Consultation Response

Transport appraisal and modelling strategy: informing future investment decisions

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Content

1. Introduction

The Urban Transport Group (UTG) represents the seven largest city region strategic transport bodies in England, which, between them, serve over twenty million people in Greater Manchester (Transport for Greater Manchester), London (Transport for London), the Liverpool City region (Merseytravel), Tyne and Wear (Nexus), the Sheffield City region (South Yorkshire Passenger Transport Executive), the West Midlands (Transport for West Midlands) and West Yorkshire (West Yorkshire Combined Authority).

We also have the following associate members: Tees Valley Combined Authority, Strathclyde Partnership for Transport, West of England Combined Authority (WECA) and Nottingham City Council.

This forms the response to the consultation on the Transport Appraisal and Modelling Strategy, from the Modelling and Appraisal Reference Group (MARG) of the Urban Transport Group.

We welcome this consultation and would be interested and make ourselves available as a collective group to work with TASM to help inform and shape future developments. Members of the group are analytical experts working in this field at a local and sub-regional level who, on a daily basis, implement WebTAG guidance, so we would see discussions with TASM as an important two-way function.

2. 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 broadly welcome the overall themes, which cover a substantial range of analysis. It is possible to see most analytical priorities as being encapsulated by one or more of these themes. Although in our response we explore the themes in more detail, we would particularly highlight the points below.

One of the underlying problems with WebTAG is the predominance of the economic case, which often seems to take precedence over the strategic case. This can fundamentally distort the process, especially given the uncertainty of economic analysis. The main priority should be in strengthening the strategic case and ensuring it is, in effect, a driver for the remainder of the business case. Transport schemes are very good at demonstrating their benefits but (understandably) promoters are often very reticent when it comes to outlining less desirable impacts. The strategic case needs to focus on schemes achieving objectives in an integrated fashion. The strategic case should also include an assessment of the extent to which identified problems are being solved, rather than simply moved around.

We particularly welcome a focus on the "***Modelling and appraising transformational investments and housing***". This has become an important issue in many transport schemes. Within this, we would want to see a focus on development of the Rebalancing Toolkit – although note that, dependent on the direction of future developments, it may be desirable for "Rebalancing the economy" to be a theme in its own right. We would observe

that within the theme of "*Modelling and appraising transformational investments and housing*" there are a number of points outstanding from the previous year's consultation on Wider Economic Impacts outstanding, including the debate around additionality which UTG and many of its members have raised.

When it comes to "**Supporting the application of WebTAG and making it more user friendly**" we would note that the *"supporting the application"* is probably the most critical. This is especially true regarding recent changes to Wider Economic Impacts assessment, with many members of the UTG pressing for case studies to help in this regards. We welcome the recent language which focuses on the need for schemes to "follow WebTAG guidance" rather than being "WebTAG-compliant" – although noting that in order to avoid challenge, there may be a need for some thought as to what the bounds of the guidelines may be. Note that there is some thought that there may be a shortage generally of modelling and appraisal expertise amongst project sponsors and their consultants (this includes for example writing narratives that are factual, not biased, and consider schemes from all angles including the counterfactual), which poses a potential risk, and perhaps raises a skills issue that needs addressing.

"People and Place: capturing the range of impacts relevant for transport policy" is a diverse area in which we welcome a research focus. However, the research sub-elements are extremely diverse and each could well be a priority area in itself. This theme captures a number of elements which are often either poorly or not quantified within 'traditional' transport appraisal but which are becoming increasingly important as matters of public policy such as air quality. We would also note overlaps in this theme with other priorities (such as appraisal methods for the future and Supplementary Economic Models) and believe that some of these could be taken forward as joint pieces of work.

