TransportPlanningSociety

Response to the DfT's consultation on appraisal

Contents

1 Introduction and summary

This response is in two sections:

i) a review of the strengths and weaknesses of the current appraisal system and suggestions for how to improve it;

ii) responses to the specific questions in the DfT consultation.

In overall terms the Society welcomes the DfT's engagement with practitioners and others and hope this will continue beyond the consultation period. We recognise that appraisal is full of difficult choices, including: how to represent non-monetised impacts in a robust way; how to represent uncertainty in forecasts for transport demand; how to include land use impacts; and how to deal with the problem that some of the key benefits from transport interventions, such as time savings, are very rapidly traded in for other benefits which have hugely different (and usually greater) social and environmental impacts.

Overall our conclusion is that we have most of the tools we need to undertake transport appraisal but that some are over used and have a disproportionate impact on the results. On the other hand, some are underused or underdeveloped and this leads to a fundamental imbalance in decision making. This is in turn reflected in the type and scale of the transport interventions implemented in the UK, whether at local or national level.

For this reason the changes we propose are not a wholesale rejection of the current system but a radical rebalancing of the elements. For example we propose giving the Strategic Case a far greater role and aiming to achieve quality of life objectives rather than calculating precise benefit to cost ratios (BCRs). This is related to the issue that many schemes only offer making the future slightly less worse and this unsatisfactory outcome is not made sufficiently transparent to the public. In reality current appraisals also have huge uncertainties attached to both the forecasts on which they rely, and some of the methodologies which they employ. Whatever qualifications DfT place on their use, BCRs still dominate transport appraisal and this latest consultation provides the opportunity to address this in a comprehensive and productive way.

Scenario based traffic forecasts

Before discussing our proposals in more detail, the Society wants to emphasise that the methods of forecasting, and the most recent national road traffic forecasts[1], must be considered as an important part of this exercise. The move to more scenario based forecasts in 2015 was significant and had less impact on appraisal than it should.

For the first time this reported in detail the impact of varying of the underlying assumptions behind the forecasts. This was valuable for three reasons. First it allowed the impact of individual assumptions to become more transparent, in particular the change in patterns of travel reflected in falling car use (measured as driver miles) and trip rates across modes[2]. Secondly it allowed, implicitly if not explicitly, the possibility that policy packages might influence how the assumptions (and thus the forecasts) varied. For example, what were the policy/pricing conditions under which

[1] https://www.gov.uk/government/publications/road-traffic-forecasts-2018

[2] See Charts 2 and 3 in: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/674568/analysis-from-the-national-travel-survey.pdf

car trips and mileage would continue to fall? Finally, if national forecasts could be produced on the basis of different scenarios, should this now be done at local level?

While the forecasts contain many interesting elements, for example that a rapid move to electric vehicles would cause a huge increase in congestion (due to a fall in costs per mile generating traffic), they recognise the overall uncertainty in predicting future travel demand. The issue here is how that should be reflected in the current system of appraisal.

Transport for better or slightly less worse?

In relation to strengths and weaknesses of the current system a key point is that appraisal should result in transport interventions which lead to a future which is recognisably better. At the moment many schemes present a "Do Minimum" which fails to deliver that better future and a "Do Something" which fails slightly less badly. This failure to deliver people's quality of life objectives is apparent in the detail in many appraisals but somehow the implications are lost. Thus we have numerical predictions, whether it is poor air quality[3], lack of active travel and detriment to health, carbon emissions exceeding targets[4], or communities suffering severance and poor access to jobs, healthcare and other facilities. However, no negative value is attached to missing the very clear opportunity, which most transport schemes offer, to help to address them. As is often repeated, it is taxpayers' money which is being spent. But "value for money" in this context is not an abstract principle: it should be apparent in the outcomes of the not inconsiderable amounts being spent.

In fact it seems that policies and associated schemes which might be beneficial are being overlooked, in particular those which, in transport terms:

- Rely on revenue rather than capital elements
- Focus on demand management rather than enlarging capacity
- Reflect rapidly changing lifestyles at both ends of the age scale and across geographic boundaries, for example in our major city regions.

In addition, the issue of uncertainty, both in forecasting and the calculation of the costs and benefits, is not adequately reflected in current methods. To be fair this is an issue the DfT recognises, particularly in a changing context driven by mobile internet access.

