# Project Brief: Transport Investment Strategy

# Brief Description of Works:

1. Produce a financial forecasting tool to assist the council’s transport team in understanding the balance of transport revenues (incoming/outgoing) and the impact of different policy, pricing and infrastructure scenarios on this position.
2. Provide a report outlining the council’s current and projected financial position regarding transport revenues including a range of scenarios
3. Include in the report the impact of different scenarios such as the introduction of demand management measures, more progressive pricing options and delivery of infrastructure that will reallocate vehicle parking to other uses.
4. Include in the report options for reinvesting any surplus revenues back into transport services. For example, these scenario based and include a maintenance focussed reinvestment strategy, one that supports bus services, subsidises cycle hangars and e-scooter parking as well as a blended approach.
5. As well as direct financial implications of transport policy the report should also consider the monetised impacts of new infrastructure and policy in this area. This will clearly be a broad assessment but will help build a case for how sustainable transport interventions provide indirect benefits beyond the balance sheet.
6. The forecasting tool must be easy to use and intuitive and avoid requiring continuous updates/interpretation by consultants. Different scenarios need to be able to be plugged in easily and flexibly to avoid creating a tool that ages and becomes obsolete within months of being finalised. The same approach will need to be applied to the baselining calculations, which will need to be updated as the situation on the ground changes.

# Background

BBC’s Transport Team (City Transport and Highways and Traffic) collects revenue from several sources: parking, bus gate enforcement, CAZ etc. There are policies and initiatives that will potentially see this income grow in the future (e.g. WPL, concessions from e-scooter parking bays, RPS expansion) as well as changes that will see income reduce e.g. loss of parking to road space reallocation, loss of council owned surface and multi-storey car parks, increasing CAZ compliance.

Currently there is no strategy for how transport income is managed and invested. Income targets placed upon the Highways and Traffic team are becoming increasingly misaligned with City Transport’s priorities to bring forward policy that manages demand for parking and reallocates road space to sustainable modes of transport. This has created a tension between the two Service Areas that can hamper progress in achieving key transport objectives such as improving public health, reducing emissions, and promoting a more equitable transport system.

Getting a better understanding of the Service’s current and projected financial position will help the council and administration appreciate the short-, medium- and long-term impact of policy and infrastructure changes and provide the evidence base for more realistic budget setting for the Highways and Traffic team.

In addition to this, the strategy will also seek to understand how transport revenues can be reinvested back into services, behaviour change measures and infrastructure where a surplus exists. Clarity can also be provided around the legal position for what different revenues can be ring-fenced for.

# Scope of work

The Strategy is required to achieve the following:

* Overview of the Transport Team’s net revenue position.
* A forecast of the Highways and Traffic Team’s net revenue position under different scenarios e.g. pricing strategies, infrastructure changes, new income streams (RPS, WPPL).
* Establishing monetised benefits of transport projects.
* An investment strategy for any surplus revenue e.g. bus service subsidy, cycle training.
* Establishing different investment options
* A forecasting tool
* A summary report

# Outputs

The Transport Investment Strategy (TIS) has links with two forthcoming strategies also in development. One of these is the Kerbside Strategy which will set out a vision for the future use and allocation of kerbside space. It may review existing RPS including a possible expansion and redrawing of boundaries. The second is the Transport Movement Plan which will set out key infrastructure changes required to meet wider transport objectives over the next 10-15 years.

The commission will be broken into two stages to ensure that the objectives of the TIS can be delivered in line with the expectations of the council. Undertaking a short project definition stage will also benefit the consultant as it will help to clarify the outputs, scope, timescales and approach to the remainder of the commission. Following completion of Stage 1 and ‘go/no-go’ decision will be triggered as to whether to commence stage 2.

Stage 1: **Definition Phase (4-6 weeks)**

Project requirements

BCC resource requirements.

Programme Plan

Engagement Plan

Scope of works

Data Sharing agreement

Activity and cost breakdown for stage 2

Deliverables/outputs for stage 2

Objectives defined and summary of workshop

**Stage 2:** Delivery of TIS.

The below contents show are current thinking for how the TIS could be set out, but this will be subject to further definition during Stage 1 of the commission.

The TIS will be developed in line with the following key areas of focus:

* Objectives and Vision
* Baseline assessment of revenue position considering all forms of income:
	+ RPS – resident, business, visitor, P&D permits
	+ District car parks
	+ Multi-storey car parks
	+ Surface-level car parks
	+ Parking enforcement
	+ Clean Air Zone
	+ Bus Gate enforcement
	+ ANPR moving traffic offences
	+ PCN’s
	+ Bus shelter advertising
* Baseline trajectory of net revenue position including committed spend via CRSTS1 and recent parking policy changes.
* Assessment of planned infrastructure changes and associated income loss and gain over time
	+ Road space reallocation and loss of parking bays
	+ Additional bus gates through LN’s and corridor improvements
	+ Gradual reductions in paid and non-charging bays to other uses e.g. cycle hangars, tree planting
	+ RPS expansion and boundary changes
	+ Shared mobility parking concession
	+ Analysis of broad monetised benefits of sustainable transport schemes e.g., health impacts, carbon savings
* Assessment of planned infrastructure changes and more progressive pricing strategy
	+ Sensitivity around different pricing strategies e.g. inflation + 5%/year
	+ Could include, weight/emission/size-based pricing
* Assessment of planned infrastructure changes, more progressive pricing strategy and demand management
	+ Including WPL, post-CAZ congestion charge or ULEZ
* Summary of different scenarios
* Selection of preferred scenario(s)
* Investment Strategy

Continuing with the status quo will result in delays to projects as individual schemes are held responsible for compensating for parking income losses. This will in turn delay delivery of the capital programme.

Producing a TIS will help to better coordinate the work areas of City Transport and Highways and Traffic and ensure that the two service areas are delivering against shared objectives. Working in this way will help meet Corporate objectives around health, climate and equality to name a few significant areas.

# Products

## Forecasting Tool

A key requirement of the project will be for the consultant to provide an editable, user-friendly forecasting tool (likely a s/s) where assumptions can be updated as and when new policies are introduced e.g. officers are directed to increase 2nd car RPS permits to 10% above inflation

* This should cover:
	+ Establishing the existing baseline.
	+ Identifying the business-as-usual scenario.
	+ Business as usual, plus committed infrastructure forecast.
	+ Business as usual, plus committed infrastructure, plus policy targets forecast.
	+ Business as usual, plus committed infrastructure, plus policy targets, and demand management forecast.

## Monetised Benefits

All scenarios will need to consider monetised benefits in addition to direct impacts on the balance sheet e.g. health impacts. This is likely to be a very broad assessment given the range of projects the council will be delivering over the coming years.

## Investment Options

Need to establish different investment options for any surplus revenue. This could again be based on scenarios:

* Maintenance focussed
* Active Travel focussed
* PT subsidy focussed
* Norway style investment focussed e.g. investment that offer a return/payback
* Blended approach

# Price

The consultant is asked to provide a fee proposal and breakdown for review by the BCC Transport Team. The cap is set at ≤£90,000.00.

An activity schedule including key milestones should be included.

# Supporting Information

A collaborative approach between client and various consultant discipline teams is required where all parties working on the project understand all other work being undertaken – this is crucial at an early development stage so that assumptions are common across the disciplines.

Officers are open to discussions about different and novel ways of approaching the challenge statement set out in the ‘background’ section.