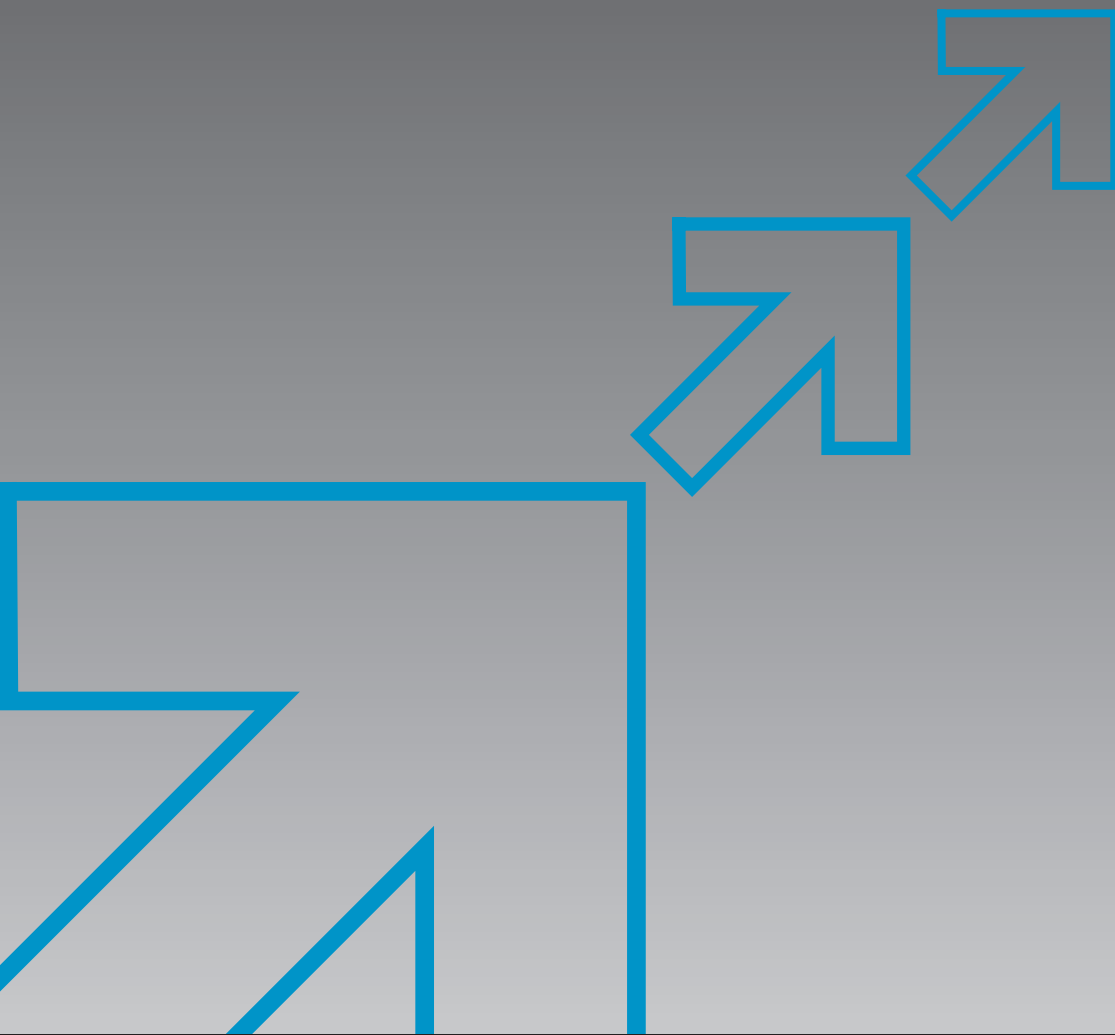


A SUSTAINABLE JOURNEY TO WORK IN SOUTH YORKSHIRE

ANNEX 4: ADVANCED PRIORITISATION
OF BID OPTIONS



SHEFFIELD
City Region



SOUTH YORKSHIRE
INTEGRATED TRANSPORT
AUTHORITY

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1. INTRODUCTION

1.1. THE ANNEX DOCUMENTS

This document forms part of the series of Annex documents, which are presented here as an Annex to our Local Sustainable Transport Fund (LSTF) Business Case. This series of documents presents a substantial body of evidence we have compiled while developing the Business Case, which is the final submission to the Department for Transport, following our successful “key component” bid.