Another theme which we believe could be useful lies in "**Developing and maintaining modelling and appraisal tools to meet user needs**" although there are a number of concerns within this. On the one hand, for TASM to focus on this would aid in ensuring consistency across different schemes, but on the other hand there is also a strong appetite amongst our group members for ensuring quality local data and local forecasts are used. It may be that there is a need to ensure these tools can utilise local as well as national datasets, alongside producing guidance around how we can ensure local data and forecasts are viewed with confidence by the Department. Also within this theme, the emerging use of Big Data is probably useful – and here we would urge TASM to engage with UTG's Emerging Data group – but would also provide a caveat: the on-going work by ONS into using non-survey data to replace the Census currently shows significant limitations in utilising mobile phone data to replace (for example) travel-to-work data, particularly for elements such as journey purpose and certain transport modes. We would also point out in this theme that especially in the field of Wider Economic Impacts the lack of affordable models / limited range of models in the market can be a limiting factor for some organisations in making the case for schemes. Within this theme, we also particularly welcome the continued emphasis on the need to strengthen the link between evaluation and appraisal.

There are number of areas which are not explicitly captured by current WebTAG guidance – or not, it is felt, with sufficient detail. As indicated in our introduction, it is possible to envisage these as being part of one of fitting within the themes TASM lists as a focus for development, but for clarity we list these below.

- Greater recognition of economic benefits reaped by different sectors of the economy thanks to transport schemes which are (arguably) not fully covered even under Wider Economic Impacts. One such is the Visitor Economy, where improved transport links encourage net increased tourist trips and spend, but the current guidance on this is largely hidden away within the unit on Regeneration impacts.

- Nationally-available datasets can be a weakness, and although this may not be an issue for TASM itself to address, it might be useful if TASM were to champion improvements in such data. One example is the National Rail Travel Survey – still referenced and used in some transport schemes despite being substantially out of date and no longer reflecting many subnational economies. Likewise, some of the data in the Wider Impacts Dataset is now out of date.

- We would ideally want more evidence based elasticities, regionally derived values of travel time, etc. Ideally we need regional "input-output" matrices and models to compute GVA impacts. Above all we need integrated transport and development planning to avoid planning consent being given without appreciation of transport impacts, which to some extent undermines WebTAG/Green Book rules. The recent guidance on dependent development is a welcome step forward but there is still a job of education amongst practitioners and stakeholders in its implementation

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

There are a number of areas which may need a focus. However, from an economic perspective, given the importance of dealing with the UK's 'productivity puzzle', emerging regional 'powerhouses' and the fact that over this period we will be leaving the EU, a prime consideration should be further **development of understanding of regional and sub-regional transformational investments**. We would suggest this covers a range of elements, including:

a) Better understanding of such transformational impacts (including guidance as to how impacts can best be measured when an investment is in an area with low/no existing transport flows);

b) Clearer resolve around proportionality – i.e., when should different levels of impacts by schemes be considered. This also means we need to be clear around the language of 'transformational' – at the moment this risks becoming a 'buzzword' with all accurate reference to 'what is transformation' often missing;

c) Improving and strengthening the Rebalancing Toolkit, which whilst welcome does not seem to offer much to change a business case; one aspect might be to consider whether one of the aims could be to offer a change to the` Value for Money guidance, adding a sub-category that indicates if a scheme offers the opportunity to rebalance the UK economy (within given thresholds);

d) (Possibly linked to the above) Developing guidance around best practice and the tools to capture these in transport business cases; and

e) Resolving outstanding issues from the Wider Economic Impacts consultation – for example, revisiting the issue of net additionality.

Notwithstanding the above comments, the focus for further quantification is a concern. This will inevitably increase the cost and complexity of the process, which is fine so long as the quality of the output is similarly improved. However, it does not always follow that increased complexity gives a commensurate improvement in accuracy. Understanding of the relationship between transport and the economy remains weak, and adding further layers of quantification poses two threats to the robustness of the process:

• It may give a spurious impression of accuracy; and

• It may make the process less transparent to those outside of it.

These are important questions that should be examined in any changes to the process going forward. A greater level of qualitative assessment may be more effective in making the process more transparent and allow examination of major uncertainties that quantification might mask.

