

## **Report to Partnership Meeting 7 February 2014**

### **EUROPEAN PROJECTS**

#### **European Structural and Investment Funds 2014-2020**

##### **Purpose of Report**

To advise Members of the latest status of the Low Carbon strand of the European Structural and Investment Funds 2014-2020 and the areas where the Scottish Government intends to focus effort in this strand of funding.

##### **Background**

European Funds have played an important role in supporting reform and recovery in the Scottish economy over the current funding period. The current programmes will end on the 31 December 2013 and by the time all the project complete, will have delivered £700 million of European Structural Funds into innovation, low carbon, sustainable transport, tourism infrastructure, business support, skills and community development. These funds have been particularly important to the Highlands and Islands where a number of transformational projects have been delivered including a number of transport projects that have brought significant socio economic benefits to the region.

##### **CONTEXT FOR PLANNING 2014-20**

In October 2011, the European Commission (EC) published their proposals for the 2014-2020 funding period. The Commission proposed that the European Structural and Investment Funds (ESI)<sup>3</sup> should be closely aligned with the Europe 2020 goals of smart, sustainable and inclusive growth, and closely aligned with each other.

In 2012, the European Commission set out its expectations for the UK on the key target areas it expects Structural Fund investments in the 2014 – 2020 programme. These are:

- Building business competitiveness and innovation
- Tackling the high proportion of the population with low level or no skills, and promoting social inclusion and combating poverty
- Developing an environmentally friendly and resource efficient economy

The Commission's proposals align well with the Scottish Government Economic Strategy and the National Performance Framework. EU funding does not exist in a vacuum, and with the limited amount of funding Scotland receives, it is important that the Fund priorities align with national policy and domestic funding. However, the point of the funds is also to achieve longer term structural change, to do and try things that domestic funding does not always have space for. That means it is important to find the right niche for the EU Funds, rather than to have them replicating what is already done elsewhere.

## **European Structural and Investment Funds 2014-2020 – Low Carbon**

The Government have placed partnership working at the heart of their development of the 2014-2020 programme. By combining a broad consultation with detailed and intensive work with smaller groups of partners (including CoSLA, HIE, Transport Scotland and RTPs) they have identified a series of integrated activities which look realistic, fundable and capable of significant impact. These proposals will be further developed and refined over the coming months and have recently been subject to a public consultation exercise.

Prior to finalising the areas included in the latest draft plan and consultation exercise the Scottish Government have engaged with partner bodies interested in Low Carbon to consult on the areas that should be the focus of the Low Carbon strand of the European Structural and Investment Funds 2014-2020. This has included engagement with RTPs, CoSLA and local authorities. The projects have been more directly steered by the organisations identified as Strategic Delivery Partners including HIE, Scottish Enterprise and SNH.

Three areas have been agreed and templates detailing likely activity are completed. These are included as Appendixes to this report and these are detailed below:

Appendix A - National Smart Transport Card

Appendix B - Low Carbon Transport Hubs

Appendix C - Active Travel Hubs

Scottish Government officials are expected to approach Transport Scotland, as lead partner at an early stage, shortly to further develop the details, including specific actions, outcomes, delivery arrangements and match funding sources.

### **Next Steps for HITRANS**

In the short term Officers will work with Advisors to develop opportunities that the Partnership could take forward under the funding categories covered within the Templates set out in the Appendices to this report.

Reports will be provided to the Advisors and Partnership Board as the process develops and details on funding and bidding become clear. We anticipate the Partnership taking an active role in bidding for funds when the opportunity to do so is available.

### **Recommendation**

1. Members are asked to note this report.

<b>Report by:</b>	Ranald Robertson
<b>Designation:</b>	Partnership Director
<b>Date:</b>	24 <sup>th</sup> January 2014
<b>Background Papers:</b>	Appendix A - National Smart Transport Card Appendix B - Low Carbon Transport Hubs Appendix C - Active Travel Hubs

## Appendix A - European Structural and Investment Funds 2014-2020 Interventions Template for National Smart Ticketing Scheme

