Sustainable Travel Transition Year Revenue Competition 16/17 - Application Form

Guidance on the Application Process is available
https://www.gov.uk/dft#publications

Bids should be no more than 20 pages long (excluding any supporting documents listed as exempt in the Guidance document).

**Applicant Information**

**Local transport authority name(s):**
- LCR Combined Authority
- Merseytravel (coordinating authority)
- Halton Borough Council
- Knowsley Council
- Liverpool City Council
- Sefton Council
- St Helens Council
- Wirral Council

*If the bid is a joint proposal, please enter the names of all participating local transport authorities and specify the lead authority*

**Bid Manager Name and position:**
Carole Carroll, Head of Policy and LTP Development

*Name and position of the official with day to day responsibility for delivering the proposed package of measures*

**Contact telephone number:** 0151 330 1627

**Email address:** carole.carroll@merseytravel.gov.uk

**Postal address:**
  - Merseytravel,
  - Mann Island,
  - PO Box 1976,
  - Liverpool,
  - L69 3HN

**Website address for published bid:** http://www.merseytravel.gov.uk/about-us/local-transport-delivery/Pages/MTP.aspx

When authorities submit a bid for funding to the Department, as part of the Government’s commitment to greater openness in the public sector under the Freedom of Information Act 2000 and the Environmental Information Regulations 2004, they must also publish a version excluding any commercially sensitive information on their own website within two working days of submitting the final bid to the Department. The Department reserves the right to deem the business case as non-compliant if this is not adhered to.
SECTION A - Project description and funding profile

A1. Project name: A STEP change for Growth: Liverpool City Region Sustainable Travel Transition Year Bid 2016/17

A2. Headline description:

Our Sustainable Travel Transition Year (STTY) vision is ‘for a comprehensive, connected and attractive transport network that supports people to travel sustainably to opportunities.’

The Liverpool City Region (LCR) STTY bid consists of 4 themes; Sustainable Access to Opportunity, Invest for Growth, Low Carbon and Visitor Economy. The primary objectives of the bid are to support the local economy and facilitate further economic development by removing transport barriers, underpinned by the wider objective to reduce carbon emissions.

Our bid builds upon our successful sustainable transport programmes, including Local Sustainable Transport Fund and our on-going Sustainable Transport Enhancement Package (STEP) revenue activities and our £41.4m Local Growth Fund STEP capital programme.

A3. Total package cost (£m): 2.182

A4. Total DfT revenue funding contribution sought (£m): 1.494

A5. Local contribution (£m): 0.688

A6. Equality Analysis

Has any Equality Analysis been undertaken in line with the Equality Duty?  
X Yes ☐ No  

A7. Partnership bodies:

The LCR has a strong history of effective partnership working as demonstrated by the successful delivery of our Local Sustainable Transport Fund (LSTF) programme and our current Local Growth Fund (LGF) STEP revenue and capital programmes. Our key delivery partners are shown below.

<table>
<thead>
<tr>
<th>Liverpool &amp; Sefton Chamber of Commerce</th>
<th>Private sector organisation, delivery partner under Invest for Growth theme. Targeted business engagement within identified growth zones.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sustrans</td>
<td>Charity organisation key delivery partner within Sustainable Access to Employment - walking and cycling theme, through Community Training Hubs for cycling.</td>
</tr>
<tr>
<td>organisation</td>
<td>description</td>
</tr>
<tr>
<td>--------------</td>
<td>-------------</td>
</tr>
<tr>
<td>Living Streets</td>
<td>Charity organisation delivery partner within Sustainable Access to Employment - walking and cycling theme, through Community Training Hubs for walking.</td>
</tr>
<tr>
<td>MerseyForest</td>
<td>Charity organisation delivery partner under Low Carbon theme – delivering low carbon greenways across the LCR to encourage the use of existing and newly installed pedestrian/cycle ways.</td>
</tr>
<tr>
<td>Merseyside Road Safety Partnership</td>
<td>Delivery of road safety promotional campaign in order to support STEP capital schemes under Invest for Growth.</td>
</tr>
<tr>
<td>Cycling UK</td>
<td>Delivery partner in Big Bike Revival project delivered through Community Training Hubs.</td>
</tr>
</tbody>
</table>

Please refer to Annex A for letters of support from these organisations.

**SECTION B – The Business Case**

**B1. The Strategic Case**

The LCR STTY proposal meets the funding objectives by:

- Supporting the local economy through improving and encouraging sustainable access to new and existing employment opportunities as part of the economic growth of the LCR;

- Building on past successes by continuing delivery only of schemes with a proven track record achieved during our 2015/16 STEP revenue programme;

- Encouraging modal shift to sustainable transport modes such as walking and cycling, in order to support the reduction of transport related carbon emissions in the LCR;

- Supporting walking and cycling through a series of practical and promotional measures that are aimed at increasing the levels of sustainable travel in the LCR.

- Connecting people to jobs, education, skills and training through a series of interventions targeted to support individuals in specific Growth Zones of the LCR;

The LCR STTY bid consists of 4 themes collectively known as Sustainable Access to Opportunity – Walking and Cycling; Invest for Growth; Low Carbon and the Visitor Economy. The primary objectives of the bid are to support the local economy and facilitate further economic development by removing transport barriers, underpinned by the wider objective of reducing carbon emissions.

