

## **FINANCE COMMITTEE CALL FOR EVIDENCE**

### **DRAFT BUDGET FOR 2013-14**

#### **SUBMISSION FROM CYCLING SCOTLAND**

##### **Introduction**

This paper provides some background into recent events relating to cycling and funding cycling and active travel and then addresses some of the specific questions as posed by the Finance Committee. However, please note that we have restricted our response to our areas of expertise – cycling and active travel – which we are funded to deliver on behalf of Transport Scotland.

##### **Background Cycling Scotland**

1. Cycling Scotland is the national cycling promotion charity for Scotland. Our programmes and projects focus on making Scotland a nation of cyclists. Our aim is to establish cycling as an acceptable, attractive and practical lifestyle option. We work together with our partners and stakeholders to increase the number of people cycling and improve the environments they can do so in.

2. Cycling Scotland chairs the Cycling Action Plan for Scotland Delivery Forum that is responsible for monitoring and co-ordinating the delivery of the 17 actions in CAPS, co-ordinates cycle training including Bikeability Scotland and organises Scotland's biggest bike ride, Pedal for Scotland. We support workplaces, schools and community groups to encourage more people to cycle instead of using the car through our Cycle Friendly programmes. We provide advocacy and training to local authorities to help them provide the facilities and infrastructure that cyclists need. We assess our performance against a set of Key Performance Indicators agreed annually with Transport Scotland.

##### **Cycling Action Plan for Scotland (CAPS) and other policies**

3. The Cycling Action Plan for Scotland (CAPS) was launched in 2010 and the CAPS vision is that:

“By 2020, 10% of all journeys taken in Scotland will be by bike.”

4. Other targets include delivering an increase in on-road cycle training (Bikeability Scotland), completing the missing links National Cycle Network, reviewing the use of 20mph zones in residential areas and collision liability, and increasing the amount of cycling in communities, schools and workplaces through promotional interventions.

5. However, cycling and active travel are not just included in cycling and transport specific policies, but are firmly embedded in cross-cutting policies such as:

- Low Carbon Scotland Report on Proposals & Policies
- The National Transport Strategy
- The Climate Change Delivery Plan
- Preventing Overweight and Obesity in Scotland: A Route Map towards Health Weight
- Let's Make Scotland More Active
- The Scottish Physical Activity Charter
- Go Safe – Scotland's Road Safety Framework

## **Cycling Progress in 2012**

6. Cycling has undergone a sea-change in the last 12 months. The first sign came in January 2012, when hundreds of cyclists pedalled to Scottish Government offices in Edinburgh to lobby politicians to reverse proposed cuts to funding for cycling. Just three months later, 3,000 cyclists turned out for the Pedal on Parliament demonstration in Edinburgh. The event, staged by a group of Scottish cyclists to call for better conditions and infrastructure, demonstrated the public is demanding improvements for cycling.

7. In response, the Scottish Government has called a safety summit meeting in March 2012 as part of the Road Safety Operational Partnership Group meeting. In addition, additional funding for infrastructure was announced to address the proposed funding cuts for sustainable and active travel in the original Draft Budget 2012/13-2014/15. A Cross-Party Group on Cycling has also now been set up by the Scottish Parliament.

8. At the same time, the general public has taken up an increased interest in cycling. The Times launched a campaign calling for better conditions for cyclists after one of their journalists was seriously injured while cycling in London. As a result, there has been a surge in media interest in cycling around the issue of safety. In addition, interest and the potential for participation in cycling has been boosted following British successes at the Olympics and the Tour de France this year, coupled with the anticipation of continued cycling success at the Glasgow 2014 Commonwealth Games.

9. As a result of these key events, cycling and active travel has also risen in stature politically. All the main parties referenced cycling in their 2011 election manifestos. In addition, in 2012, the SNP further strengthened their commitment to cycling and active travel in their national manifesto applicable to all councils for the local elections. This included commitments (if the SNP is in power locally) to: develop a green transport plan to cut carbon and encourage walking, cycling or alternative forms of transport; improving cycling safety to help encourage a shift to more active travel alternatives; and to ensure all our school pupils are offered on-road cycle training to keep them safe.

