May 2019

Dear Lilian,

Thank you for your letter of 7 May, seeking views on a number of additional questions following my appearance at the Transport Committee inquiry session on 1 May.

I enclose a short paper setting out answers to the points you have raised alongside an explanatory note on the value of time used within WebTAG-based transport appraisals, also raised at the Transport Committee meeting.

As ever,

JESSE NORMAN
Q1 How do you work with other departments in relation to the Cycling and Walking Strategy, and how do you think this cross-departmental working could be strengthened?

1. Ministers and officials at DfT work closely with a range of other government departments to join up active travel and a number of inter-linked strategies and initiatives including the Sports Strategy, Childhood Obesity Plan (parts 1 and 2), NHS Healthy Towns, Physical Education and Sport Premium policy and the emerging *Prevention Is Better Than Cure* Green Paper.

2. Examples of joint working include:
   
   a) Coordinating delivery of complementary measures in local areas, for example identifying synergies and improving integration of physical activity interventions, including Sport England’s Local Delivery Pilots, Cycle Ambition City investment and LCWIP planning in a number of places, including Essex and Greater Manchester.

   b) Close joint working on the development of relevant wider infrastructure schemes and joint assessment of cycling and walking content in bids, for example the Clean Air Fund, Housing Infrastructure Fund (HIF) and the Future High Streets Fund;

   c) Working collaboratively with Public Health England (PHE) on physical activity options for reducing the prevalence of a range of physical and mental health conditions for the *Prevention Is Better Than Cure* Green Paper;

   d) Working across Government on a complementary set of proposals for the next Spending Review for increasing levels of physical activity. Areas being considered include improved healthcare provision and advice, education for young people, joint place-based working and use of data and innovation to improve availability of information on opportunities to increase physical activity.

3. There is good potential to improve coordination of cross-government interventions, better aligned with local priorities and based on learning from existing initiatives. Joint working proposals are being considered as part of preparation for the next Spending Review through the Inter Ministerial Group on Healthy Living and other Ministerial and official-level fora.

Q2 What has the department done to improve the evidence base on effectiveness of interventions to increase levels of cycling and walking?

4. The Department has been improving the evidence base in a number of ways, including through formal monitoring and evaluation of significant funding programmes with cycling and walking content. These include: Cycle Ambition Cities\(^1\), the Local Sustainable Transport Fund\(^2\), Bikeability, Access Fund and the Local Cycling and Walking

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Infrastructure Plan (LCWIP) support scheme pilot. These will be summarised in the forthcoming report to Parliament on progress in delivering CWIS.

5. The Department has also sought evidence from a wider range of external sources, particularly from academic literature and experts on the ground such as local authorities, NGOs and transport consultants. This was initially achieved through the 2016 Rapid Evidence Assessment³.

6. This has since been expanded as part of the development of evidence for the CWIS modelling project, being undertaken by Transport for Quality of Life (TfQL), Arup and AECOM. The work includes a review into the effectiveness of over 90 individual local and national programmes. It found that the effectiveness of interventions is dependent on where it is located⁴, and whether it is delivered as part of a wider package of capital and revenue interventions⁵.

7. This strong evidence base has subsequently been used to develop a model that estimates the cost and benefits of achieving the 2025 CWIS aims and targets under a range of different scenarios. This will enable the department to estimate the cost and value for money of targeting the achievement of different government objectives (e.g. improving health, economic growth, regional development) as part of future active travel interventions.

Q3 What role will the Cycling and Walking Champion have, why did you feel such a champion was necessary, and how will you be finding a suitable candidate?

8. The Department is still considering the appropriate scope and responsibilities for the role of the cycling and walking champion. It is expected that the champion’s main responsibilities would include:

a) Raising the public profile of cycling and walking;

b) Building and developing relationships with a range of organisations, including local authorities and delivery bodies such as Highways England and HS2, to ensure that their schemes actively consider measures to support cycling and walking at both the strategic and delivery level;

c) Providing additional high-level leadership for cycling and walking similar to that achieved through the appointments of Cycling and Walking Commissioners and champions across England such as in London, Manchester and Sheffield.