Our bid builds upon our highly successful LSTF activities (2010-2014), our on-going Sustainable Transport Enhancement Package (STEP) revenue activities (2015 -16) and our £41.4m Local Growth Fund STEP capital programme (2015-2021) ([http://www.merseytravel.gov.uk/about-us/local-transport-delivery/Pages/STEP.aspx](http://www.merseytravel.gov.uk/about-us/local-transport-delivery/Pages/STEP.aspx)).

The LCR is committed to ensuring that sustainable travel is embedded as a core activity, through effective partnerships delivered with private and voluntary sector partners. In order to maximise the benefits from our investment and working closely with the LEP, STEP is geographically targeted in seven Growth Zones, which align with the key areas of investment targeted in our Strategic Economic Plan:

- Liverpool City
Our current STEP revenue programme has been delivering successfully over the past 12 months. Securing STTY funding would enable seamless delivery of these ‘ready to go’ projects.

We anticipate a scalable approach from our proposed transition schemes to the Access Fund in 2017, which would enable the benefits of the projects to be realised across the wider LCR depending on funding and deliverability. An overview of our projects under each of the 4 themes and what they will deliver is listed in the table below:

<table>
<thead>
<tr>
<th>Theme</th>
<th>Project</th>
<th>What will it deliver?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SUSTAINABLE ACCESS TO OPPORTUNITY – WALKING &amp; CYCLING</strong></td>
<td>Community Hubs – Walking and Cycling</td>
<td>This project will support access to employment by making use of existing hubs across the 7 Growth Zones to promote and support cycling and walking with third sector partners Sustrans and Living Streets. The project will focus on major employment sites and supporting access to further education and training opportunities. A volunteer programme will allow participants to develop key employability skills making them more ‘job ready’.</td>
</tr>
<tr>
<td></td>
<td>Business Engagement</td>
<td>This project will focus on business engagement in the growth zones with a direct link to the STEP capital schemes being built. It will enable businesses to support new and existing employees to access their place of work safely and sustainably, and support the economy through reduced congestion by reducing reliance on the private car.</td>
</tr>
<tr>
<td></td>
<td>LCR Smarter Choices and Access to Employment</td>
<td>This project will enable promotion and marketing of STEP capital schemes and engagement of businesses via the existing Employers Network. This will help businesses identify transport related issues around recruitment and help local people access employment. This project will provide support for the International Festival for Business and future STEP capital investment sites including Rope Walks and for University partners.</td>
</tr>
<tr>
<td>Outputs</td>
<td></td>
<td>An increase on the current baselines of 380 additional people cycling and 250 more people walking, reduced absenteeism by 130 people, 536 people switching to public transport and 115 more people accessing jobs.</td>
</tr>
<tr>
<td><strong>INVEST FOR GROWTH</strong></td>
<td>Community Engagement</td>
<td>The project will deliver a community engagement campaign to encourage safe use of new STEP capital infrastructure for pedestrians and cyclists in the LCR growth zone. A targeted road safety campaign will focus on walkers and cyclists in order to reduce the number of KSI’s during the period of funding.</td>
</tr>
<tr>
<td>Access to</td>
<td></td>
<td>Underpinned by the Smarter Choices Programme this</td>
</tr>
<tr>
<td>Jobs</td>
<td>project will assist unemployed people in gaining employment, accessing education and developing skill sets via travel solutions (travel planning, travel passes, bikes, travel training)</td>
<td></td>
</tr>
<tr>
<td>Chamber of Commerce – Business Engagement</td>
<td>A project delivering business skills and training to support job opportunities in the transport sector. Business engagement linked to the Employers Network to support STEP capital investment.</td>
<td></td>
</tr>
<tr>
<td>Outputs</td>
<td>An increase from the current baseline 1500 additional people cycling due to road safety engagement campaign, 138 people switching to sustainable transport and 251 more people accessing jobs.</td>
<td></td>
</tr>
<tr>
<td>LCR Low Carbon Greenways</td>
<td>Low Carbon underpins all of the projects in our STTY bid. The project will support the creation of Green infrastructure that will support the STEP capital investment.</td>
<td></td>
</tr>
<tr>
<td>Outputs</td>
<td>2km of route greening within 3 Growth Zones linked to STEP capital investment. CO2 will be reduced as a direct result of route greening and encouraging more people to walk and cycle.</td>
<td></td>
</tr>
<tr>
<td>City Bike</td>
<td>City Bike is the bike hire scheme for Liverpool. This project will focus on growing the corporate and student membership through increased engagement and promotion to support local businesses and the visitor offer in the Mersey Waterfront Growth Zone.</td>
<td></td>
</tr>
<tr>
<td>Outputs</td>
<td>10 additional businesses will be signed up and 100 additional individual members will be signed up to the scheme. It is anticipated that 600 more people will be cycling as a result of this project.</td>
<td></td>
</tr>
</tbody>
</table>

Annex B provides a delivery time table (Gantt) and a detailed programme of each STTY project and associated outputs. Our STTY projects and their relation to Growth Zones are shown in the map below:
Demonstration of how the bid will support the local economy and boost economic growth, including how the bid will remove barriers to growth:

The LCR has undergone significant economic and social transformation over the past few decades, resulting in a flourishing LCR that is a major player in the Northern Powerhouse and a growing player in the UK and European economy. The £23.1bn economy of the Liverpool City Region* has seen strong growth in recent years. The region has witnessed a net increase of 31,400 private sector jobs since 2009* and the potential for further growth is substantial.