The systematic prioritisation of our programme elements has been used to determine our final bid, alongside other considerations, such as consultation. This evidence has been brought together to identify the problems that need to be addressed by the LSTF fund and the correct solutions to achieve this.

1.2. THIS DOCUMENT

This report was written as part of a five-stage process, as described in section 2.9.1 of our main submission. This document is the Advanced Prioritisation part of the series of Annexes. It presents the methodology for undertaking stage four of our prioritisation process and the outcome of this stage. The main Business Case document, which this document is annexed to, is the outcome of the processes summarised here.

The detail of the Advanced Prioritisation should not be read as additional evidence to what is provided in the main document. Some of the findings of this appraisal were later replaced with more robust findings, obtained through more detailed analysis using a wider range of forecasting tools. We present the Advanced Prioritisation and its findings here since they formed an important stage in our prioritising process of the programme contents. If any facts or figures were later modified, we still present them here the way they were documented at that stage, to reflect the information that was available to us at that time. The Economic Case in the main bid document is still the most up-to-date documentation of latest findings with respect to the value for money offered by our LSTF programme.

Chapter two describes the methodology applied to undertake the Advanced Prioritisation including the guidance that has been utilised to undertake the assessment. Chapter three presents the Advanced Prioritisation outcome and chapter four concludes the document.

2. METHODOLOGY

2.1. OVERVIEW

Following the submission of our Initial Proposal, the feedback was to create a more focused programme with fewer projects in fewer places. Our Stage 4 appraisal was developed to determine what further prioritisation that could be undertaken to maximise the benefits and reduce the risks. This stage consisted of an Advanced Prioritisation of the detailed solutions by quantifying aspects of the solutions, without undertaking forecasting and appraisal. The intention here was to further focus the package on those solutions that were likely to give the highest benefits, and identify any that may not deliver the desired outcomes.

Therefore, this chapter provides an overview of the methodology used to prioritise our full business case proposal as part of a 5-stage approach. The principles of the DfT's EAST tool were used to devise the Advanced Prioritisation. However, it was felt that further quantification was required, particularly in the Economic Case to understand the actual scale of impact of the scheme. More details on this are provided under each case where applicable.

In this chapter we describe how the methodology was developed and how the guidance provided by DfT has been used to develop a robust Advanced Prioritisation tool. The Advanced Prioritisation was also used to help define the options for our bid, based on delivering the objectives of the LSTF by focusing on specific elements of the guidance. It should be noted that this appraisal was undertaken early in the development process. As a result some delivery or management risks were identified and as a result of this early identification could be resolved for the final submission.

The assessment considers the information available before the full appraisal and forecasting work had been undertaken. The schemes were assessed using the information available in advance of the detailed appraisal work based on the DfT Major Scheme Business Case approach. The following steps are set out using the Major Scheme Business Case 5-stage approach. Under each section of the business case the approach to appraising the scheme in the Advanced Prioritisation is described.

2.2. STRATEGIC CASE

The assessment for the Strategic Case was based upon how well the scheme complements other schemes within our LSTF programme and the scale of the problem that the scheme addresses. Figure 2.1 lists the rating for the size of the problem that the scheme addresses, the assessment is based upon a higher rating for where problems have been identified in specific locations and relate to congestion levels and access to employment. Also a higher rating if public surveys/consultation indicates this as a key issue.

Figure 2.1: Strategic Case Problem Assessment

1	Severe problem
2	Significant problem
3	Moderate problem
4	Minor problem
5	Very minor problem

2.3. ECONOMIC CASE

The economic case inputs have been calculated using assumptions benchmarked using appropriate evidence and WebTAG guidance. The economic case assessment in the Advanced Prioritisation has taken into account a number of elements:

- GDP analysis: calculations have been based using the income impact assessment methodology (using income multipliers) based upon the level of expenditure likely to take place within the Sheffield City Region. This was added in over and above the requirements of EAST, a key objective of LSTF is to demonstrate economic growth so an understanding of the GDP impacts that the individual scheme elements are likely to have upon the region were considered important in this process;
- Carbon Reduction: the process for assessing the schemes for carbon reduction was undertaken in addition to the EAST process. Whilst EAST requires the carbon impacts of a scheme to be considered, our process involved the calculation of the potential reduction in carbon emissions. This was based upon likely take-up rates of the sustainable mode and how many tonnes of carbon these people are likely to save; and
- Non-user benefits: this takes into account all impacts of the scheme, such as accidents, noise and local air quality. The inputs to this section correspond with the requirements of EAST; however, each input was quantified to provide a comparison.