On the other hand these methods, as set out in WebTAG, aim to be robust across schemes and evidence based. These two aims are strongly supported by TPS, however we think they can be upheld while making a range of substantive changes.

The next section summarises the results of our discussions with members, our own appraisal events and seminars over several years, recent non-TPS organised seminars and conferences which members of the TPS Policy Group have attended, and the results of our annual member surveys. Results from the latter are set out in Annex 2.

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[3] It should be noted that pollutants may reduce due to technological improvements but still not meet acceptable standards. For example in 2015, despite stricter environmental standards, over 40 UK cities exceeded or were at the WHO particulate limits.

[4] See Committee on Climate Change www.theccc.org.uk: emissions from transport since 2013 are rising rather than falling, despite the use of more efficient vehicles (although it is clear some manufacturers' figures were kept artificially low in the test procedures and did not reflect real world outcomes).

2 Making progress

We summarise our proposals for reform in the points below. In essence we would like to see:

1 **Increasing use of scenario based forecasting**, using a range of possible futures[5]. These could easily use the current DfT scenarios as a first approximation, but with new combinations to produce a low and high forecast. For example continuing the fall in car driver miles from reduced trip rates and combining it with high fuel prices (this may even stabilise or reduce traffic).

2 **Within the Treasury 5 Case model[6], a greater emphasis on the Strategic Case**, using it to produce, for example, pass/fail criteria. The Strategic Assessment should be an assessment against the strategy, not the production of vague high level objectives deliberately tailored to support the scheme being assessed. This is too often the case at present. DfT needs to be very clear in the absolute requirement for this to be done properly and for the strategy to lead the other four cases. The use of the term "Strategic Outline Case" in the Business Case guidance[7] may have caused some confusion.

3 **The Strategy should guide option development**, which is again contained in WebTAG[8] but in the real world is usually inadequate and most often uses minor variations on the preferred option rather than genuine alternatives. This does not meet WebTAG guidance, for example on the need for an Options Report, and DfT need to ensure that realistic and properly championed alternatives are prepared and tested, for example using strategic quality of life objectives, Multi-Criteria Analysis and cost effectiveness.

4 **Greater use of quality of life objectives and Multi-Criteria Analysis (MCA).** In 1998 an objectives led assessment section and the Assessment Summary Table (AST) were introduced in the New Approach to Appraisal (NATA). However this did not replace the existing methods which continued to use modified social cost benefit analysis with Benefit to Costs Ratios (BCRs) and was never given equal weight in transport appraisal. Our recommendation is for greater use of MCA methods combined with cost effectiveness and less emphasis on partly (and unreliably) monetised social cost benefit. This is particularly useful at the Strategic Case level.

5 **In terms of the Business Case, the real world production of BCRs is itself seriously flawed**. At the September Appraisal Conference practitioners made wry comments about how they had to work very hard to achieve their client's target BCR. Every practitioner knows that this is the norm and has rightly led to accusations that transport planners are "guns for hire" (or a less polite version!). The practise of competitive bidding and adversarial culture has led to a lack of transparency and public confidence. It is one of the motivations behind the drafting of the TPS Principles, which are attached to this response as Annex 2.

6 **Key elements of appraisal are undervalued and need to be mainstreamed** and this is affecting which schemes are approved**.** While the Strategic Case analysis should identify and filter out any schemes which do not meet objectives such as reducing carbon, improving air quality or

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5 For example see "Transport Futures" Glenn Lyons for CIHT, 2017

6 The other cases are: **Economic** (in transport the Business Case, where BCRs are produced); **Commercial; Financial; Management and delivery.**

7 See para 1.17 in: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/85930/dft-transport-business-case.pdf

8 And in the Treasury Green Book, see para 3.6-3.9.

promoting active travel reaching this stage, this is simply not happening. This was evidenced by practitioners during the Housing Appraisal seminar organised by UCL in August this year, and at the Landor Appraisal event in September. This would not be so damaging were it not the case that these same factors are downplayed in the current Business Case analysis. For example, while health benefits are a key component of the Business Case for walking and cycling[9], encouraging the use of motorised travel is not seen as a disbenefit.