Our ambition is to support and boost our economic resurgence by building on our competitive strengths, whilst at the same time opening up new opportunities for disadvantaged communities so that everyone in the LCR can benefit from economic growth. A high-quality multi-modal sustainable transport network supported by revenue activities is crucial to achieving this ambition. This is supported locally by Peel Ports’ commitment to develop a Sustainable Travel Plan at Wirral Waters and the in-kind support from the Baltic Triangle businesses as part of the on-going work with the Chamber of Commerce. Our STTY bid seeks to add value to infrastructure improvements made through our LGF STEP investment and the table below outlines how our STTY bid will tackle the barriers to growth.

*Source: Liverpool City Region Evidence Report V.1, LCR LEP August 2013

<table>
<thead>
<tr>
<th>Barriers to Growth</th>
<th>STTY Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of access to opportunity (Connecting Communities theme - Transport Plan for Growth)</td>
<td>Sustainable access to opportunity – encourage modal shift to walking and cycling. Broaden travel horizons by supporting affordable, sustainable transport modes, thus increasing levels of physical activity, reducing reliance on the car and providing a wider range of travel choices to local people.</td>
</tr>
<tr>
<td>ONS 2016 Stats showing Liverpool is 3rd and Birkenhead 9th most deprived areas</td>
<td>Invest for Growth – supporting the local economy by engaging with businesses to increase labour market catchment and connect people to jobs, reduce congestion and journey times by reduced reliance on the private car.</td>
</tr>
<tr>
<td>LCR GVA per head is £15,600, UK is £20,900 - equates to £8.2bn gap. The gap has remained largely unchanged over the last decade</td>
<td>Low Carbon – to encourage greater take up of existing walking and cycling routes and reduce carbon emissions.</td>
</tr>
<tr>
<td>NEETS - 15% of the working age population of LCR residents are in receipt of out of work benefit, compared to a national rate of less than 10%</td>
<td>Visitor Economy – improving sustainable access to visitor attractions, and for sustainable access to employment opportunities within the tourism sector for the economic benefit of the LCR.</td>
</tr>
</tbody>
</table>

Evidence that the bid builds on past successes, and evidence that these previous interventions contributed to building the economy

Our commitment to sustainable travel to support our economic growth is facilitated via our I STEP programme which is currently being rolled out across the LCR. The STEP Programme comprises £41.4m capital funding up to 2021. Securing £19.99m from the Local Sustainable Transport Fund (LSTF) for the period 2012/13 – 2014/15, to add to the £4.8m secured in 2011/12, marked an important point in the LCR’s sustainable travel transformation.

To demonstrate our commitment to continuing this activity the LCR partners developed a STEP revenue programme in 2015/16 drawn from existing local funding streams. This funding has only been secured for one year and will not be
available going forward. We feel it is important that DfT recognise the commitment the LCR partners have made to continuing our successful self-financed revenue activities through the 2015/16 STEP revenue programme and the successful outcomes that the LCR has achieved. Therefore we are requesting STTY funding for 2016/17 in order to continue only the proven, successful elements of the 2015/16 STEP revenue programme.

We have a proven track record in delivering and managing our STEP revenue projects. Having learnt valuable lessons from our LSTF and STEP revenue programmes, we believe that STTY will enable us to keep our valued projects going in order for us to submit a greater, scaled up Access Fund bid in 2017. As our projects are already successfully being delivered if STTY funding was secured we would be ‘ready to go’ and would be able to continue to add value to the STEP capital schemes that are currently being built. Our vision for the Access Fund will be to double cycling activity and reduce the number of cyclists and other road user KSIs in the LCR.

The outputs of the 2015/16 STEP Revenue funding for the first 3 quarters are outlined in the table below which evidences the direct impact the project has contributed to economic growth in the LCR:

<table>
<thead>
<tr>
<th>Sustainable Access to Opportunity – Walking and Cycling</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Walking and Cycling:</strong></td>
</tr>
<tr>
<td>• 1250 People participating in led rides. 50 people received cycle training. Increase in cycling between 1-5 miles via organised rides. Promotion of STEP capital schemes on cycle ways and promoting a healthier workforce.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Enabling Business Growth:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Engagement with 81 Businesses, in activities such as assistance with travel planning, Eco Driving support and increasing awareness of modal shift options.</td>
</tr>
<tr>
<td>• 5 events and campaigns taken place, with links to International Festival for Business and Rape Walks employment opportunities. Also including a wider promotional campaign and a bespoke sustainable transport business offer. The programme has expanded to support 500 travel passes issued each quarter. 50 additional residents into employment each month and 50% retention in employment after 13 weeks.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Invest for Growth:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Access to Jobs:</strong></td>
</tr>
<tr>
<td>• 300 NEETs provided with 1-2-1 support/guidance, journey planning, and subsidised travel.</td>
</tr>
<tr>
<td>• 60 clients engaged, 40 clients provided with intensive travel training, with 3 sustainable travel events and journey planning advice. 147 individuals trained and supported into employment and 14 interns supported.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Road Safety:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• 64 fewer collisions have taken place per year compared to baseline data from 2009-11.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Walking and Cycling:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Contribution to an increase in cycling from 16,000 people cycling once a week to 45,000 people cycling a week by 2017 (15% cycling at least once a month and 10% once a week) monitored by the Active People Survey, as well as the longer term target of 10% cycling modal share by 2025.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Low Carbon:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2km of greened routes created (trees planted). All STEP revenue projects have contributed to carbon reduction in the LCR.</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Visitor Economy:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>This project supports the visitor economy by increasing City Bike usage levels by 26% and 30 new business members, 300 new individual members, and 1000 new student members are now registered with City Bike.</strong></td>
</tr>
</tbody>
</table>
The LCR secured £41.4m capital through the Local Growth Fund to deliver sustainable travel schemes in 7 growth zones. Our 2015/16 STEP Revenue programme has targeted activity in the 7 growth zones to maximise the impact of the capital investment. STTY will continue to support the STEP capital investment.