2.4. COMMERCIAL CASE

The commercial case focuses on the financial sustainability of the project and the legacy of the project beyond the life of LSTF. EAST also requires an understanding of how flexible the project is if the amount of funding that is available changes. Figure 2.2 lists the criteria used for assessing the flexibility of the project:

Figure 2.2: Commercial Case Project Flexibility

1	A little flexibility
2	Some flexibility
3	A lot of flexibility

Ensuring a scheme has a strong legacy beyond the life of the LSTF is a key aspect of the fund. The following figures show the criteria for scoring the legacy benefits of our LSTF programme.

Figure 2.3: Commercial Case Funding Legacy

1	No funding identified
2	Self funding
3	Maintenance covered public funds
4	Maintenance covered private funds
5	LTP funding identified
6	Other funding identified
7	Private/Public Fund Mix

Figure 2.4: Commercial Case Legacy Benefits

1	Long term benefit stream with no funding
2	Long term benefit stream with funding
3	Short term benefit stream with no funding
4	Short term benefit stream with funding

2.5. FINANCIAL CASE

As required in the EAST tool, the financial case assessment is based upon the total cost of the project, the size of the proportion required from LSTF and the security of all match funding. The cost information has been provided by project sponsors and presented in the Advanced Prioritisation as a proportion of the total cost. The security of the match funding has been rated as shown in Figure 2.4.

Figure 2.4: Financial Case Match Funding

1	Unsecured - either the funding is dependent on businesses signing up to the scheme at the time of implementation or a signed agreement has not as yet been provided.
2	Partially Secure –a portion of the match funding has a fully signed agreement and other sections are yet to secure confirmation.
3	Secure –funding provided in-kind and/or a signed agreement has been received by the scheme partner

2.6. MANAGEMENT CASE

The management case assessment is based upon delivery arrangements; spend profile and the level of risk involved in the deliverability of the scheme. As required by the EAST tool, Figure 2.5 lists the assessment criteria for the level of detail provided in the delivery plan.

Figure 2.5: Management Case Delivery Plan

1	No information provided
2	Brief indication of management and delivery arrangements (less than paragraph)
3	One item of information provided from management structure, delivery programme, procurement/delivery strategy
4	Two items of information provided from management structure, delivery programme, procurement/delivery strategy
5	Detailed information including management structure, delivery programme and procurement/delivery strategy

The implementation profile shows the proportion of spend by year. The spread of this spending in the Advanced Prioritisation is based upon the level of detail provided by the Package Leader.

The final element of the Management Case criteria considers the level of risk in delivering the scheme. This is based upon what stage the scheme is currently at in the design process. Figure 2.6 lists the rating for the delivery risk.

Figure 2.6: Management Case Deliverability Risk

1	Feasibility Stage - Concept but delivery mechanism undecided/being negotiated/no design work completed
2	Detailed Design - detailed design undertaken, experience from previous schemes/pilots
3	Ready for implementation - statutory processes complete, continuation of existing project