## Funding for Cycling and Active Travel

10. Revenue and capital funding for cycling comes from two principal sources, the Scottish Government and local authorities' budgets. Funding for cycling comes from a number of different budget headings, which currently include:

Scottish Government funding:  
Sustainable and Active Travel  
Future Transport Fund  
Transport Scotland Trunk Road Cycling Initiative  
Cycling, Walking and Safer Streets grant to local authorities  
Local authorities' funding

11. However, due to the variety of sources of funding (e.g., from other funding sources such as the Climate Change Fund), there is no absolute method of calculating total investment in cycling and active travel in Scotland.

12. The Budget shows a £16m, £25m and £15m commitment to "Sustainable and Active Travel"<sup>i</sup> between 2012/13 to 2014/15, along with a further commitment for active travel<sup>ii</sup> and has included active travel as part of the Future Transport Fund<sup>iii</sup>, which includes an agreement on a three year funding profile for investment in cycling projects (most of which is capital), of £7.16m, £8.16m and £9.16m over the period 2012/13 to 2014/15<sup>iv</sup>.

13. In addition to the above, the Cycling, Walking and Safer Streets (CWSS) budget was retained for a further year in 2012/13 to support local authorities, but at a reduced level of £6.1m (compared to £7.5m in 2011/12). It is often the case that local authorities use CWSS to match funding from their own budgets or funds from Transport Scotland, channelled through Cycling Scotland or other organisations such as Sustrans, in order to put together more substantial and meaningful capital budget for active travel.

14. It is important to note that these figures are not cycling or active travel specific and include funding that can be spent on other modes such as public transport and walking.

15. Spokes, the Lothian Cycling Campaign, has also conducted research into the amount invested in cycling. Spokes' calculations have been endorsed by the Scottish Parliament Information Service (SPICe) in their March 2012 briefing on cycling<sup>v</sup>. In addition, in the Summer Bulletin 113, Spokes has provided analysis of Scottish Government active travel spending in light of the changes for the budget period from 2012/13 to 2014/15<sup>vi</sup>.

16. Although the aims, calculations and methodologies differ, when looking at both the Scottish Government's budget commitments to sustainable and active travel and the Spokes calculations on Scottish Government active travel spending, it is clear that investment in cycling and active travel has historically hovered around 1% of the total transport budget per annum, and will continue to do so during this budget period.

17. It is also important to note, however, that the above figures actually represent an increase in funding for sustainable and active travel from the original Draft Budget for 2012/13 to 2014/15. The Budget was changed on the back of a step-change in attitudes towards cycling over the last 12 months as described in the preceding section.

### **Required Funding for Cycling and Active Travel**

18. As both calculations point to approximately 1% of the transport budget going to sustainable and active travel – of which only a proportion goes directly to cycling and active travel, with the rest to public transport or electric vehicles, etc. – it is difficult to see how this amount of investment will lead to reaching the 10% CAPS target.

19. To help frame the amount required to reach the 10% CAPS target, the Scottish Government, in the carbon reduction related Report on Proposals and Policies (RPP), proposed £1.32bn for cycling and walking infrastructure from 2011-2022. This equates to an average of £120m per year taken from all sources (not just government) and covers cycling-specific investment as well as active travel investment that benefits both walking and cycling (e.g., 20mph zones, etc.).

20. In addition, the report on Active Travel by the Association of Directors of Public Health (2010)<sup>vii</sup> indicated that 10% of total transport spend should be allocated to active travel (approximately equivalent to £190m-200m per annum).

21. Philip Darnton, who was Chief Executive of Cycling England at the time, gave evidence to the Transport, Infrastructure and Climate Change Committee in 2010<sup>viii</sup>, on the funding required to achieve significant and ongoing growth in cycle use. The evidence concluded that the minimum requirement is £10 per head per annum, ongoing. Evidence from the English cycle demonstration towns (which invested at least £10 per head for a number of years) suggests that this amount of investment could double cycle use every 3-5 years<sup>ix</sup>.

### **Question 1**

***“To what extent do you consider Scottish Government spending decisions align with its overarching Purpose of increasing sustainable economic growth and how should commitment to this objective be reflected in the draft budget 2013-14?”***

22. Cycling Scotland feels that in order to achieve an increase in sustainable economic growth, cycling and active travel should figure more prominently in the Budget through increased funding and specific inclusion across budget areas that receive benefit from increased cycling (health, transport and the environment).