As indicated elsewhere in our response, more work in the area of ex-post evaluation and in research elasticities (of all kinds) is required; with another area indicated of priority as being the shape of demand curves over a range of fares, or cost-change over time.

3. 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.

It is difficult to select up to three areas when all of the areas listed are likely to have some priority. Different members of the UTG group may well have differing priorities depending on the needs of their area, and this is only to be expected. Thus, the order shown below is only loosely considered a priority order, and we would ask for more attention to be paid to the comments made than the order.

Valuing attractiveness	This is one area we would be keen to see more work in, and we feel that elements of this are definite priorities for Local Authorities. Valuing attractiveness is quite important at a generic level and when considering schemes of a more transformative nature. We would specifically highlight the wide range of impacts these improvements can have – a list of impacts that include but are not limited to: encouraging inward investment / office locations, sustaining the retail base, growing the numbers of tourists to an area. As such this is something of a missing area in WebTAG guidance. It would probably be specifically useful to consider: • the *functional* side of transport in improving attractiveness (journey time improvements, connectivity measurements, etc.) • the *ambience* side of transport (improvements to the realm, comfort levels of travel, etc.) – this latter may well provide evidence which has a spill-over benefit to schemes besides those with a transport base, and may be useful for business cases in other government departments. We would further observe that Project Promoters where there are public realm as well as transport improvements (for example the pedestrianisation of Newcastle Central Station portico) have faced significant challenges in bringing forward projects through traditional Assurance Frameworks.
Public health and wellbeing	Given the current and necessary policy focus on urban air quality, it is important that these impacts are studied. However, it is understood that fundamental updates will not be a simple or short-term matter. Forecasting active modes feels a little shoehorned into this section by the Department and we would like to work with the Department on forecasting active modes, particularly as UTG & Core City members have some of the most significant investment in cycling in the UK.
Valuing journey improvements	Much of the valuing travel time savings work has been useful, specifically from a public transport angle, albeit that the evidence base for bus users seems somewhat weaker. Generally on the public transport side of things there is a need for better clarity on interchange penalties (i.e., there may be a trade off in business cases to consider greater frequency of services achievable via interchange against provision of less frequent direct services.). This might adopt values indicated within PDFH or use fresh research; but certainly where a scheme removes (or imposes) an interchange within a journey this has an impact on the valuation of travel time. This is not to say that it is one of the top three priorities, but it certainly is an area with scope for improvement. Overall, it might be more useful to develop further work in terms of identifying journey *quality* – thereby bringing a wider range of factors into play, although the development of tools to assess this will need care to ensure robust results. Members have found that questions of resilience (particularly highway) are of increasing political and stakeholder importance. However, they lack analytical toolkits to better quantify this, while recognising the Department's HMEP/HMAT tool We particularly welcome the proposal to consider more journey time impacts on freight, which is often an overlooked area.

Appraisal methods for the future	Considering the wider economic impacts in appraisal, there is much work to be done on developing a better understanding of the relationship between transport and land-use change; specifically on the level of impacts when land use is not held to be fixed.
	It may also be useful to consider here a multi-modal element; as part of needing to rebalance the economy, in certain location the solution may be (e.g.) a road or a rail scheme or both, but current mechanisms mean each mode is looked at individually. Future appraisal could better reinforce the need/mechanism to ensure a cross-modal coverage of options.
	The commentary within this section lists "Accessibility indices" and it may be useful to consider here improved and more useful definitions of accessibility and connectivity.
Person-centred business cases	For schemes which take into account factors such as SROI this would be an important development.

4. 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.