7 **Redefine the counterfactual (Do Minimum) against which transport schemes are assessed**. The bias against schemes with significant third party benefits derives from the use of a "Business As Usual" Do Minimum to which new transport schemes are compared. Too often the Do Something (i.e. implementing a scheme) results in marginal changes to most of these impacts, ignoring the fact that what is required to regain an acceptable future is a significant change. Thus money is spent on interventions which may achieve one type of benefit (for example time savings) while doing very little to achieve carbon reduction targets, improvements to air quality, improved safety and security, less community severance, or healthier people. While transport cannot solve these problems on its own, in many cases it has a major impact. It could at least stop contributing to them.

8 **Use negative values for schemes which fail to address key objectives when different schemes could.** In this context, there have been several suggestions as to how to give a negative value to the lack of progress against priorities such as those described above. For example, to avoid penalising improvements to street environments which delay traffic, the desired end state could be the baseline and speeding up traffic is a benefit only if it does not damage those streets[10]. Using the existing situation as the counterfactual is having the effect of penalising schemes which move towards a better outcome than the present day. This often occurs due to time disbenefits to motorised travel and is a major barrier to achieving change.

9 **Recognise the cost of failure in the appraisal.** Another possible way forward is to include the cost of failing to meet an objective in the disbenefits from a transport intervention. Thus a scheme which did nothing to reduce carbon would have the cost of the carbon not removed added to the cost of the scheme. The appraisals of most schemes currently use forecasts which predict a failure to meet carbon reduction targets. At the very least, the amount of carbon in excess of the target should be costed. Another example would be the case of transport schemes which encourage inactive travel. In this instance a proportion of the users would have be counted as not active, encouraged to remain so by the scheme, and their health disbenefits included in the calculation of the BCR.

10 **Recognise the flaws in monetised social cost benefit.** It must be stressed that this is related to the use of one traditional approach to economic theory: a variation on Pareto optimisation in social cost benefit with its roots in the 1930s. In this case very different factors are assumed to be amenable to monetisation (based on willingness to pay) and are traded off against each other to maximise the social benefit. As well as the obvious problems of monetising factors on a consistent basis (this is actually not even achieved in the present system[11]) the classic criticism of this type of optimisation is that it can produce outcomes which no-one wants. There are others to do with willingness to pay or be compensated and mixing these values with others, such as business time

[9] For example see WebTAG Unit 4.1, Social Impact Appraisal, Section 3

[10] For example see the "CREATE" project on urban mobility, 2018

[11] For example, time savings use a national equity value while noise has a non-linear value.

savings. This is complicated by the fact that the monetisation can assymetrical – in other words once a situation has been optimised people in the new context may put different values on the same factors[12]. For this reason the production of BCRs has to be viewed with the utmost caution. There are further issues with monetisation highlighted in following sections.

11 **Revise guidelines for proportionality.** While these criticisms of the economic assumptions mainly apply to major schemes, attention is also needed to the way in which some small and medium sized schemes are treated and sometimes expensively modelled. Some walking and cycle schemes provide examples. At the other end of the scale, some very large schemes struggle to find a rational basis on which they can be assessed or compared to other similar sized options. HS2 is probably one of these. This category is sometimes referred to as "transformational" and is so in the DfT consultation, but this seems too subjective. While all transport schemes have land use impacts, there is a question of scale and whether these extend outside the immediate transport corridor in which they are implemented. Thus key issues do not seem to be taken into account, for example the radical impact of HS2 on the relationship between Birmingham and London and how that will affect demand and land use. Strengthening the links between Birmingham and London may have detrimental impacts on other regions. Meanwhile the well understood problems of the rail travel time between cities such as Liverpool, Manchester, Leeds and Sheffield seem to have lower priority. Do they individually need to be closer to London or to each other?

12 **Expand DfT guidance on level and type of appraisal required**. DfT already recognise the need for proportionality and in two contexts: for smaller schemes and for strategic assessment. We would like to develop this to include more Multi-Criteria Analysis for the latter, and then undertake a Strategic Case review without the need for a Business Case for small schemes. Instead, where there is a strategy in place, schemes should be assessed against their contribution to that strategy rather than an isolated monetary value. This approach should avoid the situation where a scheme which might, assessed individually in a Business Case, have a low BCR, is critical to unlocking other parts of the strategy or is simply one of a package of schemes which are required to achieve the objectives.