23. The Government’s draft 2012/13 budget initially proposed to cut funding related to sustainable and active travel from approximately 1% of total transport funding to 0.7%. However, after lobbying and the public support from Pedal on Parliament, the Times campaign and stakeholders, the Scottish Government utilised

UK Consequentials and the Future Transport Fund to increase the amount for sustainable and active travel compared to the initial amount in the draft budget.

24. Despite this increase on the initial draft budget, many stakeholders are still concerned that this amount is insufficient to reach the 10% CAPS vision. Additionally, the change in funding is still not equivalent with the general increase in transport funding overall, as total transport spending in other areas such as motorways and trunk roads has increased significantly. In addition, the Sustainable and Active Travel funding streams are not solely for cycling and walking schemes, with a significant proportion of this funding already earmarked for public transport schemes.

25. In addition to increased funding for cycling and active travel, it is important that the funding is used for purposes that will truly address the barriers that people face to cycling and therefore encourage them to get on their bikes more often. As shown by the Times campaign, Pedal on Parliament and the Stop Climate Chaos rally, there is a determined call for safer conditions for cyclists. During the consultation for the development of CAPS, it was found that the primary reasons Scots do not cycle more is safety. The results showed that those who do not cycle cite safety concerns as the reason they do not start cycling, and even those who do already cycle state that safety concerns are the main reason they do not cycle more.

26. Cycling and active travel investment has consistently proven that it provides greater return than investment in road-only schemes. By increasing funding for cycling and active travel in Scotland, and specifically addressing key barriers such as safety, the Scottish Government will be providing benefits and cost-effective positive outcomes for many sectors including health, environment, sport, tourism and transport.

## **Question 6**

***“In its response to the Finance Committee’s report on the spending review 2011 the Scottish Government stated that its broader work was ‘focused on ensuring that our ambitions for a decisive shift to preventative spend are realised across all areas of service delivery.’ What progress is the Scottish Government making in realising this objective and what spending priorities should be in the draft budget 2013-14?”***

27. Cycling and active travel helps achieve the Scottish Government’s Strategic Objectives: Wealthier and Fairer, Smarter, Healthier, Safer and Stronger, and Greener. Therefore, investing in cycling and active travel should be seen as a priority as it is preventative spending that will pay back in multiple areas, all of which will save the Scottish economy money now and in the future.

28. It has recently been widely reported that the Scottish Government has missed their first target for annual emissions reductions as set under the Climate Change (Scotland) Act. Encouraging more Scots to use a bike or walk instead of a car for short trips can significantly reduce the huge contribution road transport makes to CO<sub>2</sub> emissions, as outlined in the Low Carbon Scotland: Report on Proposals and Policies (RPP) published by the Scottish Government. In addition, cycling can help reduce

the road congestion which costs the UK economy £20billion a year and reduce associated emissions.

29. A report on the analysis of the Cycling Demonstration Towns project led by Cycling England (2010) showed that the schemes delivered a fantastic return on investment, with a benefit: cost ratio (BCR) of 2.6-3.5:1. The BCR range increases to 4.7-6.1 if the benefits could be sustained for 30 years assuming some ongoing investment in behavioural change programmes and training, far higher than the ratio expected of road and rail projects that cost considerably more to implement.

30. Also important is the impact on people's health as a result of increased physical activity from cycling and walking. Transform Scotland<sup>x</sup> estimates that moving to a modal share of 13% for cycle trips would save the NHS in Scotland around £2 billion a year by reducing deaths and illness by increasing physical activity. Also, a Department of Health commissioned review of investment in walking and cycling by Dr. Adrian Davis<sup>xi</sup> examined the costs and benefits, including health effects, from active travel infrastructure and promotion projects from the UK and abroad. The review found a median BCR of 13:1; and for UK data the median BCR was 19:1.

## Question 8

***“Small businesses represent 93% of the Scottish private sector and are more likely to employ people with low or no qualifications than large businesses. What spending priorities should be in the draft budget 2013-14 to support public-private partnership to improve the employability of and create sustainable employment opportunities for individuals experiencing high levels of multiple deprivation?”***

31. Funding cycling and active travel benefits the economy as a whole, employment, local small-medium enterprises and community groups. Cycling and active travel are also mediums for providing skills and improving accessibility for those who are excluded and/or facing high levels of deprivation. Therefore, spending on cycling and active travel should be seen as a priority in the Budget.