<b>Themed Fund</b>	<b>Low Carbon, Environment &amp; Resource Efficiency</b>
<b>Title of proposal</b>	<i>National Smart Ticketing Scheme</i>
<b>Programme/scheme duration</b>	<i>2014-2017</i>
<b>Programme/scheme location</b>	<i>Nationwide</i>
<b>Mid term review point</b>	<i>End of 2015</i>
<b>Lead organisation</b>	<i>Transport Scotland</i>
<b>Lead contact</b>	<i>Archie Stoddart</i>

<b>1. What's the big idea?</b>
<ul style="list-style-type: none"> <li>• What will this change and why is it worth doing?</li> </ul> <p>The Scottish Government's overarching purpose of sustainable economic growth will require significant modal shift towards low carbon forms of transport. There will also be resultant economic benefit from reducing journey times, congestion and complexity for existing users of public transport. The development of a National Smart Ticketing Scheme will support both of these aims.</p> <p>Transport Scotland has been engaged in the provision of smart ticketing through the national concessionary travel scheme since 2006, and in that time has built up considerable knowledge of the key elements of delivering an ITSO smart ticketing scheme. A number of pilot or demonstration projects have also been established with partners from the public sector and operating community. SPT in particular are at an advanced stage in delivering smart ticketing for the Glasgow subway</p> <p>A strategic and holistic approach to a National Smart Ticketing Scheme has the potential to build upon this work and act as a catalyst for increased public transport use, reducing emissions and congestion from road transport as a result.</p> <p>Changing transport behaviours is often difficult, even where there are clear benefits for the user, for example the health or cost benefits of active travel over cars. To help incentivise behaviour change, we propose to seek commercial partners who will offer rewards linked to card usage, in return for the significant marketing opportunities which partnership would provide.</p>

<b>2. Context and rationale</b>
<ul style="list-style-type: none"> <li>• Describe what existing problem / challenge this intervention would address</li> <li>• How does this 'fit' with GES/organisational strategy/business plan?</li> </ul> <p>Transport is the one sector in which Scotland's emissions has increased since 1990. One of the key ways to reverse this trend is to increase the number of journeys taken by public transport. A key barrier to achieving modal shift is the perception of public transport among some members of the public. A more modern, better integrated public transport network which provides a low carbon rewards scheme will help to overcome such barriers.</p>

The Government Economic Strategy established a new priority: Transition to a Low Carbon Economy. Facilitation of this transition will require integrated and cost-effective public transport, confidence in which will be increased through this project.

Transport Scotland's Smart Ticketing Delivery Strategy has set out a long-term vision "that all journeys on Scotland's bus, rail, ferry, subway and tram networks can be accessed using some form of smart ticketing or payment".

### **3. Describe Intervention and activity**

- what is the suggested intervention?
- What activity is included?
- Who is target audience / intended beneficiary group?
- How this would be delivered (direct staff, grant support, via third party etc.)?

#### **What is the suggested intervention?**

The development and roll-out of a National Smart Ticketing Scheme which will enable simpler, more efficient public transport journeys by removing the need to purchase individual tickets for individual journeys or modes.

#### **What activity is included?**

- Identification of suitable pilot location(s)
- ICT development
- Development of framework agreement including all public transport operators, including smaller rural/island area operators
- Development of travel planning - improving ability for users to identify total cost of journeys before they are made.
- Potential development of a national bus fares database to complement existing information on rail and ferry fares
- Procurement of software and hardware including card scanners and cards themselves, preceded by an audit of the current equipment/scanners in place and their potential to be used in a new ticketing scheme
- Installation of software and hardware
- Securing of private partners for low carbon rewards scheme
- Awareness-raising campaign, highlighting the benefits of public transport

#### **Who is the target audience / intended beneficiary group?**

- All public transport users – make journeys simpler
- Car users reluctant to use public transport – incentivise through credit scheme
- Operators – less cash handling and quicker boarding times
- Tourists – opening up markets and providing wider economic benefit for communities
- ICT/app developers

#### **How would this be delivered (direct staff, grant support, via third party etc)?**

- Project managed by dedicated staff based within Transport Scotland / transport operators
- RTPs/local authorities

**Outcomes, targets and milestones**

- What are the long term outcomes (what would success look like)?
- How will these be measured (outputs)? And against which baseline?
- What milestones might realistically be achieved by mid-term review?