13 **Revise funding approaches.** There are two reforms TPS suggests. The first is less use of competitive bidding, this may appropriate in cases where innovative thinking is required but has become the norm for too much transport expenditure. The negative impacts have been commented on earlier. The second is greater devolution of funding, within the new context of a strategic framework, developed and owned locally, which can guide expenditure. Within this it is critical to allow flexibility between capital and revenue (both are needed but there is often a bias against the latter). While there needs to be due accountability for funding derived from central Government sources, this should be in the context of properly evidenced strategies. A good example is the current Transport Strategy for Greater Manchester[13], itself part of a wider strategy encompassing elements such as health, sustainability and the economy.

14 **Understanding where the time savings go**. In terms of the benefits of transport schemes, journey time savings are the dominant influence in the Business Case. However, when travel times change, people tend to respond quickly by changing their choice of destination and mode. This is a continuing issue, for example walking to the local shops every day evolved into filling a hatchback once a week and that is now evolving into an internet order delivered to the door. Changes in

[12] This is not the only issue, for example the social distribution of who benefits is an obvious problem.

[13] Available on: https://www.tfgm.com/2040

retailing are a good example because they happen quite quickly, for example the trend towards supermarkets has become tempered by building a significant number of "local" stores for daily shopping and infrequent bulk buying over the internet. Economists may argue that the value of what the time savings are "spent" on must be at least equal to the time savings themselves, so it doesn't matter for appraisal. In fact this is completely inappropriate in transport planning. The reason is that time savings only measures user benefits and transport is an area where:

- Third party costs are often greater than user costs
- Spending time savings creates other changes (especially land use) which have their own range of costs and benefits.

In this context one way forward would be to spend the time savings on extra travel in the traffic forecast and re-run the user costs. This should be mandatory in the guidance.

15 **Guidance on time saving values.** There is a continuing debate on how the values of time are reflected in transport appraisal. In broad terms TPS considers that there are a range of issues which mean that, while extracting them from traffic models may still be worthwhile, their use must always be heavily qualified. Using them as a basis for a BCR which depends on their value over 60 years (when most of them are used up in the short term) is likely to be seriously misleading. However, it is clear that different values apply to different modes and are also strongly related to size. The recent DfT research was informative, even in this time savings less than a minute were not included in the analysis. One reason for this is the way in which reliability is undervalued at present, and variation in travel time often eclipses time savings of a few minutes. In large scale modelling there are frequently major gains and losses at this small scale level. DfT advice on producing a table to show time savings by size (introduced in 2008) needs to be extended to exclude these in a road traffic context. Users value time differently for different modes (and between waiting and travelling) and current guidance partly reflects but it needs to be fully incorporated. This should include time savings which are not valued at all no matter what their size. For example research has shown that commuters prefer to have some time between leaving their home and arriving at work – for a variety of reasons sometimes referred to as me time, catch up time or transition time[14]. This is entirely in tune with the widely accepted evidence that people have time "budgets" which they tend towards.[15]

16 **Recognising social impacts.** This leads to the issue of how the impacts of transport schemes are distributed amongst users and non-users of the transport system. For example, the increase in motorised mobility has led to land use changes and locational choices which have maintained and in some instances increased accessibility to goods and services for those who can afford the new mobility. For those who cannot the situation deteriorates if centres of employment, and outlets for retail, healthcare or leisure become fewer and larger and less accessible by non-private transport. Distributional impact was part of the intended 2008 NATA Refresh but is still not sufficiently represented in current appraisals. Stronger guidance is needed.

17 **Mapping change.** In terms of methodology to include such factors into appraisal, the use of accessibility mapping is particularly useful without a major modelling cost. Another of our

[14] For example see: "Technologies, social practices and travel – where are we heading?" presentation by Professor Glenn Lyons, Centre for Transport and Society, 2012, for more on driver activities see: "Traffic Restraint: What Drivers Think" London Planning Advisory Committee 1991

[15] One of the first examples was "Travel time budgets and mobility in urban areas", Yacov Zahavi, 1974

recommendations is that this should be more widely used, and be mandatory at the Strategic Case level. It is particularly helpful in assessing suitable locations for new development, where access by sustainable modes or time catchment areas for different groups of people. Changes in accessibility are currently measured by time savings – this needs to be moderated so that higher values can, for example, be used where accessibility is currently low, either by area or by variables such as car ownership or access to rapid transit. This would begin to address some of the issues to do with the distribution of benefits which is a key weakness in current methods.