Firstly on this theme, we broadly welcomed the revised Value for Money guidance that emerged last year. This contained several useful and user-friendly pointers around considering uncertainty within a business case. Secondly, we would caution that this is a very large open-ended area to be considering, and whatever work TASM takes forward should at each stage be clearly defined to avoid 'mission creep'. Thirdly, we would emphasise that this is an area where a body of evidence should be built up through scheme evaluations, which in part would be the chain of better linking evaluation and appraisal. This should include direct reference to high-quality evaluation results as justification for WebTAG values when appropriate

Subject to the comments above, any development in this area which can help the robustness of business cases would be useful, and we comment on each of the priorities below. Note again that as a group, our comments are not necessarily in priority order.

Travel preferences and behaviour	This would seem to be the most important priority within this section. We would welcome research undertaken by the Department on young people's travel and would like this to be built upon. Understanding future travel behaviour is – like with CAVs – an area which should produce a range of values rather than definitive forecasts. We need to be careful here, and perhaps what should be examined is what impact such changes *might* make otherwise on expected demand. i.e.: • Although current work suggests digital solutions may mean less 5-days-per-week commuting, this is only one possibility, and we would caution against this being assumed as a sole truth. • Likewise the presumption is of a future with fewer young people obtaining driving licences, but this may be contingent on future housing/jobs for this population being in areas with acceptable public transport provision. • Changes to work/lifestyle/income might mean changes for leisure time with impacts on travel for non-work purposes. (and the nature of these trips is itself changing, with the 'traditional' two week holiday moving towards a number of short breaks, with implications for net travel demand).
Optimism bias	An update to optimism bias rates in guidance, particularly including changes to other variables would seem to be a worthwhile research project. Cross-governmental data on cost overruns should also incorporate data from more local schemes to arrive at a fuller picture. This should be part of work linking scheme evaluation to appraisal, forming a body of evidence for use in future toolkits / business cases.
Uncertainty toolkit	As indicated elsewhere, displaying uncertainty alongside TEMPRO outputs would be useful. We would expect an uncertainty toolkit to link into revised Value for Money guidance in order to maximise its effectiveness.
ULEVs / CAVs	Linking ULEVs and CAVs in the same priority may not be accurate. Despite some connections between the two it might be better to have them as two separate priorities. In the first of these, the prime consideration is a change in energy source; in the second, there are a far wider different set of assumptions around consumer behaviour change. In examining take up levels of ULEVs more work is needed to understand this – in particular, understanding the differentials between London/urban/small town/rural conditions and between different user types. With each year the available evidence should grow, but understanding what elasticities may result and communicating these appropriately will be key. CAVs are a much more problematic area, and while there are theories around what impacts may result from this technology – when/if sufficiently developed – any evidence is thin. This should not be inferred as meaning not to conduct analysis in this field, but a suggestion that any forecasting work produced forms a fan projection of upper and lower values – thus, we are looking for work here that portrays the *range* of uncertainties.
Uncertainty in forecasts	We would welcome work being done to understand the levels of uncertainty in the underlying inputs to forecasts; and would suggest this ideally needs to feed through into differing levels of uncertainty being displayed within TEMPRO outputs – although acknowledging this might be a very substantial level of work involved for this.

Advice on scenario analysis	Whilst this sounds as if it could be very useful, it probably needs exploring more as to what exactly such a piece of work will offer that couldn't be covered as a piece of advice within an uncertainty toolkit.
Review of techniques to present uncertainty	Whilst this sounds as if it could be very useful, it probably needs exploring more as to what exactly such a piece of work will offer that couldn't be covered as a piece of advice within an uncertainty toolkit.

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?

Evidence is always a key issue in how much we understand about uncertainty. As indicated above, a strong level of importance should be attached to amassing and utilising evidence linking scheme evaluations to appraisals, which will help with this; and there should always be a preference for expressing a *range* of uncertainty, rather than treating it as an absolute.

