

TRANSPORT FOR LONDON

ENVIRONMENT, CORPORATE AND PLANNING PANEL

**SUBJECT: STRATEGIC ASSESSMENT FRAMEWORK**

**DATE: 6 OCTOBER 2010**

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**1 PURPOSE AND DECISION REQUIRED**

- 1.1 Following the publication of the Mayor's Transport Strategy (MTS), TfL has developed a Strategic Assessment Framework (SAF). This is a multi-criteria assessment framework to enable evaluation and comparison of projects and programmes against the MTS goals.
- 1.2 The purpose of the paper is to:
  - (a) explain the background to the development of the MTS SAF; and
  - (b) outline how SAF can be used in TfL to support project and programme development, approval and business planning processes.
- 1.3 The principle of having a SAF embedded in the Corporate Gateway Approval Process (CGAP)/ business case was endorsed by a meeting of Chief Officers on 15 September 2010, on the assumption that it could be incorporated into existing processes and not place an additional resource burden on the business. The meeting also agreed that a 'light touch' SAF would be applied to Business Plan scenarios as they emerge from the spending review and that SAF be integrated into next year's business planning process. Details are still to be determined, but again, this needs to be done in a way which does not set additional requirements on the business.

**2 BACKGROUND**

- 2.1 SAF has been developed by Group Planning and Finance over recent months following the publication of the MTS in May 2010. The TfL modes have significantly contributed to the development of the SAF through the SAF Modal Working Group and the TfL Strategy Board.

**3 RATIONALE AND BENEFITS OF SAF FOR TFL**

**Context**

- 3.1 The MTS sets out the goals, challenges and desired outcomes for London's transport system for the next twenty years. TfL has a statutory duty to exercise its functions for the purpose of securing and facilitating the implementation of the MTS. It has also an obligation to monitor the delivery of the MTS.

- 3.2 SAF has been developed in order to facilitate this by:
- (a) providing a framework for the development and assessment of multi-modal projects and programmes around the MTS goals;
  - (b) promoting fuller analysis of options and their implications for policy and deliverability during early planning (pre-feasibility) stages;
  - (c) providing a consistent framework for the business to demonstrate the strategic fit of projects as they proceed through the Corporate Gateway Approval Process (CGAP);
  - (d) providing consistent information (cross-modal) to decision-makers; and
  - (e) enabling consistent comparison of investment scenarios against the MTS goals to attempt to ensure long-term goals are not compromised. This is particularly important when investment is severely constrained.

### **Description of SAF**

- 3.3 SAF is a multi-criteria assessment framework structured around the MTS goals, challenges and MTS outcomes as illustrated in Appendix 1. It comprises an assessment table and guidance which will be available on TfL's intranet site ('Source').
- 3.4 For each MTS outcome, a criterion and, when possible, a quantified measure is defined to support the assessment of a project or, programme. Using the guidance, assessors can give a score for each MTS outcome, taking into account the baseline conditions, nature and scale of the impacts of the project being assessed.

## **4 SAF IN SUPPORTING PROJECT DEVELOPMENT**

### **Early Planning/Pre-feasibility process**

- 4.1 Before designing and developing a business case for a specific project, there is generally a need to go through a pre-feasibility stage, which is called 'planning', 'project development', 'inception', 'start up' or 'outcome definition' depending on which part of TfL the project is developed by.
- 4.2 During the pre-feasibility stage, planners should analyse the intervention need they are trying to address and consider all possible options to address this need. There can be a tendency to focus on particular solutions or modes early in the project development stage without consideration of a full range of modal or policy options at a strategic level. At this stage, there is a need to consider how the different modal or policy options would affect the delivery of TfL's strategic goals as well as the options' deliverability, feasibility and approximate cost estimates. SAF is the tool which facilitates this process. Through this mechanism, planners can discard poorer performing options and shape the remaining options so that they deliver the strategic objectives in the most efficient way.
- 4.3 The use of SAF will help this thinking process, by providing a clear and consistent framework aligned with the MTS and Department for Transport's national appraisal guidelines.

- 4.4 For strategic projects, i.e. projects that are of similar nature to those listed in the MTS implementation plan the pre-feasibility stage would best be carried out by a cross modal working group that will be formed on an as required basis. The results of the SAF analysis will inform the forward agenda for TfL's Project Review Group, enabling it to gain some visibility on the projects that are in the pipeline. Example projects include the review of the safeguarding for the Chelsea-Hackney line, where different modal solutions and routes are being examined and compared to the safeguarded rail route, and the River Crossing Package.