9. The aim is to appoint an individual to the role in the summer and a number of potential candidates are currently being considered.

³ Investing in cycling & walking: Rapid evidence assessment

⁴ Effectiveness of an intervention is dependent on characteristics its location such as cars per person, proportion of young & elderly people and deprivation.

⁵ Reinforcing effects when capital and revenue investments are jointly delivered, mean packages of interventions are more effective than the same investments made independently.
Q4 Does the Government have any data on the availability of seating for pedestrians, including how the situation has changed in recent years?

10. The Local Environment Quality Survey for England 2017-18\(^6\), published by Keep Britain Tidy, no longer collects data on the quality of street furniture and requirements for local authorities to report on aspects of local environmental quality as part of the National Indicator set were ended in 2010, in order to reduce local authority reporting burdens. However, many local authorities continue to use similar indicators to monitor litter and other indicators for their own purposes, but there is no requirement for them to publish or report these and central Government no longer collects this data.

Q5 How has sharing of good practice and information with wider non-LCWIP Local Authorities worked, and has this been available to all Local Authorities or only those that applied for technical support?

11. All local authorities who have expressed an interest in active travel schemes have been invited to join an online forum, hosted by Basecamp. There are 117 different local authorities using the system and 13% of users are from authorities who do not receive LCWIP support.

12. Basecamp facilitates peer to peer learning allowing officers to post technical queries they may have about the LCWIP process and hold discussions on learning and good practice. The forum is administered by the LCWIP Consortium (Sustrans, Cycling UK and Living Streets), who often post helpful information to support authorities with the development of their plans. This includes access to a number of webinars.

13. The current cohort of 46 LCWIP authorities have access to a more comprehensive support package provided by the LCWIP Consortium also coordinated through Basecamp, including study visits, training for highway engineers and stakeholder mapping support.

14. All local authorities also have free access to the Propensity to Cycle Tool (PCT), which is used to identify routes with the greatest future demand for cycling journeys. PCT developers have been running training sessions for Local Authorities and other users since 2018 and estimate up to 300 people have attended these sessions to date.

15. The PCT provides a visual, interactive and user-friendly interface to show where the highest potential for cycling uptake is across England. Overall, its use promotes a strategic, evidence-based approach to planning; generating outputs that can be used to prioritise investment, support business cases and influence stakeholders.

Q6 What assessment has the Government made of the impact of the change to regulations in 2016 covering parking in mandatory cycle lanes?

16. Mandatory cycle lanes are defined in the Traffic Signs Regulations and General Directions (TSRGD). The definition was amended in 2016 to clarify previous confusion about what restrictions a mandatory cycle lane imposed and how these should be signed. Mandatory cycle lanes ban driving within the lane. If parking is to be restricted, separate waiting restrictions must be applied, such as yellow lines.

17. TSRGD states that signs, signals and markings in place when the 2016 regulations came into force are deemed to be lawful provided they meets the requirements of the law as it

\(^6\) [https://www.keepbritaintidy.org/sites/default/files/resource/National%20Litter%20Survey%202017%20_0.pdf](https://www.keepbritaintidy.org/sites/default/files/resource/National%20Litter%20Survey%202017%20_0.pdf)
stood when they were installed. This means that any mandatory cycle lane installed under previous versions of TSRGD is still valid. It is up to local authorities to consider if those lanes are fit for purpose and whether any changes are required.

18. TSRGD, combined with the updated advice in Chapter 3 of the Traffic Signs Manual, and in the forthcoming revision of the Local Transport Note on Cycle Infrastructure Design, gives authorities the tools and advice to restrict inappropriate parking in cycle lanes as necessary, in a way that is clear to road users. The Department is aware of the concerns of Cycling UK on this issue, and has already written to them to clarify the position.

Q7 What does “local transport infrastructure funding” cover, and why has the Government focused on this budget line, rather than transport spending as a whole? How much more do Local Authorities need to spend to meet this target (to encourage Local Authorities to invest around 15 per cent of their local transport infrastructure funding over time on safe and efficient cycling and walking infrastructure)? Where will this money come from?