**Demonstrations of an understanding around how transport contributes to carbon emissions and air quality levels, and provision of clear solutions:**

Low Carbon is a strategic priority in the LCR’s *a Transport Plan for Growth (TPfG)* [http://www.merseytravel.gov.uk/about-us/local-transport-delivery/Pages/Transport-Plan-for-Growth.aspx](http://www.merseytravel.gov.uk/about-us/local-transport-delivery/Pages/Transport-Plan-for-Growth.aspx) which provides a single strategic framework and delivery plan for Transport in the LCR.

We recognise that poor air quality in the LCR is contributed to by emissions from transport and in 2014 road transport contributed 26.7% of the NOx and 42.2% of the CO pollution across the region*. As a result of poor air quality, 11 Air Quality Management Areas (AQMAs) have been designated across the LCR.

In order to tackle this, we developed a DfT approved business case for STEP which set out a series of capital improvements to encourage greater uptake of sustainable travel and investment in low carbon infrastructure to support the growth of our Low Carbon economy.

Options for tackling carbon and pollutant emissions rely on either reducing the total quantity of emissions (e.g. reduce volume of traffic) or reducing the rate of emissions (e.g. through improving efficiency, alternative fuels etc.). Our STEP Programme addresses both these options and the STTY bid concentrates on initiatives to support walking and cycling as alternatives to vehicular transport:

- Walking and cycling. We see a crucial role for active travel in providing sustainable access to opportunity, reducing carbon emissions and in improving health and wellbeing; therefore, we will invest heavily in new walking and cycling infrastructure building on continued growth in cycling levels – 64% increase in the last 7 years (LCR Cycle Monitoring Report).

- Low carbon infrastructure and greenways. To encourage the use of existing and newly installed pedestrian/cycle ways to support low carbon / air quality and health objectives set out in the STEP programme.

Walking and cycling are low cost, healthy travel choices. In recent years, we have made great strides in delivering a network of active travel infrastructure through our LSTF and STEP programmes. For example, through our capital investment, we are building 46km of walking and cycling infrastructure to encourage modal shift and improve air quality in the LCR. The existing STEP revenue programme and the STTY bid aim to make the most of those improvements and encourage more people to walk and cycle, reducing car use and the associated emissions.

*Source: LCR Atmospheric Emissions in 2014, Merseyside Atmospheric Emissions Inventory*
Evidence that the bid will connect people to jobs, learning and skills, and articulation of a vision for the future around access to opportunities for those not in employment, education or training:

Our STTY vision is ‘for a comprehensive, connected and attractive transport network that supports people to travel sustainably to opportunities.’

Our proposals target individuals and businesses to help them overcome travel barriers and access the growing opportunities within the LCR.

An example of how our STEP revenue funding connects people to jobs includes the LCR Smarter Choices and Access to Employment project which has demonstrated positive outcomes across the region, exceeding expectations in aiding individuals to overcome travel barriers and remain in education or employment. This project delivers a 50% retention rate for people remaining in employment as a result of receiving support for travel passes to access employment through our STEP revenue funding.

Moving forward to 2021

We will work to embed current successful delivery models into businesses and empower the private sector to take a leading role in promoting sustainable transport within the business sector. Our partnership work with the Chamber of Commerce has yielded particularly good examples of how the LCR has achieved this in recent years, with Liverpool and Sefton Chamber of Commerce developing its own model to support small and medium businesses with more sustainable travel packages.

By securing STTY funding, we will demonstrate how we can scale up individual projects to deliver against the wider Access Fund in 2017, which would enable the benefits of the projects to be realised across the wider LCR. We see this bid as the transition in achieving this over the longer term to 2021.

Incorporation of measures that support cycling and walking and that will bring about an increase in numbers of people cycling safely:

Our Sustainable Access to Opportunity theme proposals target individuals to help them overcome travel barriers and access the growing opportunities within the LCR. We are developing a Cycling and Walking Investment Strategy to drive future investment in the LCR sustainable travel network and link to our TPfG Vision of a strategic direction for transport which supports growth, regeneration and carbon reduction.