**What are the long term outcomes (what would success look like)?**

An established National Smart Ticketing Scheme, covering all public transport operators across the whole of Scotland, enabling more efficient multi-modal journeys. A low carbon credit scheme will be linked to card usage, incentivising and public transport use with a range of rewards.

**How will these be measured (outputs)? And against which baseline?**

- Increased number of journeys taken by public transport
- Increased number of multi-modal journeys not including cars
- Reduced greenhouse gas emissions from transport
- Reduced roads congestion
- Improved feedback from visitors to Scotland

These will be measured against a 2014 baseline.

**What milestones might realistically be achieved by mid-term review?**

- Launch of regional pilot
- All public transport operators signed up to project
- Private partners identified for low carbon rewards scheme

**How much ESI funding is required in each year? Which ESI Fund(s)? (if more than one, please specify which element of proposal from which fund)?**

**Activity 1** - £10-15 million to establish a National Smart Ticketing Scheme

**Activity 2** - £5-10 million for replacement of bus smart card readers with next generation equivalents

**Total ESI proposal cost:**

£6-10 million

We would envisage that the project is best suited to ERDF funding.

**Total intervention cost (including match):**

£15-25 million.

**Where will match funding come from?**

Transport Scotland  
Transport operators  
RTPs

**Project additionality**

- What is new or added value from this approach?

While much of the technology is available and there is political will, a number of transport providers must be brought together and supported, including smaller operators who do not have the same financial means to introduce smart ticketing independently. The Smart Ticketing Delivery Strategy noted variable positions across operators and concerns over the achievability of commercial benefits, especially on multi-operator schemes. European funding would help overcome this barrier to achieve the greater public good of reducing emissions and improving the customer journey.

Successful city-wide projects exist such as London's Oyster Card but these are less complex with typically a single operator. This would be the first national smart and integrated transport card in the UK.

There may also be scope to link the smartcard to low carbon benefits or loyalty rewards, e.g. private partners or operators themselves may offer discounts or products if so many smartcard journeys are taken.

**How will the programme support and embed the horizontal themes (equality, social inclusion and environmental sustainability)?**

**Equality** will be supported through the project's One Scotland approach to meet the needs of city, suburban and rural areas and by covering all modes, ensuring that all public transport users can take advantage of a more efficient and smarter means of travelling.

**Social inclusion** will be supported by improving and simplifying public transport journeys, thereby encouraging those without access to a car to utilise a more joined-up public transport system.

**Environmental sustainability** is at the heart of the project's aim to encourage journeys by public transport which are a lower-carbon alternative to travelling by car.

**Aligning with other Workstreams:**

- Describe how the actions / activities of the intervention would align with any of the other relevant Scottish Partnership Agreement Themed Funds if applicable

**Competitiveness, Innovation and Jobs**

The innovation required to bring a number of systems together for an integrated approach has the potential provide economic benefits in the ICT sector.

**Low Carbon, Environment & Resource Efficiency**

**Local Development and Social Inclusion**

Social inclusion will be supported by improving and simplifying public transport

journeys, thereby encouraging those without access to a car to utilise a more joined-up public transport system.

**Read across to other Low Carbon, Environment & Resource Efficiency project proposals.**

N/A.

## Appendix B - European Structural and Investment Funds 2014-2020 Interventions Template for Low Carbon Transport Hubs

<b>Themed Fund</b>	<b>Low Carbon, Environment &amp; Resource Efficiency</b>
<b>Title of proposal</b>	<i>Low Carbon Transport Hubs</i>
<b>Programme/scheme duration</b>	<i>2014-2020</i>
<b>Programme/scheme location</b>	<i>A number of locations across Scotland</i>
<b>Mid term review point</b>	<i>2017</i>
<b>Lead organisation</b>	<i>Transport Scotland</i>
<b>Lead contact</b>	<i>Archie Stoddart</i>