19. Local transport infrastructure funding covers all capital spending on maintenance and new infrastructure for local highways, tram, bus, cycling and walking routes, including through the Highways Maintenance Fund, Integrated Transport Block, Transforming Cities Fund, Large Local Majors Fund, transport elements of the Local Growth Fund, Devolution Deals investment funds, National Productivity Investment Fund and locally sourced funds, such as the Community Infrastructure Levy or Section 106 obligations.

20. Local transport infrastructure spending is a better yardstick to compare investment in active travel versus other modes that are alternatives to cycling and walking for short journeys. Wider transport spend is also heavily skewed by lumpy investment that enables long distance travel, including major projects delivered through Network Rail and HS2. Estimates of funding on active travel as a proportion of local transport infrastructure spend vary from 10 per cent to 13 per cent over 16/17-19/20, based on funding provided by central Government (excludes local funding sources as set out above)7.

21. Total funding provided by central Government for local transport infrastructure in 2019/20 is expected to be around £3bn. Combined with locally sourced funding, 15 per cent would represent some £500m per year of Local Authority investment across England (excluding London). In addition to funding sources listed in the paragraphs above, funding can also be drawn from other relevant, place-based infrastructure funds, such as the Housing Infrastructure Fund, Future High Streets Fund and Stronger Towns Fund. Further funding for active travel from 2020/21 onwards will be considered as part of the forthcoming Spending Review.

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7 CWIS Safety Review Consultation Response document (November 2018)
Value of time for active modes

1. Summary

- Value of travel time savings estimates are based on surveys of people and businesses, that capture their ‘willingness to pay’ for travel time savings.
- A distinction is made between the values of time for business travel and non-working travel.
- All non-work travel has the same value of time in WebTAG.
- The value of time for business travel does vary depending on distance of the trip and mode used, however the variation with distance is far more significant than variation by mode.
- All short business trips (0-50km) have the same value of travel time savings – whether this is by bike, car or train. Hence cycling and walking business trips do not have a lower value of time than other modes, when the distance of a trip is below 50km.
- Value of time increases significantly as distance increases, due to factors such as, higher travel costs; higher incomes; and more unproductive time than in shorter journeys.
- Table A 1.3.1 in the WebTAG data book displays the average values of time by mode.
- Modes such as car, rail have a higher average value of time savings than active modes. This is partly due to the distance of trips made by these modes typically being much longer than for cycling & walking trips, which is associated with a higher value of time.
- Other factors such as traveller income also drive modal differences, but only for trips beyond the feasible distance of active modes (over 100km).
- A number of stakeholders have made the mistake of looking solely at table A 1.3.1 of WebTAG which (when taken out of context) suggests that the Department places a higher value on the time of those travelling by car, rail and other forms of public transport than on the time of those travelling on foot or by bike.
- However, this table shows the average values across all trip distances, including long trips with the highest values of time. Conversely, for walking and cycling we use the average motorised values of time for short trips (0-50km) only.
- Stakeholders should also see other tables relating to the value of time savings (tab A 1.3.1 of the WebTAG data book). One of which shows the value of time savings for car and rail users is the same as the active mode values, when only considering short trips (0 – 50km).

2. Time savings for active modes

Active mode investments are typically aimed at increasing uptake, through improved quality of infrastructure. Consequently, the benefits of these interventions are typically dominated by improved health; improvements to the journey quality; and decongestion benefits from mode shift, rather than time savings.

However, in some cases, interventions may also result in reduced journey times for existing pedestrians and cyclists, through provision of quicker or shorter routes. In such circumstances the time saving benefits can be quantified and incorporated into appraisal, using WebTAG methods¹ and values.

3. **Value of time estimates**

The key values used to calculate the time savings benefits, for any transport intervention, are the corresponding values of travel time savings. Commonly referred to as the ‘values of time’, these values depict people’s and businesses’ willingness to pay for travel time savings, expressed in £s per hour.

These values have been derived by directly surveying businesses and people, to determine their ‘willingness to pay’ to reduce the duration of trips with different characteristics.