Our approach will:
- Broaden awareness and take up of sustainable travel across the LCR;
- Build an increasingly interconnected and safe sustainable transport network; and,
- Foster the right conditions for investment and growth.
- Encourage the safe take up of cycling and walking measures e.g. through a Road Safety Campaign across the LCR.
Holistically our approach to sustainable travel between 2015 and 2021 will create a more pleasant local environment and an attractive LCR which nurtures economic growth and improves health and well-being; creating an all-round vibrant place to live, work, visit and invest.

For example, led cycle rides will build confidence and improve road users’ skills, education over route choice will link to STEP capital schemes being built and working with employers will help to make the environment safer for all users. Utilising existing community cycle and walking hubs for jobseekers to access a range of training opportunities and experiences, this will increase the number of people cycling and walking regularly and facilitate a number of work placements.

As part of our STTY contribution funding, it is proposed to develop a STEP LCR Road Safety Campaign targeted at reducing the number of walking and cycling KSIs across the LCR Growth Zones. This project will complement our proposed STTY activity and target the STEP capital investment we are making.

**B3. The Economic Case – Value for Money**

The economic appraisal undertaken has made use of the World Health Organisation Health Economic Assessment Tool to estimate the value of reduced mortality that results from specified amounts of walking or cycling. The appraisal seeks to demonstrate that the package of measures offers value for money and are supported by a robust evidence base. The full scheme impact pro forma is shown in Annex C.

The economic appraisal of the package of schemes shows that the proposed package of measures is likely to deliver present value of benefits of £24m (in 2010 prices and discounted to 2010). Taken together with total scheme costs to public accounts of £1.5m (in 2010 costs and values and including optimism bias), the scheme delivers a benefits-to-cost ratio (BCR) of 10.8.

According to DfT guidelines, this BCR of 10.8 represents very high Value for Money. LCR promoters of these schemes also perceive them to be very high value for money, drawing experience from projects under the previous LSTF bid and STEP revenue activities.

The economic appraisal and the evidence bases demonstrate that the measures will:
- Reduce the proportion of journeys that are made by car in LCR and increase journeys that are made using sustainable modes with the resulting reductions in carbon emissions, and huge health benefits from adopting active modes. The schemes are good for the environment.
- Reduce congestion and improve journey time reliability and enhance access to employment and other essential services. This is a clear demonstration that the schemes and measures support the local economy and facilitate economic development.
- Generate employment in the transport sector as well as apprenticeship opportunities for a large number of young people, moving them from the NEET
category (not in employment, education or training) into the employed category of the population.

**Economic impacts by theme**

A completed Scheme Impacts Pro Forma summarising the impact of proposals has been completed for each scheme as well as for the whole package of LCR schemes in Annex C. Summarised in the table below are the economic benefits that accrue to each of the schemes. Employment-related schemes and mode-shift schemes have the largest BCRs as would be expected from the methodologies adopted. See details in the Scheme impact pro-forma and the Economics Appraisal Summary (Annex C).

<table>
<thead>
<tr>
<th>2016/17 STTY</th>
<th>Request for DfT Funding (£)</th>
<th><strong>Request for DfT Funding (£) (+ Optimism Bias of 15%)</strong></th>
<th>Economic Benefits (in 2014 prices)</th>
<th>Benefit to Cost Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sustainable Access to Opportunity</td>
<td>967,200</td>
<td>N/A</td>
<td>7,481,436</td>
<td>5.7</td>
</tr>
<tr>
<td>Invest for Growth</td>
<td>447,600</td>
<td>N/A</td>
<td>15,619,896</td>
<td>20.8</td>
</tr>
<tr>
<td>Low Carbon*</td>
<td>0</td>
<td>N/A</td>
<td>0</td>
<td>N/A</td>
</tr>
<tr>
<td>Visitor Economy</td>
<td>78,900</td>
<td>N/A</td>
<td>552,665</td>
<td>7.0</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>1,493,700</strong></td>
<td><strong>N/A</strong></td>
<td><strong>23,653,997</strong></td>
<td><strong>10.8</strong></td>
</tr>
</tbody>
</table>

[* Note Low Carbon is underpinned by all of the themes in our bid.]

[** We have chosen not to apply an optimism bias as the projects are already up and running and as they are all revenue based we don’t feel it applicable. This is in line with the Government Supplementary Green Book Guidance.]

**Environmental impact – CO2 Emissions**

The package of projects proposed for the City Region yields reductions in carbon emissions of around 1,044 tonnes annually. This equates to monetary carbon savings of around £80,000 (in 2010 prices and discounted to 2010), or £419,000 over the appraisal period.

This confirms that the proposed schemes reduce carbon emissions as a result of reduction in car usage and the mode shift to public transport, walking and cycling modes.

**Key assumptions used in the appraisal**

The current calculations employed to estimate scheme benefits are based on a top-down macro approach, applying WebTAG or equivalent numbers to key scheme outputs, and thus does not at this stage employ more detailed modelling such as use of TUBA, etc. More detailed assumptions are shown under the headings below.
Scheme outputs

We have only accounted for scheme outputs where evidence from previous activities provides us with a basis for what we are likely to achieve. In some cases, the scheme outputs may hence underestimate the economic benefits; for example. We place a value on the conversion of travel to work trips to more efficient transport methods, but do not estimate any conversion of such leisure trips, also, without definitive evidence of the proportions of those switching to active travel (as opposed to public transport) we do not calculate resultant health benefits in this case.