18 **Agglomeration and the opposite.** Wider economic impacts are increasingly being used in appraisal but they are extremely hard to identify at scheme level. Connectivity is seen as a good but has proved hard to define. In addition, transport schemes which encourage lower densities will have a negative effect. In the context of time savings being spent on extra travel (the implication of most research including the National Travel Survey) this is most likely to cause lower density. In this case the cost of disagglomeration needs to be attributed to these schemes. The original Wider Economic Benefits were renamed Wider Economic Impacts but in terms of the practical impact on most appraisals practitioners seem to assume the original title was correct. DfT needs to be clear in its guidance that economic impacts can be negative as well as positive, particularly between different types of users.

Conclusions

This list of issues which TPS wants DfT to address, with some proposals for remedial action, forms the basis for our submission. However, we elaborate on some of these issues in the context of the questions posed in the consultation document. Our responses are set out in the next section.

3 Responses to the specific questions in the DfT consultation

Chapter 4 People and place

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

In line with our general comments above:

1. Appraisal methods for the future – increased use of accessibility tools for option generation and assessment. Accessibility tools should be genuinely multi-modal, including local access to services by walk or cycle. Accessibility tools can be used at a range of scales including the assessment of wider packages of measures designed to achieve a step change in accessibility and travel behaviour change.
2. Public health and wellbeing – the adoption of a multi-faceted definition incorporating physical activity, air quality, road danger reduction etc. This definition much be applied in appraisal to consider both positive and negative impacts, i.e. the health disbenefits of schemes that promote increasingly entrenched car-dependent lifestyles must be counted.
3. An overall approach to appraisal based on objectives which seek a better future (defined in a clear set of quality of life objectives) rather than marginal change. This needs to respect the needs of real people in communities as well as context free economic actors, as the current methods assume. While there is value in the latter approach, it should crowd out the former, in particular it is often seen as too difficult to measure so is downgraded in the appraisal.

Chapter 5 Reflecting uncertainty over the future of travel

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

1. Further research into the observed changes in travel behaviour is vital. This should consider (a) lifestyle and life cycle factors, (b) spatial determinants of travel opportunity including local access to service and facilities, and (c) users' preferred travel behaviour versus the limited travel opportunities available to them.
2. For the reasons set out above, we welcome the proposal for greater use of scenarios. The use of clearly defined potential future scenarios is easier to communicate to stakeholders, more in line with a vision-led approach to transport planning, and avoids spurious accuracy. This fits well with the DfT's development of scenario based forecasts, which could be taken further.
3. Recent research among professionals carried out by Glenn Lyons, both for CIHT and for TPS/CIHT through their role in professional qualifications, has revealed a need for what has acquired the title "constructive challenge". This needs to be adopted through out appraisal and links back to the need for a more principled approach. The widespread use of scheme led appraisals with no strategic context, and the idea of a "target BCR" used by some clients bidding for public money is a serious issue which needs to be addressed.

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?

1. Freight and servicing – it is clear that technology will potentially have a greater impact on supply chains than passenger movements due to the cumulative impacts of automation in the whole supply chain and associated changes in production and servicing (3D printing,

remote computing, AI etc). If transport costs fall substantially, freight movement could be more elastic than personal travel. Yet in practice a great deal of modelling and appraisal activity barely attempts to include explanatory models of freight and servicing. In the short-term, transport planners should be much more transparent about the limitations of their freight models, and there is a need for a much greater focus on research into the observed trends in freight and servicing. The significant environmental and severance disbenefits of HGV and LGV traffic need to be addressed in this context, the TPS support for Lorry Road User Charging reflects both the need for economic as well as environmental efficiency.

2. There is a great deal focus on technological solutions and electrification of the vehicle fleet as the only solution to air quality. This can potentially lead to a danger of spurious accuracy in forecasts of air quality improvements, as well as creating a situation where the wider economic, social and environmental externalities of private motorised vehicle use are ignored. Electrification will be too late to achieve the carbon reduction targets needed to comply with CCC budgets. It also does not deal with the need to reduce within a time limit. In this situation the traditional economics approach of saying the price of carbon will just get higher as we need to make ever less feasible and more painful reductions into the 2020s. The better metric should be carbon tonne years rather than tonnes.
3. As stated earlier, the over emphasis on the BCR among most scheme promoters, a lack of genuine alternatives and dependence on definitive forecasts rather than scenarios and genuine "High" and "Low" travel growth is a major barrier. This is a particular problem for motorised road traffic where performance depends on the level of demand – if traffic grows it will slow down. For rail transport and walking improvements are more robust and can be for bus travel and cycling where sufficient priority is provided. One idea would be to provide an upper and lower estimate with no central BCR at all.