<b>1. What's the big idea?</b> <ul style="list-style-type: none"> <li>• What will this change and why is it worth doing?</li> </ul>
<p>The Scottish Government's overarching purpose of sustainable economic growth will require significant decarbonisation of the transport sector. The development of Low Carbon Transport Hubs across Scotland will support this aim.</p> <p>There are a number of excellent projects underway, both publicly and privately funded, which will support low carbon transition in the transport sector. On the roads, the Aberdeen Hydrogen Project which will see Europe's largest fleet of hydrogen fuel cell buses operating from 2014. In the water, CMAL's diesel electric hybrid ferry, Hallaig, is now serving communities on Skye and Raasay.</p> <p>Taken in isolation, projects such as these will be vital for supporting individual cities or regions. However, a strategic and holistic approach to Low Carbon Transport Hubs has the potential to act as a catalyst for a more significant step change in the take-up of low carbon vehicles (LCVs) and the market for alternative fuels, consequently supporting the aims of the Climate Change (Scotland) Act.</p> <p>Hubs will provide reliable low carbon refuelling services, enabling an increasing number of sustainable connections between the places where people want to live, work and do business. While the specifics of each Hub may be tailored to suit regional requirements, the key principle of the proposal is that each Hub can support the low carbon transport requirements of all customers, whether they are charging their car with an increasingly low carbon grid mix, refuelling a hydrogen bus, filling up with LNG for their lorry, or topping up their environmentally friendly ferry.</p> <p>The project will also support communities, for example by linking to small-scale renewables projects to support the production and use of green hydrogen.</p> <p>By providing certainty of alternative fuel supply, issues such as range anxiety will be overcome through the development of a network of Hubs across Scotland. This will help to capitalise on the progress already made in Scotland to tackle the market failure within the LCV sector. The Hubs will therefore support the continued development of a number of vehicle and alternative fuel technologies, some in emerging or niche markets, across a range of modes, ultimately bringing benefit to both urban and rural Scotland.</p> <p>There is a need to link efforts of community driven and/or local flagship sustainable</p>

transport projects with national and regional planning frameworks by developing transport corridors and vehicle deployment models and refuelling strategies which bridge efforts between local and national plans. The creation of the Low Carbon Transport Hubs will be a significant development to better link these two spheres.

## 2. Context and rationale

- Describe what existing problem / challenge this intervention would address
- How does this 'fit' with GES/organisational strategy/business plan?

Transport is the one sector in which Scotland's emissions has increased since 1990. One of the key ways to reverse this trend is to increase the take up of LCVs.

Market failure has meant the early take up of LCVs has been slow though prices are gradually coming down, thanks in part to large scale public sector procurement of vehicles. The availability of alternative fuels is also a major issue, as is the range of the vehicle before it needs refuelling/recharging. The ChargePlace Scotland programme has helped to provide a network of electric vehicle charging points and help increase consumer confidence in this respect.

Low Carbon Transport Hubs will build upon this work by offering a network of refuelling locations covering a range of alternative fuels, in doing so extending confidence to potential vehicle manufacturers, fuel producers and distributors, and consumers themselves.

The Government Economic Strategy established a new priority: Transition to a Low Carbon Economy. In terms of transport, the almost complete decarbonisation of road transport by 2050 is one of the key transformational changes required to achieve this. This project clearly links to that aim and will help to accelerate progress towards achieving it

The project also supports all three strategic outcomes within Scotland's National Transport Strategy: *reducing emissions; improved journey times and connections; and improved quality, accessibility and affordability.*

## 3. Describe Intervention and activity

- what is the suggested intervention?
- What activity is included?
- who is target audience / intended beneficiary group?
- how this would be delivered (direct staff, grant support, via third party etc.)?

### What is the suggested intervention?

The creation of Low Carbon Transport Hubs which will provide refuelling facilities for a range of alternative fuels and transport modes, tailored to the location and based upon need but typically including electric vehicle charging, hydrogen, LNG, low sulphur shipping fuel and biofuels.

### What activity is included?

- Identification of suitable pilot Hub locations, consulting fleet operator and including mapping of e.g. existing electric vehicle charge points and excess renewables generation to establish hydrogen opportunities.
- Procurement of facilities.
- Support for vehicle purchase or vehicle technology, such as inductive

charging for buses.