A more sophisticated approach to dealing with uncertainty in business cases would be to recognise how much the uncertainty in underlying values may vary. For example:

a) We recognise the importance of geography (amongst other factors) – for example, are there differing levels of uncertainty apparent for schemes in economically more successful areas compared to areas with weaker economic indicators? This could apply both to viewing transport demand but also the more important underpinning jobs, population etc. forecasts.

b) Another focus may be to recognise that the levels of uncertainty can vary depending on the *type* of transport scheme: For example, a road scheme solving congestion may primarily need to consider road traffic growth (incl. CAV) and housing growth. Examples of uncertainty by categories of scheme could be presented as a set of case studies, including (but not limited to):

- Road schemes aimed at solving congestion (bypasses, widening, etc.)

- Schemes which unlock development (link roads, new stations serving housing, etc.)

- Schemes which have transformative impacts on local or regional economies (NPR, East-West rail, etc.)

- Infrastructure improving access for passengers/freight to international gateways (highways links to ports, rail/tram links to airports).

5. 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.

As indicated within the introduction, we see this theme as being of prime importance, given the need to rebalance the UK economy – with the presumption that transport schemes can be a key enabler in this process. Infrastructure investments that enable transformation (such as Northern Powerhouse Rail) are of increasing importance, and in many cases these can – or should – reference the impacts these schemes can have on both the local and national economies. (This is based on an argument more towards net additionality, a debate which we have already observed needs refining within the WebTAG guidance.)

Before we get into our specific comments, it is worth mentioning that guidance should probably take some steps towards defining what "Transformational" means. Although "Transformation" may have different definitions at different spatial levels, what we are looking for here is agreeing a definition at which the tools and techniques we comment on below become relevant.

Para 6.19 identifies the crux of this problem in looking at transformational investments. Transport interventions will rarely be transformational by themselves, and evidence tends to suggest they often have a supporting role. Unless development can be shown to be dependent on a transport intervention (which may well not be applicable in all cases), evaluation of its economic benefit would not seem appropriate. The transformative impact of an intervention should generally be an element of the strategic rather than economic case. This would allow its setting in a proper policy context rather than attempt to narrow it to a notional value of standalone benefit. However, the corollary to this is ensuring that the strategic case genuinely has as important a consideration as the economic case; and this is even more the case when dealing with investments which may help rebalance the economy.

Each of our members may have different priorities in the list below, so we would urge more attention is made to our observations than the indicative order we have placed then into.

Improving confidence in Land Value uplift (+ including in BCR)	This strikes us as the most important priority in this section from both a political, scheme financing and economic perspective. It is clear that the 'traditional' ways of financing and appraising large or mega-projects are not as viable as they were and scheme promoters are thus at the outer edges of guidance when seeking additional value. As one of the boundaries being pushed relates to confidence in Land Value uplift, we would fully support this priority, including the work the Department is undertaking with WYCA, the NIC and TfN on NPR.
	We note that points 6.12 to 6.15 within the consultation reference considering the land value uplift from housing – but there needs to be consideration equally of assessing land value uplift from commercial developments (of course, always making sure that the mechanism for including this within the BCR does not involve any double-counting.

Development of Supplementary Economic Models for DfT	This would be helpful for those members of UTG who have existing SEMs and would provide authorities who are looking to enhance modelling capabilities with better guidance on what decisions to make. . However, one concern exists as to how the data contained within such models would represent local areas – for example, a common development of a local LUTI will contain robust local economic forecasts rather than national forecasts, in order to better represent known and anticipated changes to the local economy. Thus, if such models were developed nationally, there may be a requirement to ensure local data can be input for a scheme by scheme basis, subject to following guidelines regarding the data's robustness.
Improving understanding of productivity impacts	As mentioned elsewhere, this is seen as a further development of the WebTAG guidance around Wider economic impacts. This may be of particular concern when considering schemes which are about rebalancing the economy – and is something which we recommend is built into the evaluation of schemes currently underway. Updates to the M2MPJ guidance would be particularly welcomed.
Gaps in local level data	Examining ways of obtaining and providing more local-level data would be useful. Besides data which should be available (such as through HMRC) there may also be useful intelligence to be gained through commercial products such as the MINT database – although how this information is then licensed for use by those outside the department may be another issue. Conducting an audit of local statistics – perhaps involving ONS – would be a useful activity here. For example, whilst it is acknowledged that some of Visit Britain's domestic tourism statistics are weak, many (but not all) local areas make use of data through the STEAM model.
Case studies showing application of different elements of guidance	We are strongly in favour of having a range of case studies (as indicated in our response in Section 6, on supporting the application of WebTAG and making it more user friendly). This is particularly the case with this theme, where the use of case studies could not only show how different elements of guidance are implemented, but also when it is not proportional to use some elements.
Case studies: what works in transformation (incl what non-transport factors need to be in place)	We would be strongly in favour of such development, albeit that it should be improved as the body of available evidence expands. As an example of this in practice, we would reference NPIER, which highlighted how transport interventions alone would not be enough to create the conditions for a transformed North of England.