The evidence derived from these surveys has enabled a range of value of time estimates to be developed. In WebTAG, values vary by: the purpose of the journey; mode used; and distance. This is due to a range of factors affecting how much users benefit from quicker journey times.

The values of time for working and non-working purposes are presented separately in WebTAG.

i. **Value of time – non-working travel**

People put a value on their own time, hence may be willing to pay more for travel time savings. This ‘willingness to pay’ will vary considerably, depending on factors like income, trip purpose and urgency.

Non-work time savings typically make up a large proportion of the benefits of transport investment. If values of time for appraisal are based on individuals’ willingness to pay investment decisions will be biased towards investment affecting people with higher income.

For equity reasons, income and other sources of variability have been controlled for by presenting the values as national averages. As shown in table 1 (Table 1.3.1 in the WebTAG data book) values of non-working time savings only vary by trip purpose, not by mode or distance.

*Table 1*

<table>
<thead>
<tr>
<th>Trip Purpose</th>
<th>Factor Cost</th>
<th>Perceived Cost</th>
<th>Market Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commuting</td>
<td>8.36</td>
<td>9.95</td>
<td>9.95</td>
</tr>
<tr>
<td>Other</td>
<td>3.82</td>
<td>4.54</td>
<td>4.54</td>
</tr>
</tbody>
</table>

*Individuals perceive the full cost (including indirect tax), therefore perceived cost and market price are the same. Factor cost excludes indirect tax. For appraisal market prices are used.*

ii. **Value of time – working travel**

Businesses benefit from reduced travel times in many ways, including improved access to suppliers or customers, which increases productivity. It is usually found that businesses are willing to pay significantly more for quicker journeys than individuals travelling for non-work reasons, including commuting.
Not all business trips have the same value of time savings. Research\(^2\) found that values vary by distance and mode. However, the variation in the values with distance is far more important than variation by mode, except for very long trips (100km+) where rail values are higher.

In fact, for short trips (0 – 50km) businesses’ willingness to pay for time savings were found to be comparable across all modes included in the research. Hence all short business journeys have the same value of time savings, irrespective of the mode used.

Consequently, cycling and walking business trips do not have a lower value of time than other modes, when the distance of a trip is below 50km. The time saving benefit generated from reducing the duration of a short business trip will be the same for active mode users as it is for car and train users.

The values of time savings only vary significantly across modes for trips longer than 100km. This is due to factors associated with longer trips including; higher travel costs; higher incomes; greater seniority; potential need for travel outside normal working hours; and more unproductive time than shorter journeys.

Table 2 (found in A 1.3.1 of the WebTAG data book\(^3\)) displays the average value of time for different modes. Modes such as car and rail have a higher average value of time savings than active modes. This is partly due to the average distance of a trip via these modes being much longer than for cycling & walking. Other factors such as traveller income do result in modal differences but only for trips longer than 100km.

\[\text{Table 2}\]

<table>
<thead>
<tr>
<th>Mode</th>
<th>Factor Cost</th>
<th>Perceived Cost</th>
<th>Market Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Car driver</td>
<td>14.86</td>
<td>14.86</td>
<td>17.69</td>
</tr>
<tr>
<td>Car passenger</td>
<td>14.86</td>
<td>14.86</td>
<td>17.69</td>
</tr>
<tr>
<td>LGV (driver or passenger)</td>
<td>10.24</td>
<td>10.24</td>
<td>12.18</td>
</tr>
<tr>
<td>OGV (driver or passenger)</td>
<td>12.06</td>
<td>12.06</td>
<td>14.35</td>
</tr>
<tr>
<td>PSV driver</td>
<td>12.32</td>
<td>12.32</td>
<td>14.66</td>
</tr>
<tr>
<td>PSV passenger</td>
<td>8.42</td>
<td>8.42</td>
<td>10.02</td>
</tr>
<tr>
<td>Taxi driver</td>
<td>10.89</td>
<td>10.89</td>
<td>12.96</td>
</tr>
<tr>
<td>Taxi / Minicab passenger</td>
<td>14.86</td>
<td>14.86</td>
<td>17.69</td>
</tr>
<tr>
<td>Rail passenger</td>
<td>24.52</td>
<td>24.52</td>
<td>29.18</td>
</tr>
<tr>
<td>Underground passenger</td>
<td>8.42</td>
<td>8.42</td>
<td>10.02</td>
</tr>
<tr>
<td>Walker</td>
<td>8.42</td>
<td>8.42</td>
<td>10.02</td>
</tr>
<tr>
<td>Cyclist</td>
<td>8.42</td>
<td>8.42</td>
<td>10.02</td>
</tr>
<tr>
<td>Motorcyclist</td>
<td>14.86</td>
<td>14.86</td>
<td>17.69</td>
</tr>
<tr>
<td>Average of all working persons</td>
<td>16.19</td>
<td>16.19</td>
<td>19.27</td>
</tr>
</tbody>
</table>