- Installation of refuelling facilities.
- Contracts agreed with alternative fuel suppliers and distributors, involving local communities and on-site production from excess renewables generation where possible.
- Supply-chain development and business model strategies for deployment, refuelling and production.
- Awareness-raising education programme, highlighting the benefits of alternative fuels and low carbon vehicles.

**Who is the target audience / intended beneficiary group?**

- Alternative fuel producers and distributors, niche low carbon vehicle manufacturers – increase the size and breadth of the market.
- Low carbon vehicle operators and users, including major customers (e.g. companies with a green fleet, car clubs) – encourage confidence in security of supply.
- Non-low carbon vehicle users, both domestic and commercial – encourage greater take-up.
- Community scale renewable energy generators – can sell e.g. excess wind generation for conversion into hydrogen.

**How would this be delivered (direct staff, grant support, via third party etc)?**

- Project managed by dedicated staff based within Transport Scotland / local authorities/RTPs
- Interested Hub managers bid for funding support – these would typically be local authorities or community organisations
- CMAL

**Outcomes, targets and milestones**

- What are the long term outcomes (what would success look like)?
- How will these be measured (outputs)? And against which baseline?
- What milestones might realistically be achieved by mid-term review?

**What are the long term outcomes (what would success look like)?**

An established network of Low Carbon Transport Hubs, connecting the length and breadth of Scotland, including a mix of cities, towns and islands, providing a market for a prosperous alternative fuels industry and a reliable, secure and fairly priced source of low-carbon fuel to a continually increasing number of customers.

**How will these be measured (outputs)? And against which baseline?**

- Reduced greenhouse gas emissions from transport
- Increased number of low carbon vehicles registered in Scotland
- Wider provision of alternatives to petrol/diesel
- Improved air quality
- Number of people reached by awareness-raising sessions.

These will be measured against a 2014 baseline, except the awareness-raising campaign which will be measured in absolute terms against a target set in due course.

**What milestones might realistically be achieved by mid-term review?**

- Launch of first Low Carbon Transport Hub
- Identification and agreement of future locations for wider roll-out

**How much ESI funding is required in each year? Which ESI Fund(s)? (if more than one, please specify which element of proposal from which fund)?**

**Total ESI proposal cost:**

£8-10 million **(to be confirmed)**

We would envisage that the project is best suited to ERDF funding but could also consider other programmes given the rural development perspective.

**Total intervention cost (including match):**

£20-30 million **(to be confirmed).**

Further information is required but this estimate takes the Cities Alliance proposal, *Building Scotland's Hydrogen Economy*, as a starting point which estimates £13 million to support production and distribution of hydrogen across Scotland's seven cities. Taking into account a further 5-10 non-city based Low Carbon Transport Hubs, LNG and biofuels facilities as required and including rapid electric vehicle charging, the high figure is reached.

**Where will match funding come from?**

Transport Scotland  
Local authorities  
Transport operators

**Project additionality**

- What is new or added value from this approach?

The project will bring together a number of disparate strands of the alternative fuels sector, enabling more low carbon journeys to be made between cities, towns and remote regions by car, freight and ferry. This joined up approach, covering a range of alternative fuels and a broad geographical spread, will offer a reliable market for fuel producers and reliable supply for users in a way that has not yet been addressed.

It will help to consolidate the progress made in electric vehicle charging, support Scotland's niche sustainable biofuels market and also catalyse the emerging markets of hydrogen and LNG on a scale which is not possible for smaller projects working in isolation.

**How will the programme support and embed the horizontal themes (equality,**

### social inclusion and environmental sustainability)?

**Equality** will be supported by developing Hubs across a mix of urban and rural areas. By establishing local markets for rural hydrogen generation, the project also has the potential to provide a lower-cost and reliable alternative to the volatile and high costs of petrol and diesel.

**Social inclusion** will be supported in Hub areas which utilise excess renewables generation, thereby providing financial benefit to these generators, which are often small businesses or community organisation.

**Environmental sustainability** is at the heart of the project's aim to reduce emissions and establish a market for a range of alternative, low carbon fuels in Scotland.