3. ADVANCED PRIORITISATION RESULTS

Figure 3.1 Outcome of Advanced Prioritisation

ID No.	Scheme	Assumptions Calculation Assumptions	Strategic Case		Economic Case				Definition of management and delivery arrangements (5 ratings)	Managerial			Deliverability Risks (3 ratings)	Total Cost (£k) A	Financial		Commercial				Legacy comments		
			Problem Assessment (5 ratings)	Complementary/Dependent Schemes (ID of other sub packages)	GDP Analysis (£)	Increase in GDP per capita (£)	Carbon reduction per annum (£)	Non User Benefits per annum (£)		Implementation					Total LSTF Contribution B	Revenue/Capital Split (Ratio)	Local Contribution (£k)		Match Funding Risk (3 ratings)	Flexibility (scalability, potential for contractual changes etc) 3 ratings	Funding	Benefits	
										Yr 1	Yr 2	Yr 3					£	% of total cost of scheme (C/A)					% Local Contribution per LSTF £ C/B (%)
1	Targeted Corridor Enhancements BARN1, DEAR1, DONV1, DONC1	No additional car trips assumed. Most benefits will be user benefits that will be estimated by full modelling in SYSTM+ and TUBA.	2	2,12-17	1,836,000	7	92	Still to be confirmed	3	0%	0%	0%	2	2,360,000	2,360,000	39:61	To be confirmed			1	3	3	2
2	Eisecar Park and Ride DEAR3	14000 potential new rail passengers using car park p.a making return trip. Assume 75% occupancy of car park spaces. 60% transfer rate assumed as review of UK park and ride studies indicates this is average percentage (WS Atkins Report 1998).	2	12,13,17	614,284	12	144	6,240	4	44%	56%	0%	3	1,203,685	455,025	0:100	748,660	62%	165%	3	1	3	2
3	Jobconnector X19 BARN4	Assume 222000 additional passengers by year 3.	4	12,13,17	1,603,395	23	203	8,795	1	17%	41%	42%	2	1,187,700	387,700	100:0	800,000	67%	206%	3	2	1	2
4	Jobconnector Shortwood to Wentworth DEAR5,	27300 forecast passengers by yr 3. Assume 10% come from car due to reason for service introduction in areas with limited travel opportunities.	2	12,13,17	660,131	6	15	649	4	21%	47%	33%	2	480,053	231,236	100:0	248,817	52%	108%	3	2	1	2
5	Jobconnector Malin Bridge DONV4	Patronage information direct from business case. Transfer from car assumed from DFT WebTAG Unit 3.13.2 for rail appraisal.	2	12,13,17	1,632,825	16	428	18,516	4	12%	87%	1%	1	1,209,000	159,000	0:100	1,050,000	87%	660%	3	2	3	2
6	Cycle Infrastructure BARN2, DEAR2 DEAR4, DONV5 DONV6	1716 new cyclists following implementation of all cycle schemes. Assume 75% from these schemes. Assume these cyclists make trips 69 days of the year	2	14,15,16,17	5,767,297	34	610	26,386	1	0%	0%	0%	2	4,272,072	3,687,072	12:88	585,000	14%	16%	2	2	3	2
7	Key Bus Routes DONV2	Patronage information direct from business case. Transfer from car assumed from DFT WebTAG Unit 3.13.2 for rail appraisal.	1	6,19,25-30	3,788,678	37	211	0	4	33%	33%	33%	2	2,786,428	2,786,428	0:100	To be confirmed			2	2	3	2
8	Don Valley Tram Stop Upgrades DONV3	Patronage information direct from business case. Transfer from car assumed from DFT WebTAG Unit 3.13.2 for rail appraisal.	2	16,17	1,620,068	16	320	13,849	5	0%	100%	0%	1	1,198,050	1,122,000	0:100	76,050	6%	7%	3	2	4	2
9	Adwick Sustainable Access DONC3	579600 car trips saved p.a. Information provided directly.	2	12,13,14,15,16,17	2,970,000	57	11,943	516,648	5	25%	74%	1%	2	2,200,000	1,800,000	34:66	400,000	18%	22%	3	1	3	2
10	Waterfront Regeneration DONC2	782880 vehicle trips saved p.a assuming development would have occurred on periphery of Doncaster without scheme. Information provided directly.	2	12,13,14,15,16,17	3,736,178	71	16,132	697,849	5	15%	85%	0%	2	3,085,480	1,116,136	34:66	1,969,344	64%	176%	3	1	3	2
11	Plugged in South Yorkshire BARN3, DEAR6, DONV7, DONC5	500 tonnes of greenhouse gases not released per annum. Based on information provided by Plugged in South Yorkshire.	3	12,17	2,304,618	8	80,625		4	52%	25%	24%	3	4,734,833	608,713	12:88	4,126,120	87%	678%	2	3	4	2
12	ECO Academy BEST1	Assumed 10% saving in CO2 emissions for 1% of traffic in SY region. 10% saving based on 10% fuel saving from KMC scheme.	3	1,7,13,17	3,291,133	12	112,538		4	33%	33%	33%	2	2,838,530	1,233,200		1,605,330	57%	141%	2	3	1	3
13	Bus Boost	1500 participants p.a. Each participant issued on average 2.6 weekly tickets = 13 days travel. 35% continue to travel 2.5 days a week by bus. 35% transfer from car assumed from BusBoost trial in Sheffield	1	1,2,3,4,5,9,10,17	1,811,700	7	645	27,892	4	20%	40%	40%	3	1,342,000	857,000	100:0	485,000	36%	57%	2	3	1	3
14	Walk Boost	Target 2700 car drivers a year. Assume 25% of those targeted will switch and walk once a week instead of using the car. 25% figure middle of the range figure quoted in Soft Measures Hard Facts report for walking projects (17-41%)	3	9,10,15,16,17	1,852,470	7	161	6,953	2	19%	43%	38%	3	1,944,400	1,277,200	100:0	667,200	34%	52%	2	3	1	3
15	Cycle Boost	1716 new cyclists following implementation of all cycle schemes. Assume 25% will come from these schemes. Assume these cyclists make trips 69 days of the year. 25% assume to transfer from car as Bristol pilot indicated this in the Soft Measures Hard Facts		6,9,10,14,16,17	1,875,188		388	18,065		31%	37%	32%		1,202,650	846,400		356,250	30%	42%	2	3	7	4
16	Travel Training	325 trained p.a. that enter employment. Assumed to work 2.5 days a week (115 days over year). Personalised travel assumed to reduce car trips by 5-7% according to Soft Measures Hard Facts report.	3	2,3,4,5,6,7,8,9,10,13,14,15,17	1,359,788	5	14	622	3	33%	33%	33%	2	1,007,250	447,750	100:0	559,500	56%	125%	2	3	2	2
17	Marketing and Communication	N/A	3	All schemes	These schemes will support the realisation of the benefits for the schemes in other packages				3	45%	28%	28%	2	1,579,750	1,579,750	100:0	To be confirmed			2	3	1	3