### **CGAP**

- 4.5 The SAF should be fully embedded in the Corporate Gateway Approval Process (CGAP), and the business case appraisal, helping project managers and sponsors to respond to the existing lines of enquiry on projects' strategic fit and benefits realisation as the project progresses through the gates.

### **SAF FOR BUSINESS PLANNING**

#### **Strategic Assessment of this year's Business Plan scenarios**

- 4.6 SAF will provide a high-level assessment of the scenarios for this year's business planning process. This will show how a range of scenarios affects the delivery of the MTS on a London-wide basis, highlighting the spatial distribution of the scenarios' impacts.

#### **SAF for the future Business Planning rounds**

- 4.7 Consideration will be given as to how SAF will be used as part of next year's Business Planning exercise without imposing additional requirements on the business. The SAF approach should allow a more consistent consideration of the strategic impacts of decision-making during the Business Planning exercise.

## **5 RECOMMENDATION**

- 5.1 The Panel is asked to NOTE the paper.

## **6 CONTACT**

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## Example of SAF outputs

Table 1 and Figure 1 show how the results of the SAF assessment are presented.

**Table 1: SAF Summary Table**

MTS Challenges	MTS Outcomes	Score	Quantitative data to support score	Comment
<b>MTS Goal : Support economic development and population growth</b>				
Supporting sustainable population and employment growth	Balancing capacity and demand for travel through increasing public transport capacity and/or reducing the need to travel	Slight Positive		
Improving transport connectivity	Improving people's access to jobs	Neutral		
	Improving access to commercial markets for freight movements and business travel	Slight Positive		
Delivering an efficient and effective transport system for goods and people	Smoothing traffic flow (managing delay, improving journey time reliability and resilience)	Slight Positive		
	Improving public transport reliability	Slight Positive		
	Reducing operating costs	Neutral		
	Bringing and maintaining all assets to a state of good repair	Neutral		
	Enhancing use of the Thames for people and goods	Neutral		
<b>MTS Goal: Enhance the quality of life for all Londoners</b>				
Improving journey experience	Improving public transport customer satisfaction	Slight Positive		
	Improving road user satisfaction (drivers, pedestrians, cyclists)	Slight Negative		
	Reducing public transport crowding	Strong Negative		
Enhancing the built and natural environment	Enhancing streetscape, improving the perception of urban realm and developing better streets initiatives	Neutral		
	Protecting and enhancing the natural environment	Neutral		
Improving air quality	Reducing air pollutant emissions from ground based transport, contributing to EU air quality targets	Slight Positive		
Improving noise impacts	Improving perceptions and reducing impact of noise	Slight Positive		
Improving health impacts	Facilitating an increase in walking and cycling	Slight Positive		
<b>MTS Goal: Improve the safety and security of all Londoners</b>				
Reducing crime, fear of crime and anti-social behaviour	Reducing crime rates (and improved perceptions of personal safety and security)	Slight Positive		
Improving road safety	Reducing the numbers of road traffic casualties	Neutral		
Improving public transport safety	Reducing casualties on public transport networks	Moderate Positive		
<b>MTS Goal: Improve transport opportunities for all Londoners</b>				
Improving accessibility	Improving the physical accessibility of the transport system	Neutral		
	Improving access to services	Neutral		
Supporting regeneration and tackling deprivation	Supporting wider regeneration	Slight Positive		
<b>MTS Goal : Reduce transport's contribution to climate change and improve its resilience</b>				
Reducing CO <sub>2</sub> emissions	Reducing CO <sub>2</sub> emissions from ground based transport, contributing to a London-wide 60% reduction by 2025	Slight Positive		
Adapting for climate change	Maintaining the reliability of transport networks	Slight Negative		
<b>MTS Goal: Support delivery of the London 2012 Olympic and Paralympic Games and its legacy</b>				
Developing and implementing a viable and sustainable legacy for the 2012 Games	Supporting regeneration and convergence of social and economic outcomes between the five Olympic boroughs and the rest of London	Slight Positive		
	Physical transport legacy	Neutral		
	Behavioural transport legacy	Neutral		

**Figure 1: illustrative SAF output graph presenting the scores against the MTS outcomes for several options**