Chapter 6 Modelling and appraising transformational investments and housing

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

1. There is a need to overcome the lack of understanding of travel behaviour in relation to local access, strategic transport options and travel demand management measures including parking restraint (there is a reasonably good evidence base in London but less elsewhere). The recent Transport for Homes report highlights some of the policy and process issues that lead to the continued incremental expansion of entirely car-dependent developments. In modelling terms we tend to (a) predict future travel behaviour based on observed behaviour in existing car-dependent areas thus replicating that behaviour from the outset and (b) try to demonstrate that we are resilient to the 'worst case' in traffic capacity terms (although we never apply the 'worst case' principle to other factors such as local accessibility).
2. A lot more can be achieved without the need for ever more complex LUTI models. Greater use of tools such as accessibility mapping by a range of transport modes is sufficient to illustrate the potential impacts of schemes on the short- and long-term location decisions of individuals and businesses.
3. It has been argued that capturing land value uplift is arguably a more direct way of measuring marginal changes in accessibility than notional time savings. But others argue that both time savings and land value uplift are simply proxy values for greater accessibility/connectivity. The DfT guidance on dependent development rightly acknowledges that, where used, the land value uplift approach needs to consider the non-transport factors that may affect value (e.g. utility requirements). More fundamentally, in

welfare appraisal the value to society of development in one area compared to another area is not solely a question of financial value, e.g.:

- Economic – e.g. development in an area of housing shortage with good public transport to a range of jobs is of much greater value than dispersed sprawl far away from the highest demand
- Health and social – e.g. development is more valuable when it offers a range of housing and tenure types, is adapted to a range of age and social groups, encourages healthy lifestyles, and is well-integrated with surrounding areas
- Environment – e.g. development is more valuable if it encourages less energy-efficient lifestyles and minimises local environmental impacts
- Distributional – e.g. increasing public transport accessibility in areas with low household car access will have a higher relative value than marginal gains in travel time to those with high household car access. The traditional economic context free "constant value theory" in this case works against identifying real world values.

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

1. The analytical tools for evaluating transformational impacts cannot be based solely on lots of small time savings for users of one transport mode, in particular where these are marginal impacts relative to a Do Minimum scenario that is worse than the current situation. Transformational packages of measures are those that offer a high quality of life, e.g. through offering people (and businesses) a range of genuine transport choices. These are likely to result from urban transport packages rather than individual inter-urban schemes.
2. As TPS has previously argued in the last Wider Economic Impacts consultation, economic theory stresses the cluster benefits of physical density (resulting from high-capacity public transport links coupled with walkability) that lead to genuine productivity gains in high value knowledge-based economies.
3. The impact of land value down shift is rarely measured – this is not just an issue of no net gain (i.e. if a development was not located in one place it would take place in another). If activities such as housing and employment are badly located in relation to one another, better locations will be missed and the total uplift lower than could have been achieved. Alongside this will be situations where land values may fall in, for example, city centre locations requiring regeneration, if car based greenfield sites are developed.

Chapter 7 Supporting the application of WebTAG and making it more user friendly

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

There is a great deal of poor practise in relation to preparing:

- Strategic cases,
- option development and
- the Assessment Summary Table.

Better guidance and an emphasis from DfT, who are often consulted on modelling and appraisal, on producing these as an essential pre-requisite.

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

There needs to be greater emphasis on the high level appraisal (see above) and much less on detailed modelling. Proportionality is inherent in current guidance but needs to be strengthened. We suggest workshops with different promoters and practitioners to refine further guidance on this and TPS would be willing to help organise such events.

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.

As described above, much greater focus is needed on the early option generation and selection process. Too often only a very narrow selection of options are assessed, or in reality the option assessment reports are later adjusted to give the impression that more options were genuinely considered.

WebTAG needs to be clear that failure address either the Strategic Case or option development is effectively a showstopper and the appraisal will not be accepted. It seems that practitioners have a strong sense that innovation in modelling or forecasting is frowned upon, and that the Strategic Case menas trying to find some generalisations which support the scheme in question, that option development means some small variations on the favoured scheme, and that the BCR is a sort of game with Government funding as the very considerable prize. TPS does not think this is a fair representation of what is in WebTAG, but given that these views are widely held, guidance needs to be particularly strong to correct any misapprehensions.