Framework: how local economies work	This needs more development as a proposal before assigning a priority to this element. Linked with this is that there needs to be a careful approach taken. When we define "a commonly agreed framework" there needs to be an understanding that this will not be a blanket methodology that fails to recognise where economies differ from each other.
	For example, a city with dispersed economic areas based on the knowledge economy will function and work very differently to a city based more on a central area and reliant on more traditional industries, which will work very different to a county with dispersed towns reliant on an agrarian and visitor economy. The transport investments needed to grow the economy in each location and indicators which help to validate this may be very different in each case.

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?

With this being an emerging area of analysis, there are a wide range of issues, which can vary substantially by different areas. Amongst the areas we would like to include in scheme appraisal, but for which evidence may either be weak or the topic not adequately covered in WebTAG guidance are:

• Investments likely to make an area more attractive to inward international investment.

• Schemes that encourage a step change in the area's visitor economy

• Demonstrating net additionality (i.e., an assumption of 100% displacement may not always be appropriate)

We welcome recent guidance (such as in the recent changes around Wider Economic Impacts) whereby the advice in WebTAG emerges as less prescriptive, although this does leave a measure of uncertainty around any risk of whatever evidence is produced being open to challenge. Some understanding as to the bounds of flexibility would help to assure some stakeholders.

6. 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?

For the experienced practitioner, WebTAG provides a good solid base for building a transport scheme. The main barriers we would contend which we explore within our response to this theme are:

a) Ease of use
b) Data

c) Understanding the limitations
d) Proportionality
e) Areas WebTAG does not explicitly cover

There are a wide range of issues that – when it comes to a business case – WebTAG does not seem to cover (in fact many of these are possible to cover using WebTAG, but the ability to do so is hindered by the relevant guidance not being as well signposted as it could be, or by problems in understanding what evidence may be used). Each area of the country might have specifics that could be included within this list, but items we might flag up (some of which we have referenced elsewhere in our response) include:

• Schemes where growth in the visitor economy is a core part of the scheme;

• Adequately reflecting mode shift of freight (covering impacts beyond values in the WebTAG databook);

• Journey quality;

• The burden of proof around dependent development / net additionality / international inward investment; and

• Appraising transformational cycling capacity schemes which reduce existing road space.

Perhaps one of the main ways to overcome some of the challenges in using WebTAG could come about through provision of case studies. This is one aspect we flagged up as missing in the recent guidance around Wider Economic Impacts, as it would provide a good way of exploring the different parts of the guidance.

One specific technical issue (if not an actual barrier) related to WebTAG can be assigned to the use of forecast data. It is understandable that in the interests of consistency one set of forecasts are used (i.e., as in NTEM); the problem arises when this dataset becomes out of date. It is naturally a given that even before a forecast is produced that it is out of date but a conflict arises when, for example, NTEM provides one forward-looking message in terms of population change, and official data from ONS provides another. This happened when NTEM 6.2 was still being used some years after the Census data was available. (Indeed, it seems that the "Wider Impacts Dataset" is still using some numbers dating back to NTEM 6.2). We would urge a more managed approach to updates of such official data where WebTAG requires them to be used – although some of the proposed work around the uncertainty theme may help this whole area. Linked to this we would welcome more signposting to the ability to use local economic forecasts as a sensitivity test.