\(\text{Understanding and valuing impacts of transport investment – Values of travel time savings:}\)

\(\text{WebTAG data book:}\)
Businesses perceive travel costs at factor cost (excluding indirect tax). Therefore, the perceived cost and the factor cost are the same. For appraisal market prices are used.

Appraisals of road or rail investments that generate time savings for shorter than average trips, should not use the values presented in Table 2. Instead the respective values presented in Table 3 (found in A 1.3.1 in the WebTAG data book) would need to be used, or preferable the continuous function relating value of time and trip distance.

Comparing the values displayed in Table 2 and Table 3 it can be seen the value of working time for the average walker and cyclist is the same for car users (driver or passenger) and rail passengers, when the distance of trips are short (0 – 50km).

Table 3

<table>
<thead>
<tr>
<th>Mode</th>
<th>Resource Cost</th>
<th>Perceived Cost</th>
<th>Market Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Car (driver or passenger) 0-50km</td>
<td>8.42</td>
<td>8.42</td>
<td>10.02</td>
</tr>
<tr>
<td>Car (driver or passenger) 50-100km</td>
<td>13.62</td>
<td>13.62</td>
<td>16.21</td>
</tr>
<tr>
<td>Car (driver or passenger) 100-200km</td>
<td>18.49</td>
<td>18.49</td>
<td>22.00</td>
</tr>
<tr>
<td>Car (driver or passenger) 200km+</td>
<td>23.77</td>
<td>23.77</td>
<td>28.28</td>
</tr>
<tr>
<td>Rail passenger 0-50km</td>
<td>8.42</td>
<td>8.42</td>
<td>10.02</td>
</tr>
<tr>
<td>Rail passenger 50-100km</td>
<td>13.62</td>
<td>13.62</td>
<td>16.21</td>
</tr>
<tr>
<td>Rail passenger 100-200km</td>
<td>23.72</td>
<td>23.72</td>
<td>28.23</td>
</tr>
<tr>
<td>Rail passenger 200km+</td>
<td>34.22</td>
<td>34.22</td>
<td>40.72</td>
</tr>
</tbody>
</table>

4. Limitations to research

Research has enabled the value of time to be directly estimated for motorised travel modes (including car, train and other public transport modes).

Whilst surveys were also conducted for walking and cycling with the aim of developing a value for work purposes, there are added challenges faced when applying willingness to pay methods to active modes:

- First, the stated preference methods used require introducing the concept of payment for time savings. As active travel is essentially free of charge, there is no payment vehicle to apply which respondents can easily identify with.
- Second, it is difficult to present different journey times without respondents assuming more physical effort is needed for shorter journey times, affecting their willingness to pay.

These challenges resulted in findings on active modes being less robust than motorised modes. Hence, these findings were not used to derive the value of time estimates for active travel in WebTAG.

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For non-work travel, the active mode values of time that were estimated demonstrated a high degree of comparability to the average motorised values. This supports the use of 'equity' values for non-work trips.

For business travel, the research showed a high degree of comparability between the values for different motorised modes for shorter distance trips. Given the similarity in these results, WebTAG applied the average business values for motorised modes to active travel.

As highlighted in the report, further research could be conducted. However, the impact of research into other elements of active travel appraisal, such health benefits, would be more important for the overall robustness of our appraisals.