Chapter 8 Developing and maintaining modelling and appraisal tools to meet user needs

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

Given what we have set in detail in earlier replies, the headline priorities are:

1) Greater use of scenario forecasting and recognition of uncertainty
2) Greater use of accessibility and other mapping techniques to show overall impacts
3) Improvement to non-monetised impacts including carbon (which in our view has a fundamental flaw in its valuation).

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

Continue engagement with practitioners – DfT has made significant progress, including this consultation which TPS very much welcomes.

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

As above:

1) Greater use of scenario forecasting and recognition of uncertainty
2) Greater use of accessibility and other mapping techniques to show overall impacts
3) Improvement to non-monetised impacts including carbon (which in our view has a fundamental flaw in its valuation).

Annex 1: TPS and members' views

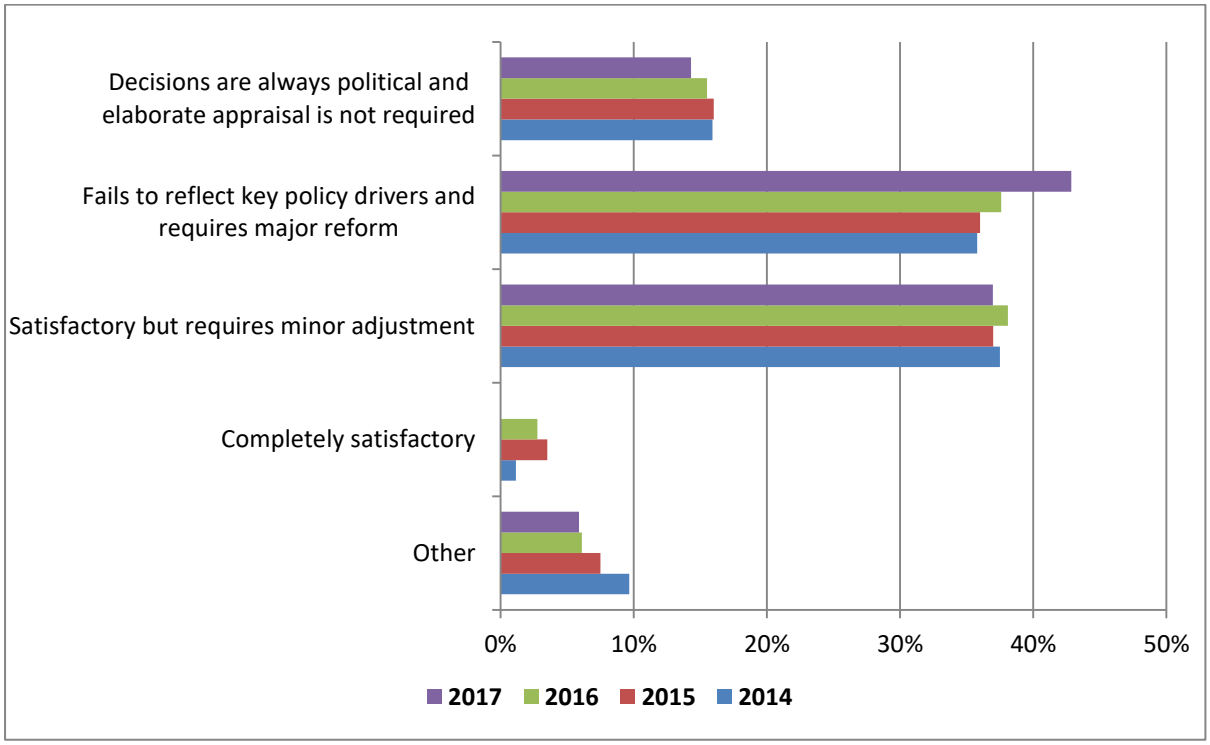
The Transport Planning Society (TPS) is an independent institutional body based in England, established to facilitate, develop and promote best practice in transport planning and to provide a focus for dialogue between practitioners and others interested in the field. It is the only body focussing entirely on transport planning as a profession. It is supported by four long established professional institutions – ICE, CIHT, CILT and RTPI - all of whom have an interest in transport planning within their own core activities.