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

Recent guidance has some measure of emphasis on how WebTAG should be viewed as being flexible guidance rather than a set of fixed rules, and we welcome this. However, it is not clear whether this flexibility is understood. In particular there is great concern that should flexibility be exploited, then the department and others may raise objections upon submission of a business case, owing to the 'guidance' not rigidly being followed. Clarity and assurance would be welcome on this issue.

Given the complexity and specialisms inherent within WebTAG we would recommend increased use of:

a) Workshops to enable/explore this understanding. A particular point here is that whilst the flexibility in WebTAG is welcome, scheme promoters should understand the extent of this flexibility – both to ensure they do employ flexibility when appropriate, but also recognise where guidance limits exist on this, to avoid challenges to schemes from DfT and others.

b) A range of case studies (possibly including some of those alluded to earlier in our response) where this flexibility is used to good effect, in order to help promoters understand what flexibilities may exist.

c) Some Frequently Asked Questions regarding WebTAG flexibility, with answers from the Department.

It is important of course that such workshops – as indeed any WebTAG workshops – should be conducted across the regions, to ensure the message reaches a wide audience.

The Department should also be cognisant of the fact that a large amount of local transport spending is now funnelled through Local Enterprise Partnerships in various forms. As a condition of their Assurance Frameworks, large transport schemes will be required to adhere to WebTAG and this will be tested with independent assurance. In the experience of scheme promoters, the lack of clarity on where there can be flexibility is creating additional work for both promoters and assurers completely out of sight of the Department as they struggle to adhere to rigid standards.

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.

We would again emphasise the importance of Case Studies – some case studies should be suitably high-level, focussing on examples of where Wider Impacts etc. have been used, but there should also be some examples where some detail, including listing of different WebTAG modules / databook elements used. (Be aware that some audiences might prefer almost a 'worked example', whilst those already somewhat familiar with WebTAG might not require quite such detail.)

Those familiar with WebTAG can navigate through the different parts of the current website and the modules/forms/data with no problem; however, the overall layout is not particularly intuitive. There are a wide range of possible design options to aid this.

- One would be to adopt a more 'thematic' approach, which might even mean that some resources appear in more than one location on the website. (This will of course mean a great deal of extra care is required when guidance is updated to ensure all sections are updated). The themes could be structured by type of schemes; or by types of impact.

- Another approach would be to have a book-style approach, with chapters marrying up to different sections/stages in a business case (and would be an evolution rather than revolution of the current approach).

Whatever changes in the way WebTAG is presented, more use could be made of incorporating 'other relevant links' on each page.

7. 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.

As we indicated early in our response, we welcome the theme around developing tools that meet user needs; although one common issue can be in terms of what data goes into any such tools.

Given the very different geographies the UTG MARG group covers, as elsewhere in our response, we would emphasise that different areas may have very different priorities. Our comments are thus of more weight than the implied rank order – this is especially the case for this theme, where arguably all of the items listed are of some importance.

However, besides those items we have listed below, investigation of new data sources should be a priority in this area.

Improving NTEM forecasting	Improving the NTEM forecasting is probably of more importance than the functionality of TEMPRO. We would welcome: • Work that improves understanding of car ownership levels (for example, taking more account of 'peak car' theories. • Work that improves the forecasting of other transport modes (rail being particularly poorly served in this regards.
Improving functionality of TEMPRO	We welcome developments that improve the functionality of TEMPRO (although noting our comments made earlier regarding the need to deal with some of the data issues within). The consultation document mentions the possibility to show different scenarios; this would have value, but with regards to TEMPRO we would suggest activity needs reviewing on: • The rail demand side of the model (or an alternative tool for this). • Showing uncertainty levels in the outputs. • Optional incorporation of local forecasts which may under certain scenarios have more validity.
Ability to generate bespoke local forecasts	This would be useful for colleagues developing Local Transport Plans. There may also be benefits for working with Subnational Transport Bodies.
Developing robust advice on land use & economic modelling techniques	It will be important to ensure that guidance keeps pace with the appetite for such models, especially given their importance where schemes have as their strategic aim "rebalancing the economy" rather than more 'conventional' aims. However, this option is perhaps somewhat repetitive from options shown earlier, so may not 'fit' here?

