



Department
for Transport

Cycle City Ambition Grant Programme - Guidance on Distribution of Ongoing Funding

December 2014

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Background

1. On 27 November 2014, the Government announced a £114m extension to the existing Cycle City Ambition grant programme.
2. The locations to benefit from this funding are Birmingham, Bristol, Cambridge, Leeds, Manchester, Newcastle, Norwich and Oxford (henceforth referred to as 'the cities'). The decision to fund these cities reflects their positions as leaders of change in cycling in England. It also reflects the devolved power awarded to these locations under the City Deal arrangements.
3. The funding will be allocated on a formula basis. This document details the formula on which this allocation will be made, as well as the threshold criteria for which funding will be awarded. All cities must demonstrate value for money in order for funding to be granted.
4. As per the original programme, the Government sees more and safer cycling strategies as important tools for cities to unlock a range of cross cutting economic and social benefits that enable growth. This policy has been explored in the Department's Cycling Delivery Plan, which was published as a draft for consultation in autumn 2014 and we expect to publish the final version early in 2015.
5. The original guidance for the 2013 Cycle City Ambition Grant competition can be found at the following link:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/83002/cycle-city-ambition-grant-guidance.pdf

6. As this funding is a continuation of the existing programme, all cities are expected to bear in mind the design requirements outlined in paragraphs 10 through 19. This includes: high quality cycle infrastructure design; taking the needs of pedestrians into account; and ensuring a strong focus on accessibility and the needs of disabled people;
7. Cities should note the DfT contribution is only available for capital. The hope is that each city will source local contributions that bring the total funding to around £10 per head per year, or more. This local contribution can be made up of both local authority and other third party funding.

8. Where revenue funding is required to supplement capital, it should come from local sources. These might include relevant resources from the local authority's formula grant, European funding, funding from the local public health budget, developer contributions, Lottery funding, contributions from transport operators, civil society or private sector organisations, self-financed expenditure or any other sources.

Funding Distribution Formula

9. The available funding totals a maximum of £114m. This funding will cover a three year period starting 2015/16.
10. Funding will be distributed on population count within the geographic spread of the original bid, and will be capped at 1 million residents. A table showing the population of the local authorities as defined by the Office of National Statistics can be found at Annex A. The average local contribution in the original programme was 34% and on that basis Government will provide between £7 and £8 per head per year and hope local authorities will seek to provide local contributions to enable funding for this programme of around £10 a head.
11. We expect proposals to draw on the ten year strategies submitted in the original bidding process. If the ambition has changed significantly, this should be explained in the application form.
12. The Department recognises the case for a light-touch process since cities have already had their strategies assessed. However, to ensure value for money, all proposals must meet minimum threshold requirements in order for funding to be awarded. Where possible, the Department has minimised requirements.
13. The threshold requirements for this ongoing funding are:
 - a. An economic case for the investment that will achieve (at a minimum) medium value for money;
 - b. An explanation of how the schemes will achieve a combination of the programme's original strategic objectives and those set out in the draft Cycling Delivery Plan which may include:
 - i. Long term vision;
 - ii. Signing up in principle to the Partnership model, as set out in the Cycling Delivery Plan;
 - iii. Engagement with public health and recognition of health benefits of cycling / consideration of impacts on inactive groups;

- iv. Engagement with LEPs / impact on local economy;
- v. Infrastructure and planning;
- vi. Safety;
- vii. Carbon benefits;
- viii. Public realm benefits.

14. The bid should demonstrate the capability to deliver three more years of this programme (2015/16 through to 2017/18).

15. The Department wants a single evaluation report for its programme. We have engaged Sustrans to review the monitoring and evaluation plans for the existing eight cities. In accepting the grant, the cities must also agree:

a) to work with Sustrans to improve monitoring and evaluation processes for the first two years of the Cycle City Ambition programme, as needed;

b) to work with the Department to enable a single comparable end programme evaluation for the 2015-16 to 2017-18 Cycle City Ambition programme.

Economic case

16. Population is the key determinant of the amount of money awarded to each city. For the purposes of the formula, we will use the population of the local authorities as defined by the Office of National Statistics. However, once this funding has been allocated, cities may use it to support cycling across a different population base if desired.

17. Value for money is one of the threshold criteria for securing access to these funds. Cities will need to demonstrate that sufficient investment opportunities exist in the form of proposed schemes to ensure the allocated funding achieves at least medium value for money.