TPS administers its own Professional Development Scheme for transport planners, leading to award of the Transport Planning Professional qualification which is the only professional qualification uniquely aimed at transport planners. The Society has over 1300 professional members in the UK and elsewhere. Many of our members are active in highway planning and management, including extensive experience of working with or within the Highways Agency. They are involved in transport modelling, forecasting and appraisal from a multi-modal perspective and increasingly in the analysis and development of transport planning in response to new technology and vehicle autonomy.

This response has been drafted by the Policy Group reporting to the elected Transport Planning Society Board. It builds on several initiatives, including the idea for independent commissioning of traffic modelling and forecasting, rather than scheme promoters, in 2017 and a Chatham House Rule seminar with DfT and practitioners focussing on reforming appraisal methods and "Vision and Validate" on 28th February 2018. TPS members attended the Landor Appraisal event on 19th September 2018.

In addition, a draft note was published on the website in August with a news item and social media publicity. Our annual member survey contains questions on current appraisal methods although these do not include forecasting. Below is a chart showing the results from the most recent surveys on their views.

Figure 1: TPS member responses on appraisal 2014-2017



Apart from the slightly concerning number who consider all decisions are political and appraisal is not required (included as a result of member replies) this provides an interesting snapshot of practitioners' views. The range is considerable but overall illustrates the need for some change.

A supplementary question explores this in some detail. Again the options are selected from member feedback and changed in 2016. The results for the two years with identical questions are set out below.

Table 1: TPS survey results 2016-2017	**Responses**	
Answer Choices	**2016**	**2017**
Replacement of time savings completely by land use or employment changes to capture long term impacts	**23.2%**	**34.3%**
Appraising changes in land values, land-use or travel behaviour resulting from transport schemes alongside time savings	**56.1%**	**61.9%**
Continuing to use time savings as the key to appraisal to avoid double counting	**23.2%**	**12.4%**
Removal of small time savings (below + or - 5 minutes) in the cost benefit analysis	**37.8%**	**44.8%**
Represent greenhouse gas impacts by comparison against targets, not marginal change	**49.4%**	**50.5%**
Counting positive and negative health impacts (e.g. the disbenefit of car dependency)	**68.9%**	**70.5%**
Reform of the use of non-resource costs (such as tax and developer contributions) in the cost benefit analysis	**31.7%**	**23.8%**

Annex 2: TPS Principles of Transport Planning

The principles of transport planning: the outcomes sought

Transport planning is all about creating connections between people and places, without which everyday life cannot function. However, this aim is complicated because:

- Transport is almost entirely generated by where people and places are located
- Connections are not always through physical travel
- The impacts of transport are often greater on non-users than users.

This is why we start our transport principles by setting out some key social, economic and environmental goals. Transport planners should develop and implement transport plans and schemes which:

1. Maximise connectivity for people and businesses while minimising the need to travel – thus reducing cost for users and non-users alike
2. Manage demand as an end in itself, for example by
    a. working with spatial planners to minimise the need for movement of people or goods
    b. supporting options that encourage the least damaging alternatives, such as non-motorised modes, sustainable goods transport and digital connectivity
3. Meet the key quality of life objectives of:
    a. environmental, economic and social sustainability
    b. health and wellbeing, safety and security for all users and non-users
    c. equality of access for all members of society to the connectivity they need
    d. respect for the needs of local communities
4. Are integrated and provide a range of choices to people on how and when they can travel
5. Are adaptable and flexible for a range of possible future scenarios, and resilient to major shocks and events, such as extreme weather, attacks and disruption
6. Innovate and work creatively with new technologies so that they benefit the whole of society.

The principles of transport planning: how we behave

In striving to achieve the outcomes above, transport planners should carry out their work in accordance with the following principles:

1. ***Integrity:***
   Provide robust, independent and honest evidence-based advice which always protects the integrity and objectivity of the profession.

2. ***Clarity:***
   Explain clearly all the work we do, in particular to make the levels of uncertainty in all technical work, such as forecasting the future, transparent to experts and non-experts alike.

3. ***Make connections:***
   Work across sectoral boundaries, especially with spatial planners, and give equal weight to demand management, the different ways of travelling, and non-transport solutions to transport problems.

4. ***Constructive challenge:***
   Adopt an open minded, problem solving approach, be innovative, always fully consider alternative solutions, and not favour one type of investment (such as capital or revenue) over another.

5. ***Focus on People:***
   Be led by clear quality of life objectives, to understand the impacts of transport plans and projects on individuals as well as society as a whole and to listen, understand and acknowledge the views of all those affected (whether users or non-users).