We place a value on the health benefits of those making regular trips (such as commuting) by active travel, but without evidence of the proportion of those who are replacing car travel with active travel (as opposed to any abstraction from public transport) we do not assign any transport efficiency values.

We have only included the primary scheme outputs (as provided in the scheme impact pro-forma). The additional benefits such as an increase in public transport use have not been included. Therefore a BCR of 10.8 is a conservative estimate.

Values

Currently, all benefit values are expressed in 2010 prices (largely drawn from WebTAG) and all costs are in current (2016) prices. There is a minor accounting procedure to convert one or the other to enable consistency, and it should be understood that this will impact on any currently calculated BCR.

Data Assumptions

Where possible, values have been drawn from WebTAG, however other data has also been used, in line with previous bids such as that in 2014: Average distance travelled to work by road – this is based on the 2011 census for Merseyside, calculated using the mid-point of journey distance bands. Average time is calculated using the above in combination with the average speed for A roads in Merseyside in 2011 (DfT data).

Time constraints preclude full use of the HEAT tool for walking, so – consistent with the 2014 bid – we have used the same coefficients as in the cycling model. Note that the coefficients have not been updated from this earlier report, excepting where WebTAG values are available.

Benefits from more efficient transport use and people switching to sustainable transport from private car transport use are based on Urban A roads in the Northwest (WebTAG A5.4.1 and WebTAG 5.4.2)

Outputs
- 10% of individuals remaining in sustained employment beyond the 13 week period (conservative estimation based on existing project in Liverpool City Growth Zone)
- 10% increase in individuals walking and cycling following business engagement as evidenced in STEP revenue funding Chamber of Commerce project.
- 4.1- individuals engaged per organisation business engagement (as evidenced in STEP revenue funding Chamber of Commerce project).

**Longevity of scheme impacts and appraisal periods**
The economic appraisal adopts an estimated longevity of the scheme impacts of five years which is similar and consistent with the previous LSTF bid for all non-infrastructure schemes.

**Appraisal time periods**
As required by WebTag, the economic benefits accrued over all days of the year (including weekends, bank holidays and overnight). Although the transport model data does not specifically cover weekends and bank holidays, an estimate of benefits accrued for these time periods is based on existing similarities with modelled time periods.

**Annualisation in the appraisal**
The annualisation factors are used to convert from time periods (as in the set transport model data) to annual benefits.

**Optimism Bias**
We have chosen not to apply an optimism bias as the projects are already up and running and as they are all revenue based we don’t feel it applicable. This is also in line with the Government Supplementary Green Book Guidance. This is justified on basis that implementation year 2016/2017 is close enough for the cost estimates to carry any major underestimates.

**Mode shift impacts of travel solutions**
One of the key assumptions is that, as a result of travel solutions or sustainable business travel initiatives, mode switches from private car are redistributed such that:

- Trips less than 2 miles switch entirely to walk and cycle (i.e. active modes)
- Trips between 2-5 miles are split 50:50 between walk/cycle and public transport
- Trips longer than 5 miles transfer to public transport

So, there are no demand switches to active modes if the (commute) trip is longer than 5 miles. This assumption, again, is consistent with that used in the last Merseyside LSTF bid and is an entirely logical simplification.

**Key Risks and Uncertainty**

- As with the previous LSTF bid submission, the main area of uncertainly for the economic appraisal and Value for Money assessment is the longevity of scheme impacts. Although we can adequately justify an appraisal horizon of 5 years for these schemes, it is clear that the key objective is a long term one and that the schemes will be supported beyond the time allowed for in this appraisal. It is therefore, our view that the economic appraisal presented in this bid is a conservative estimate and we could probably justify a longer appraisal horizon. However, until the outcomes of the last LSTF projects are known, we believe using a short period for the appraisal is the right thing to do.
- Impacts of travel solutions are highly dependent on the community on which they are targeted. Again, a conservative approach has been adopted because the evidence is new and developing.

**Other materials submitted with the Value for Money Assessment**

- Completed Scheme Impacts Pro Forma in Annex C. These summarise the impact of proposals against a number of metrics relevant to the scheme objectives.
- Economic Appraisal Summary in Annex C – Containing the methodology used to estimate impacts for each scheme. This also includes the evidence used for the various assumptions.

**B4. The Financial Case – Project Costs**

Please complete the following tables. **Figures should be entered in £000s** (i.e. £10,000 = 10).

**Table A: Funding profile (Nominal terms)**

<table>
<thead>
<tr>
<th></th>
<th>£000s</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016-17</td>
<td></td>
</tr>
<tr>
<td>DfT funding sought</td>
<td>£1,494</td>
</tr>
<tr>
<td>Local Authority contribution</td>
<td>£621</td>
</tr>
<tr>
<td>Third Party contribution including LGF</td>
<td>£67</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>£2,182</strong></td>
</tr>
</tbody>
</table>

The LCR have made available £621,000 as match funding to the bid. Details of how this relates to the individual initiatives are provided in Annex B. Third party contributions are a combination of Sustrans & Mersey Forest contributions.

