG. This is partly dependent on the integrity of application, and the rigour of scrutiny. On the second hand, some crucial devices that will help to ensure alignment with the intent of the Well-being of Future Generations (Wales) Act are not available in a suitable form. Further details on the requirements of a fairer appraisal system are set out in the text provided as part of this submission.

**Question 3:** It is our intention to provide Advisory Notes to accompany WeITAG 2017. What advisory notes would you find helpful?

**Please respond in the box below:**

We identify gaps in the approach in the text provided as part of this submission. Guidance to fill some of these gaps will be a helpful addition.

**Question 4:** Are there any areas where you would find additional training and support helpful?

**If yes, please make your suggestions below:**

We are currently more concerned with getting the principles and toolkits right than we are with identifying training and support.

**Question 5:** Do you have any other comments on the guidance?

**Please respond in the box below:**

Other comments on the guidance are as set out in the text above.

Responses to consultations are likely to be made public, on the internet or in a report. If you would prefer your response to remain anonymous, please tick here: