Green Growth Wales: Investment Support

Sustrans' submission to Welsh Government's consultation on proposals to accelerate green investment in Wales

29 February 2016

Introduction

Sustrans is 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.

Sustrans strongly supports the Welsh Government's drive to promote green investment and believes an imaginative and flexible approach can make a significant contribution to achieving several of the goals of the Well Being of Future Generations Act.

The journey to work

The way people travel to their workplace has major consequences for the environment and for their health. The congestion caused by peak hour commuting traffic is also a major cost to the economy. Encouraging employees to travel to work more sustainably can produce a whole range of benefits for the employee, the employer and wider society. Research by Sustrans has shown that the cost of short (under five miles) journeys by car to society including factors such as road accidents, infrastructure, traffic jams and air quality is £750 per car user or £23 billion for Britain.

Currently only 3% of trips to work are by bike[i], despite the fact that 44% of commuters live within five miles of work – about a 20 to 30 minute bike ride[ii].

Sustrans believes that Green Growth investment could play a part in reducing commuting by car in a manner that would allow the recouping of the initial investment.

We are already seeing an increase in cycling in Wales with Cardiff registering a 28% increase in trips by bike between 2013 and 2014. The Bike Life Cardiff Report[iii], produced jointly by Sustrans and the City of Cardiff Council, has demonstrated that there is potential for an even greater increase with an ICM poll of over 1,100 residents showing that there is potential for 55% of people in Cardiff to begin to ride a bike or ride their bike more.

Research by the Greater London Authority has shown that cycle parking is a key factor in people's decision to cycle to work:

> Cycle parking is undoubtedly the most important element of encouraging and facilitating cycling to the workplace. This is demonstrated by research by the Greater London Authority (GLA) which has shown that the quality of cycle parking provision and fear of cycle theft both play a significant part in a person's decision whether or not to cycle. Around 40 per cent of respondents said they would cycle more regularly if better parking was available.[iv]

It is clear that support for employers to provide cycle parking and other facilities for cyclists has the potential to reduce car use. The Transport for London report, Cycling for Business[v], cites two case studies:

> Case study: Nine per cent increase in cycling for Brixton charity.
>
> Through TfL's 'A New Way to Work' scheme the Catholic Agency for Overseas Development replaced four car parking spaces with 10 cycle stands. Locker and shower facilities were also installed to further promote cycling. The introduction of these measures has raised awareness among employees, with targets for cycling exceeded. To date, single occupancy car journeys have also been reduced.
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> Case study: Investing to save GlaxoSmithKline (GSK)
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> When GSK had to choose between providing car parking at an annual cost of £2,000 per space at its worldwide headquarters in Brentford, or supporting those who cycle to work for £400 a year, it was an easy decision to make. The number of staff cycling to work has increased from 50 to 450 (out of 3,600).

Investing in facilities for people to cycle to work will have significant environmental benefits in reducing carbon and other more noxious emissions as the number of car journeys are reduced. Welsh Government itself states that the transport sector is responsible for around a fifth of the emissions covered by its 3% emissions reduction target.

An average car of average fuel type produces 0.18943 kgCO2e/km (i.e. kg of CO2 equivalent, which includes other greenhouse gases, per car km).

Converted to miles this would equal = 0.303088 kgCO2e/m

So for a five mile trip, this would be 1.51544 kg CO2e.[vi]

Given the current preponderance of the car as the mode of transport to work, the percentage of commuters who live within an easy five mile cycling distance of their workplace and the increasing willingness of people to cycle, it can be seen that the potential for reduction in CO2 through modal shift towards cycling is significant.

Furthermore, the reduction in car use will also diminish other emissions that contribute to air pollution, a major contributor to ill health in Wales. Additionally, reducing the need for car parking spaces will reduce the area of land covered in hard standing thus helping to reduce run off and improve urban drainage.

Investing in workplace cycle infrastructure

We therefore propose that the Green Growth Investment Fund include a strand that would allow employers to access loans to fund the provision of cycle infrastructure aimed at creating a modal shift in travel to work from cars to cycles. The fund would primarily be available for cycle parking facilities but could also be considered for lockers and showers/changing facilities.

Companies accessing the investment support would be able to recoup their costs in a number of ways: most directly in reducing the capital and revenue costs of car parking spaces, this is particularly the case with support for companies moving into new premises. Six cycles can be parked in one car parking space. Transport for London has estimated that removing one car parking space could save up to £2,000 per year in high-density urban areas.

The following is an extract from The Essential Guide to Travel Planning:[vii]

> **The hidden price of free parking**
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> Companies that rent car parking space for their employees may be more aware of the costs involved – sometimes as much as £2000 per space. But often the substantial maintenance costs of car parking are buried somewhere in a facilities manager's budget. A study of 21

organisations with travel plans showed that their average annual spend on maintaining each space was £400.

Any company that is considering building new car parking will realise it faces major construction costs. Construction of surface-level parking costs some £1000–£3000 per space, multistorey parking costs some £5000–£10,000 per space and underground parking can be even more expensive. It is also relevant to ask whether the land already under parked cars could be put to more profitable use.

Capital items for surface-level parking include:

> land purchase

> ground works, including site levelling, installation of drainage and landscaping

> surfacing with asphalt plus kerbs and pavements

> mitigating design measures such as planters or build-outs for plants and trees

> street furniture such as signs, seats and litter bins

> security measures, including fencing, lighting, CCTV and access barriers.

Revenue costs include:

> cleaning, winter salting and upkeep

> security staffing of gates, CCTV and patrols

> lighting bills

> insurance and business rates

> maintenance of electrical equipment such as barriers, lights or security cameras.

Cycle parking facilities cost a fraction of this. Final costs will vary according to design and supplier but a standard Sheffield stand will cost £100 to purchase and install, will accommodate two cycles and at least three can be fitted within the area of a standard car parking space. Thus £300 plus one car park space can displace the need for six car parking spaces.

It is clear therefore that substituting cycle parking for car parking will produce substantial financial savings, more than enough to repay the original Green Growth Investment loan.

Additionally the improved health of employees who cycle to work will increase productivity and decrease absenteeism.

A study of Dutch cyclists discovered a statistically significant relationship between more regular cycling and absenteeism: Regular cyclists took 7.4 sick days per annum, compared to 8.7 sick days for non-cyclists. The report concluded that 'compared with people who cycle a short distance three times a week, people who cycle more often and longer distances are absent on fewer days.'[viii]

Transport for Scotland quote the following evidence: "In the USA, physical activity programmes involving 30 minutes of exercise a day have been shown to reduce short-term sick leave by between 6% and 32% (WHO, 2003). In the UK the average absence of employees is 6.8 days, of which 95% is accounted for by short-term sick leave (CBI, 2003). Therefore, for each employee who takes up physical exercise for 30 minutes a day for 5 days a week as a result of a walking or cycling intervention, the annual benefit to employers is likely to be (on average) at least 0.4 days gross salary costs (6% of 95% of 6.8 days)."[ix]

A further development of the fund could be to finance the purchase of pooled bikes that could be used for short distance in-work travel (meetings in the same city, etc) thus reducing urban pollution and decreasing carbon emissions. The recouping of the investment could be made from the savings in mileage allowances.

Conclusion

The benefits described above go far beyond the environmental, though the environmental benefits are real and substantial. The advent of the Well Being of Future Generations Act surely means that multiple benefits should always be sought and these projects would also produce considerable benefits in respect of the Act's health goal, by increasing physical activity, and the prosperity goal, by reducing congestion and increasing productivity. It also clearly helps to deliver the aims of another key piece of Welsh Government legislation, the Active Travel Act, and assists in complying with Welsh Government's duty under that Act to promote Active Travel.

We therefore believe that Welsh Government should extend its Green Growth Investment offer to include investment in workplace cycle infrastructure.

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[i] ONS, 2011 Census Analysis - Method of Travel to Work in England and Wales Report
[ii] YouGov, 2013 Commute and Exercise Survey commissioned by Sustrans. YouGov Plc interviewed a total sample size of 2,205 adults, of which 1,261 commuted to work but not usually by bike. Fieldwork was undertaken between 29th April and 1st May 2013. The survey was carried out online. The figures have been weighted and are representative of all UK adults (aged 18+)
[iii] http://www.sustrans.org.uk/sites/default/files/bike_life_cardiff_2015.pdf
[iv] Stand and Deliver Cycle Parking in London, (GLA Transport Committee, 2009)
[v] Transport for London: Cycling for Business, https://tfl.gov.uk/info-for/business-and-commercial/travel-for-business/encouraging-cycling
[vi] Source: http://www.ukconversionfactorscarbonsmart.co.uk/ and 2013 Government GHG Conversion Factors for Company Reporting: Methodology Paper for Emission Factors
[vii] Department for Transport: The Essential Guide to Travel Planning 2008; p17
[viii] Hendriksen, J.M.I., Simons, M., Garre, F. G., Hildebrandt, V.H. (2010), The association between commuter cycling and sickness absence, Preventive Medicine; v51; pp: 132–135
[ix] http://www.transportscotland.gov.uk/report/j358676-07.htm