**B5. Management Case - Delivery**

- A full Management Case is provided in Annex D.
- **STTY 2016/17 proposals are not dependent on land acquisition.**
- N/A due to revenue nature of the bid there is no construction element

**STTY Management Case**

The LCR partners have agreed an implementation structure to oversee the delivery of STTY. The co-ordination and management of the overall programme will sit with the designated LCR Core Programme Team. Each Growth Zone will have a Lead Officer with responsibility for programme delivery of all aspects of the Zone with agreed budgets and timescales. A Transport Delivery Steering Group will oversee the process. This follows the management approach we have used to deliver similar successful programmes, such as the Merseyside LSTF and STEP revenue programme.
We have also developed a robust Risk Assessment and Management Strategy (including quantified risk assessment) which is provided in Annex E.

**B6. Management Case – Statutory Powers and Consents**

No powers or consents are required at present due to the revenue nature of the STTY 2016/17 bid.

**B7. Management Case – Governance**

All of the STTY schemes will be managed through a governance and assurance framework. This assurance framework will be independently assessed by our external assurance partners.

The LCR Local Enterprise Partnership, working with the LCR Combined Authority (CA), will oversee the delivery of the Sustainable Travel Transition Year (STTY) across the LCR via the Merseytravel Committee and a Senior Officer Group (Transport Advisory Group (TAG), supported by a Core Programme Team based on the CA principles of ‘effectiveness and efficiency’).

Please see Annex D for full roles and responsibilities.

A full Management Case is available at [http://www.merseytravel.gov.uk/about-us/local-transport-delivery/Pages/MTP.aspx](http://www.merseytravel.gov.uk/about-us/local-transport-delivery/Pages/MTP.aspx)

**B8. Management Case - Risk Management**

The LCR partners have identified the risks associated with the management and delivery of the STTY programme in the form of a risk register. A risk workshop was undertaken with officers from each of the LCR partners in April 2015 to identify risks and mitigation measures associated with delivery of the various STEP revenue schemes, and assess their likely impact in terms of both time and cost. An additional risk assessment for programme wide governance, commercial and financial risks was undertaken by Merseytravel in May 2015. The resulting risk register formed the basis of the Quantified Risk Assessment (QRA) undertaken and used to inform cost contingencies.

The table below summarises the four programme wide risks that were ranked highest as part of the risk assessment. All four risks have a low probability of occurring following mitigation; however if the risks were to occur the impact on the programme would still be at least medium or high.

The sections below highlight some of the key risks and mitigation measures for STTY. The full Risk Assessment and Management Strategy is included in Annex E.
### Key Risk Component

<table>
<thead>
<tr>
<th>Key Risk Component</th>
<th>Mitigation Measures</th>
<th>Likelihood (following mitigation)</th>
<th>Impact (following mitigation)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Insufficient staff available for programme management and delivery.</td>
<td>STTY projects will be only put forward if they are on-going and demonstrating success.</td>
<td>Low</td>
<td>£200,000 - £1 million</td>
</tr>
<tr>
<td>Changes in the team responsible for programme management and delivery; delays in appointment of new team members.</td>
<td>Shared responsibility across a Core Programme Management Team with regular communication meetings with partners and information sharing and record keeping as appropriate.</td>
<td>Low</td>
<td>£200,000 - £1 million</td>
</tr>
<tr>
<td>Failure to secure planned funding contributions from partners and key stakeholders.</td>
<td>Section 151 Officer sign-off has been received from all partners to commit to underwriting scheme costs over and above those being sought from Growth Deal budgets.</td>
<td>Low</td>
<td>£1 million - £1.5 million</td>
</tr>
<tr>
<td>Partners do not agree on a procurement strategy for the programme in time.</td>
<td>STTY is proposing to extend existing contracts so not to encounter any immediate procurement issues within the transition fund.</td>
<td>Low</td>
<td>£1 million - £1.5 million</td>
</tr>
</tbody>
</table>

### B9. Management Case - Stakeholder Management

The table below summarises our strategy for managing our STTY 2016/17 stakeholders, including analysis of the influence and interest.