Figure 3.2 Individual Scheme Commentary

Scheme	Comments
Targeted Corridor Enhancements BARN1, DEAR1, DONV1, DONC1	Scheme addresses specific congestion problems in targeted locations. High level of GDP benefits. User benefits still to be calculated but likely to be significant. At time of assessment some further definition of management and delivery arrangements required but risks reasonably low as experience from previous projects. Match funding to be confirmed at time of assessment. Long term legacy benefits with minimal maintenance from public funds.
Elsecar Park and Ride DEAR3	Scheme addresses specific and evidenced need through previously successful intervention. Highly deliverable scheme with good level of secure match funding. Legacy benefits in long term with minimal maintenance funding. Reasonably high GDP benefits, others benefits less strong.
Jobconnectors BARN4, DEAR5, DONV4,	Reasonable level of GDP benefits. Good level of secure match funding. Legacy benefits in long term but may require funding from unidentified source unless service becomes commercially viable.
Cycle Infrastructure BARN2, DEAR2 DEAR4, DONV5 DONV6	Addresses identified problems in cycle connectivity in specific locations. High GDP benefits and other benefits also reasonably strong. Management and delivery need further definition but deliverability risks fairly low as much of the detailed design work undertaken. Match funding partially secure but of a varying level across schemes. Legacy benefits in long term with minimal maintenance funding.
Key Bus Routes DONV2	Scheme addresses specific, identified problems and complements investment in other schemes to boost bus use. Good level of GDP benefits Further clarification required on other likely benefits and funding requirements. Management case reasonably well defined and deliverability risks reasonable as design work commenced. Local contribution to be confirmed at time of assessment*. Legacy benefits in long term with minimal maintenance funding.
Don Valley Tram Stop Upgrades DONV3	Addresses specific problem contributing identified through survey of users. High level of GDP benefits and reasonable other benefits. Clear management and delivery structure and low risk
Adwick Sustainable Access DONC3	Scheme addresses specific, identified problems and unlocks employment site. High level of GDP and other benefits Management case well defined and deliverability risks reasonable as detailed design work commenced. Match funding is secure but forms small percentage of total cost. Scheme relatively inflexible. Legacy benefits in long term with minimal maintenance funding from public funds.
Scheme	Comments