Modelling of freight	We would welcome the provision of more work on this, an area which is somewhat neglected in WebTAG guidance. Particular areas of concern relate not just to domestic demand for freight (including changes in LGV traffic, a large driver of increased volumes) but also more strategic elements, such as what happens to flows when alternative ports of entry are used.
Strengthening links with evaluation	Throughout our response we welcome links that strengthen appraisal-evaluation links. One aspect we are particularly concerned with is in the fact that these links should be used to build up an accessible body of evidence, to better inform future scheme appraisals.
National model development	As is evidenced by our comments regarding TEMPRO, we are very concerned with some of the outputs from NTEM, specifically around public transport (and particularly rail, which suggests zero or low growth). This should be an area of some priority for work. Although we note that the tool is flagged as not being optimal for rail, there is also the point that if rail growth is not adequately allowed for, then road use is potentially overestimated. There is also some concern that the model is overly reliant on looking at commuting patterns, and does not adequately understand or represent changes in and the nature of other trips.
Provision of advice on base year trip matrixes	Whilst this is an area we see of being of some use, we would specifically flag up the problems that reliance on mobile network data can bring. Whilst undeniably a tool which is lower cost and more manageable than conventional tools, the wording of the text in the consultation raises concern as to whether a full understanding of some of the data weaknesses/issues exist.
Logic-based sifting toolkits	In generating options one aspect that typically underperforms in current tools is adequate understanding and representation of local strategic priorities.
Developing activity-based models	This would be an area of interest – although given the high levels of uncertainty that can be inherent in such models, may not be of such immediate priority as some of the other options in this theme.

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

It is understood that consistency is important in business cases and in the analysis that underpins them. However, it is equally understood that in many schemes different approaches may be required. We would specifically flag up here the use of alternative data sources such as local economic forecast which:

a) may be more recent and hence accurate than national datasets;
b) more accurately reflect the position of known developments and local strategies; and
c) provide data at a more suitable geographic scale.

At the moment such data is often used to provide a 'sensitivity' test rather than the core case; it would be more innovative if this improved data provided the core case, with the national dataset (possibly TEMPRO) was a sensitivity (given the difference between such data, TEMPRO possibly being described as a "low growth" sensitivity. However, in order to provide some level of both assurance and consistency in the business case, it would be a prerequisite that WebTAG provides guidance around what assurance should be conducted to ensure the forecasts used are as fair – and consistent – as possible.

The same applies to bringing in data to business cases that comes from other models, such as models calculating WEIs, models looking at future transport choices, models predicting growth in specific target industry sectors; WebTAG should consider what needs to be done with the underlying models and their underlying inputs to ensure their outputs are robust?

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

Most of our comments within this section can be referred to in the above sections. However, it would be specifically worth highlighting our concerns over the need for work that identifies both freight and active travel as areas where understanding on a range of issues are weak, and examination of emerging methods in this field – including perhaps identification of overseas research – may be useful.

We would also urge for work with other government departments, who may have emerging insights (such as into growth of different industry sectors, change in health, education levels) all of which can form the basis for better future-looking forecasts and values within WebTAG.

Going forward, continued engagement by TASM with other bodies working in this field – including the Urban Transport Group – will help to keep all stakeholders involved in identifying emerging techniques and best practice, ensuring that WebTAG remains world-class guidance.