<table>
<thead>
<tr>
<th>STAKEHOLDER</th>
<th>INTEREST</th>
<th>INFLUENCE</th>
<th>MESSAGE I.E. WHAT STAKEHOLDER NEEDS TO KNOW</th>
<th>METHOD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Combined Authority Members</td>
<td>High</td>
<td>High</td>
<td>High level progress / any issues or risks</td>
<td>Update / approval report</td>
</tr>
<tr>
<td>LCR District Council Members / MPs</td>
<td>Low</td>
<td>High</td>
<td>High level progress / any issues or risks</td>
<td>Update / approval report</td>
</tr>
<tr>
<td>Local Enterprise Partnership</td>
<td>High</td>
<td>High</td>
<td>Regular progress updates</td>
<td>Update report</td>
</tr>
<tr>
<td>Transport Advisory Group (LA Directors, HA, LEP)</td>
<td>High</td>
<td>High</td>
<td>Regular progress updates</td>
<td>TAG meetings</td>
</tr>
<tr>
<td>Department for Transport</td>
<td>High</td>
<td>High</td>
<td>High level progress updated</td>
<td>Update / Monitoring report</td>
</tr>
<tr>
<td>Chamber of Commerce</td>
<td>Medium</td>
<td>Low</td>
<td>Key scheme updates, ability to cascade key information to members</td>
<td>Newsletter / Email / Verbal</td>
</tr>
<tr>
<td>STAKEHOLDER</td>
<td>INTEREST</td>
<td>INFLUENCE</td>
<td>MESSAGE I.E. WHAT STAKEHOLDER NEEDS TO KNOW</td>
<td>METHOD</td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>----------</td>
<td>-----------</td>
<td>------------------------------------------------------------------------------------------------------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>Developers</td>
<td>High</td>
<td>Low</td>
<td>Share forward plan for schemes</td>
<td>Email / Verbal / Planning process</td>
</tr>
<tr>
<td>LCR Residents</td>
<td>Low</td>
<td>High</td>
<td>Share STEP outline scheme designs, public consultation of areas affected</td>
<td>Website / Face to Face</td>
</tr>
<tr>
<td>Cycling and walking Interest Groups</td>
<td>High</td>
<td>Low</td>
<td>Update on scheme delivery</td>
<td>Email / Verbal</td>
</tr>
<tr>
<td>Education and Skills sector</td>
<td>Low</td>
<td>Low</td>
<td>To communicate about schemes effecting students</td>
<td>Verbal / Newsletter</td>
</tr>
<tr>
<td>Health sector</td>
<td>Low</td>
<td>Low</td>
<td>To maximise active travel benefits of schemes introduced, to feed into their delivery plans</td>
<td>Verbal / Newsletter</td>
</tr>
<tr>
<td>Road Safety Management Group</td>
<td>High</td>
<td>Low</td>
<td>To maximise road safety activities around STEP schemes</td>
<td>Verbal</td>
</tr>
</tbody>
</table>

a) Can the scheme be considered as controversial in any way?  
☐ Yes  ☒ No

b) Have there been any external campaigns either supporting or opposing the scheme?  
☐ Yes  ☒ No

### B10. The Commercial Case

STTY presents a range of schemes across a large geographical area spanning multiple local authority boundaries. As a result, the procurement methodology for STTY will be based on the pre-existing and well-established contractual arrangements in place for each of the LCR partners. All schemes will be delivered using existing contracts. It is not proposed that any new procurement will be undertaken. The contracts will be managed by the responsible Project Manager in each district. These established procedures will ensure that implementation can continue into the 2016/17 financial year.

We have developed a full Commercial Case and this available upon request.
If you need any further assurance around the deliverability of our STTY 2016/17 projects please find additional information at http://www.merseytravel.gov.uk/about-us/local-transport-delivery/Pages/MTP.aspx

SECTION C – Monitoring, Evaluation and Benefits Realisation

C1. Monitoring and Evaluation

By submitting this bid, I agree to work with the Department to provide a reasonable level of monitoring to enable the measurement of outputs and evaluation of impacts.

☑ Yes ☐ No

We have a process in place for monitoring and evaluation of our current STEP revenue programme which incorporates:

- Existing Transport Plan for Growth programme and performance monitoring indicators
- Automated data collection e.g. cycle and traffic counters
- Manual data collection e.g. pedestrian counts
- Perceptions data gathering e.g. focus groups and route user surveys
- STEP Capital programme monitoring

Costs for monitoring and evaluation have been incorporated within our funding request for STTY 2016/17. This will be in accordance with DfTs Monitoring and Evaluation Strategy.

Wider benefits such as growth of the local economy, air quality and increases in physical activity will be monitored through external data collection mechanisms such as the Sports England Active People Survey and national Index of Multiple Deprivation (IMD) datasets.

Together, these data sets will enable an investigation of the outcomes of the STTY package of projects as well as evaluating the projects effectiveness.
### SECTION D - Declarations

#### D1. Senior Responsible Owner Declaration

As Senior Responsible Owner for *A STEP change for Growth: Liverpool City Region Sustainable Travel Transition Year Bid* I hereby submit this request for approval to DfT on behalf of Liverpool City Region Combined Authority and confirm that I have the necessary authority to do so.

I confirm that the Liverpool City Region Combined Authority will have all the necessary statutory powers in place to ensure the planned timescales in the application can be realised.

**Name:**
Mick Noone, Vice Chair, LCR Transport Advisory Group, for

**Signed:**
Frank Rogers
LCR CA Lead Officer for Transport

#### D2. Section 151 Officer Declaration

As Section 73 Officer for the Liverpool City Region Combined Authority I declare that the scheme cost estimates quoted in this bid are accurate to the best of my knowledge and that the Liverpool City Region Combined Authority:

- has allocated sufficient budget to deliver this scheme on the basis of its proposed funding contribution;
- accepts responsibility for meeting any costs over and above the DfT contribution requested, including potential cost overruns and the underwriting of any funding contributions expected from third parties;
- accepts responsibility for meeting any ongoing revenue and capital requirements in relation to the scheme;
- accepts that no further increase in DfT funding will be considered beyond the maximum contribution requested and that no DfT funding will be provided after 2016/17;
- Confirms that the authority has the necessary governance / assurance arrangements in place and the authority can provide, if required, evidence of a stakeholder analysis and communications plan in place.

**Name:**
John Fogarty

**Signed:**

*This is only required from the lead authority in joint bids*