Waterfront Regeneration DONC2	<p>Scheme addresses specific, identified problems and unlocks employment site. High level of GDP. Other benefits high but predicated on scheme going ahead in less desirable location.</p> <p>Management case well defined and deliverability risks reasonable as detailed design work commenced.</p> <p>Match funding is secure and forms high percentage of total cost.</p> <p>Scheme relatively inflexible.</p> <p>Legacy benefits in long term with minimal maintenance from public funds.</p>
Plugged in South Yorkshire BARN3, DEAR6, DONV7, DONC5	<p>Scheme addresses specific barrier to uptake of electric vehicles</p> <p>High level of GDP benefits. Carbon benefits also significant. Other benefits yet to be quantified.</p> <p>Management case well defined and deliverability risks low as continuation of existing project.</p> <p>Match funding is partially secure and at a high level.</p> <p>Legacy benefits in long term with maintenance from private funds.</p>
Eco Academy BEST1	<p>Addresses specific problem of carbon emissions but over large area.</p> <p>Reasonable level of GDP benefits but very high carbon benefits.</p> <p>Management and delivery arrangements clear and delivery risks low as continuation of existing project.</p> <p>Match funding secure and of good level.</p> <p>Legacy benefits in short term with funds from private and public funds.</p>
Bus Boost BEST2	<p>Scheme addresses one of the major barriers to public transport use (the cost)</p> <p>Good level of GDP benefits and other benefits</p> <p>Management and delivery well defined and delivery risks low as extension of existing project.</p> <p>Match funding of a reasonable level but only partially secure.</p> <p>Legacy benefits in short term but no funding has been identified.</p>
Walk Boost BEST3	<p>Scheme addresses specific issues as part of a behavioural change programme</p> <p>Good level of GDP benefits, other benefits likely to be less</p> <p>Management and delivery need further definition, although continuation of existing project.</p> <p>Match funding of a reasonable level but only partially secure.</p> <p>Legacy benefits in short term but no funding has been identified.</p>
Cycle Boost BEST4	<p>Scheme addresses one of the biggest problems/barriers to increasing cycling levels (ie the initial cost to purchase a bike and the perceived danger of cycling on roads)</p> <p>Reasonable level of GDP benefits, other benefits assessed as part of cycle infrastructure.</p> <p>Management and delivery well defined and delivery risks low as extension of existing project.</p> <p>Security of match funding to be confirmed but reasonable level.</p> <p>Legacy benefits in short term but no funding has been identified.</p>

Scheme	Comments
Travel Training BEST5	<p>Scheme addresses particular target audience to enable access to employment. Reasonably high GDP benefits, other benefits much lower. Some further definition of management and delivery arrangements required but risks likely to be relatively low as experience from previous schemes. Security of match funding is unclear but of a fairly high level. Legacy benefits in long term and project will become self funding through revenue savings.</p>
Marketing and communications BEST6	<p>Schemes address specific barrier to sustainable travel (lack of awareness and information). Will provide uplift in benefits to other schemes by improving their effectiveness. Management and delivery arrangements need further definition. Deliverability risks fairly low as similar activities already undertaken and experience from previous initiatives. Match funding is probably secure but level unknown at time of assessment. Legacy benefits in short term but no funding requirement identified.</p>

4. CONCLUSION

4.1. OVERVIEW

This annex document has been presented to show the systematic approach that has been applied to the selection of schemes included in our LSTF bid. The information presented in this document forms stage four of the five-stage process. The Advanced Prioritisation was an important part of the process to ensure our detailed appraisal work focused on those projects that are deliverable and provide significant benefits.

4.2. OUTCOME

The Advanced Prioritisation of the schemes has illustrated that all of the schemes have strengths and weaknesses. Many of the schemes are complementary and together will form an integrated package. The schemes are also balanced across the different modes and importantly specific schemes directly target access to employment and carbon reduction as per the LSTF assessment criteria.

There is benefit of including all of the schemes in the full LSTF programme. When the Advanced Prioritisation was undertaken and identified issues regarding management, delivery and commercial information it was expected that these would be addressed prior to submission of the business case and therefore should not preclude their inclusion the stage of developing the final bid. Furthermore, more detailed appraisal of the schemes currently that was undertaken for the business case submission also enabled other economic benefits to be identified for inclusion in the business case.

Overall the prioritisation and selection criteria that have been applied to refine the list of projects have led to a programme of coordinated activities which are likely to perform well against the LSTF objectives. The outcome of this process has given confidence to the approach taken and demonstrates that the prioritisation process has followed a robust methodology which is in line with EAST.