32. Cycling has a positive impact on the economy in general. For example, the London School of Economics (LSE) indicates that cycling brings £2.9b, or approximately £230 per cyclist, total contribution to the UK economy, with most of this figure generated from retail gains.<sup>xii</sup> In addition, in further support of cycling's preventative spending credentials, LSE indicates that cycling saves the economy £128m per year through reductions in absenteeism.

33. Research from the United States<sup>xiii</sup> has shown that bicycle infrastructure creates a total of 11.4 jobs per \$1m spent, whilst road-only (no walking or cycling facilities) infrastructure creates 7.8 jobs per \$1m spent. The research also shows that infrastructure that even just includes an element of cycling or walking leads to more jobs than road-only projects, with road infrastructure incorporating bicycle and pedestrian facilities producing 8.5 jobs per \$1m spent.

34. Sustrans, the sustainable transport charity, has provided analysis in their response to the I&CI's Call for Evidence in 2011 on the Draft Budget. Sustrans

indicates in their response that cycling projects directly contribute to small-medium enterprises and local businesses in Scotland. Sustrans has estimated that from 2008 to 2011, “small civil engineering contractors and DLOs throughout Scotland benefited from a £40m spend via the Sustrans and [Cycling Walking and Safer Streets] funding mechanism.”<sup>xiv</sup>

35. Finally, through its Cycle Friendly and Sustainable Communities Fund, Cycling Scotland has provided funds to numerous community groups and organisations, often based in areas of deprivation or who work with socially excluded groups/individuals, to provide training in cycling and maintenance skills. This training gives people in excluded and deprived areas access to the ability to build skills which could translate into employment, or to give them the skills to access employment opportunities through bike provision and skills training.

## **Conclusion**

36. The detail of our evidence is contained within the replies to each question as outlined above. However, a few key themes have emerged and are summarised as follows:

- Cycling and active travel is preventative spend

This report has touched on some of the highlights, but there is a significant amount of research and best-practice available from the UK and abroad that shows that cycling provides a positive impact on health, the environment, the economy and general well-being. Investment in cycling and active travel now will allow Scotland to reap the many future rewards that the introduction of physical activity to everyday activities, such as travel, can provide.

- Cycling and active travel is underfunded to meet vision and targets

As can be seen from the section on required funding, cycling and active travel are currently not funded sufficiently to meet the targets and to best make use of the preventative spending benefit. To fully realise the CAPS vision of 10% of journeys by bike by 2020 and the benefits this level of cycling will bring, it is imperative to bring the amount of funding specifically for cycling and active travel up to the equivalent of 10% of the transport budget. This level of funding is in line with other countries who have large cycling modal share, such as the Netherlands and Denmark.

- Cycling and active travel is not just preventative spend but contributes to economic growth in small/medium-enterprises and in disadvantaged or deprived areas/groups.

The funding that has already been spent on cycling and active travel projects in the past by the Scottish Government has led to positive impacts for local businesses and communities and those in excluded or deprived areas. In addition, research shows that investment in cycling specific infrastructure or inclusion of cycling infrastructure with other road investment brings about more jobs than investment focused on road-only schemes. With the groundswell of support stemming from the Times campaign, Pedal on Parliament and British successes at the Tour de France and Olympics and with the Commonwealth Games in the near future in Glasgow, there is huge potential to take advantage of the already significant contribution cycling brings to the economy to further support economic gain.

- Address safety concerns through funding

The consultation for the development of CAPS has shown that concern over safety is the primary barrier to getting more people cycling, even existing cyclists. This shows that people will cycle, but it takes the right conditions to encourage them to do so.

## **Recommendations**

- To ensure that Scots are equipped with, or able to enhance, their cycling skills through funding to ensure every child (at P6 level) has Bikeability Level 2 on-road training and adults are able to easily and conveniently access training locally.
- To ensure that cycling and active travel is clearly and specifically funded and is not in direct competition within budget lines with public transport, low-carbon vehicles, etc.
- To ensure that the Cycling, Walking and Safer Streets funding returns back to at least its pre-2007/08-2010/11 level of approximately £9m per annum
- To take advantage of the benefits of cycling as a preventative spending measure and incrementally increase the amount invested specifically on active travel to the equivalent of 10% of the transport budget by 2020.
- To ensure that other Government budget areas that gain from the benefits cycling brings to health, education, environment, sport and tourism and ensure there is specific funding allocated to cycling and active travel (to help make up part of the total 10% equivalent of the transport budget).



## References

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