18. Programme proposals will not be required to provide a full WebTAG compliant cost benefit analysis but should be supported by analysis in line with WebTAG unit A5.1 Active Mode appraisal. Information on using the Health Economics Assessment Tool (HEAT) can be found at Annex B.

19. Promoters are required to complete a Scheme Impacts Pro Forma which summarises the impact of proposals against a number of metrics relevant to the appraisal. Separate pro formas should be submitted for each element (e.g. cycle route) of the scheme in addition to one

summarising the full scheme. A supporting technical note is to be provided explaining all assumptions behind the data entered into the Pro Forma and providing supporting evidence for these. The approach taken to forecasting the impacts should be covered in the note as well. The Scheme Impact Pro Forma can be found on the DfT website alongside this guidance.

- 20.** Experience from previous funding programmes has indicated that the data provided in the pro forma must be fully referenced in the Economic Appraisal report to allow independent verification. Quoting data such as local targets as evidence of forecast scheme impacts will not be allowed.

Application Process

21. There is one application form available. This will be emailed to the Cities alongside a copy of this Guidance document. Applicants should complete all sections as explained on the form and this should be accompanied by any necessary supporting material.
22. All funding amounts will be agreed using a combination of the formula explained in paragraph 10, and the quality of evidence provided against the threshold requirements (paragraphs 13-15). The Department will seek the views of its Centres of Excellence in the assessment process.

Submission of Bids

23. Bids need to be submitted by 30 January 2015. Assessment will be completed by March 2015.
24. An electronic copy should be sent to cycling.ambition@dft.gsi.gov.uk.

Enquiries

25. Initial questions about this guidance document, including clarification on the information and appraisal requirements for bids, should be directed to cycling.ambition@dft.gsi.gov.uk.

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Annex A

Population Levels for the eight cities

Cycling Cities	Authorities involved (as per original bid)	Population count (as defined by ONS Census 2011 data)
Birmingham	Birmingham City Council	1,073,045
Bristol	Bath and North East Somerset Council, South Gloucestershire Council, Bristol City Council	867,000
Cambridge	Cambridge City Council and South Cambridgeshire District Council	272,622
Leeds	Leeds City Council, City of Bradford Metropolitan District Council,	1,273,937
Manchester	Manchester City Council, Salford City Council, Trafford Metropolitan Borough Council, Stockport Council, Tameside Metropolitan Council, Oldham Council, Bury Council	1,876,194
Newcastle	City of Newcastle and Gateshead Quayside.	480,391
Norwich	Norwich City Council, South Norfolk District Council and Broadland District Council	381,170
Oxford	Oxford City Council	151,906

Annex B

Using the World Health Organisation's Health Economics Assessment Tool (HEAT) for Walking and Cycling

<http://www.heatwalkingcycling.org/>

HEAT is incorporated within the DfT's Transport Analysis Guidance (TAG Unit 3.14.1)¹ and its application by local authorities to active travel interventions is now recognised as increasingly valuable in capturing the quantifiable benefits of walking and cycling. The tool is designed to help conduct an economic assessment of the health benefits of walking and cycling by estimating the value of reduced premature mortality that results from specified amounts of walking and cycling as exercise. As a consequence of only including premature mortality and not also illness (morbidity) the tool is conservative in the estimates that it makes. While TAG does take some account of reduced absenteeism due to increased exercise through walking and cycling, WHO have suggested that the benefit may be double if reductions in illness were included.

The tool can be used for a number of different situations, for example:

- when planning a new piece of cycling or walking infrastructure to help to test the case for investment;
- to value the reduced mortality from past and/or current levels of cycling or walking, such as a single route, as well as across an authority. It can also be used to illustrate economic consequences from a potential future change in cycling or walking use;
- to provide input into more comprehensive economic appraisal exercises (such as large schemes which may impact on walking and cycling levels), or prospective health impact assessments.

Local Highway authorities should revisit TAG to ensure that they have fully taken account of Unit 3.14.1, not least because the evidence of the overall benefits consistently shows that many cycling interventions score very highly in terms of Benefit to Cost Ratios (ie over 4:1) and that as much as 70% of the overall benefit is derived from the health gains. For example, in the DfT assessment of the first six Cycle Demonstration Towns the 'physical fitness' benefit was 70.7%.² For walking the 'physical fitness' benefit also tend to reach similar levels.³

¹ http://www.dft.gov.uk/webtag/documents/expert/pdf/u3_14_1-walking-and-cycling-120723.pdf

² <http://www.its.leeds.ac.uk/aoss/12/cases.html>

³ <http://www.its.leeds.ac.uk/aoss/13/cases.html>