### Aligning with other Workstreams:

- Describe how the actions / activities of the intervention would align with any of the other relevant Scottish Partnership Agreement Themed Funds if applicable

### Competitiveness, Innovation and Jobs

Scotland has the potential to be a leader in hydrogen and fuel cells technology and niche low carbon vehicles. This project will continue to encourage innovation within the low carbon vehicles and fuel sector and has the potential to create a number of green jobs in a market identified in the Low Carbon Economic Strategy as a key area of opportunity for Scotland.

### Low Carbon, Environment & Resource Efficiency

### Local Development and Social Inclusion

The project will support local development by encouraging local supply chains for alternative fuel production, distribution and consumption. It will help communities maximise their renewable energy output, especially in rural areas.

### Read across to other Low Carbon, Environment & Resource Efficiency project proposals.

### Low Carbon Innovation (led by SG Low Carbon Economy division)

While there is no explicit reference to transport, the development of low carbon environmental goods and services may include alternative fuels as a sub-set. Low Carbon Transport Hubs have the potential to act as an initial guaranteed market for next generation fuels, should this form part of the Low Carbon Innovation proposal.

### Low Carbon Infrastructure Transition Development fund (led by SG Low Carbon Economy division)

This proposal focuses on developing a pipeline of infrastructure projects by bridging a gap in planning and development activity to bring potential

projects to a state of readiness for investors. It includes references to low carbon transport, specifically hydrogen production and storage facilities. It would be beneficial if this pipeline gave consideration to locations identified for Low Carbon Transport Hub opportunities.

### **Building Scotland's Hydrogen Economy (led by Scottish Cities Alliance)**

There is close alignment between this project and the Low Carbon Transport Hubs proposal. It is not, however, clear whether either proposal fully meets the aims of the other.

While the Hydrogen Economy project will focus on the seven cities, the intention is to locate Hubs in both urban and rural areas. Also, the Hydrogen project is clearly focused on developing the market for that particular fuel (and goes beyond refuelling provision, exploring potential to incorporate hydrogen into the gas grid), whereas Hubs will typically offer a number of alternative fuels. The proposals may yet stand up as discrete projects but should examine whether there is any overlap in specific activities.

### **Low Carbon Communities (lead to be confirmed)**

Transport is one of the four key elements of this proposal, which aims to foster community buy-in to the low carbon agenda and embed positive environmental behaviours into daily community life. The proposal includes broad aims of reducing food miles and increasing community ownership of low carbon vehicles, and has also put forward a number of specific transport projects. If these are deemed to be of sufficient scale, they could possibly come under the Low Carbon Transport Hub proposal.

One specific project is for Hydrogen Islands, providing affordable low carbon fuel on grid constrained communities, with Orkney proposed as a pilot location. This type of project may be well suited to support the development of a Low Carbon Transport Hub, with the island aspect important to ensuring a geographical mix.

Another project would look at Community Ferries and Water Taxis, focusing on short under-served routes, proposing to utilise alternative fuels. This is another interesting pilot, with the potential to establish a customer base for a Low Carbon Transport Hub, though consideration should be given to whether the locations which could benefit most from this type of project would also have the critical mass to justify a Hub being developed.

A third project is proposing the purchase of a number of Community Transport Vehicles to utilise locally produced alternative fuels. This type of project could directly support the supply chain of a Low Carbon Transport Hub. While support for vehicle purchase is only one aspect of the Hub proposals and would need to be fleshed out, there may be scope to include this project within the overall Hub proposal.

## Appendix C - European Structural and Investment Funds 2014-2020 Interventions Template for Active Travel Hubs

<b>Themed Fund</b>	<b>Low Carbon, Environment &amp; Resource Efficiency</b>
<b>Title of proposal</b>	<i>Active Travel Hubs</i>
<b>Programme/scheme duration</b>	<i>2014-2020</i>
<b>Programme/scheme location</b>	<i>A number of locations across Scotland</i>
<b>Mid term review point</b>	<i>2017</i>
<b>Lead organisation</b>	<i>Transport Scotland</i>
<b>Lead contact</b>	<i>Archie Stoddart</i>

<b>1. What's the big idea?</b> <ul style="list-style-type: none"> <li>• What will this change and why is it worth doing?</li> </ul>
<p>The Scottish Government's overarching purpose of sustainable economic growth will require significant modal shift towards low carbon forms of transport. Likewise, the strategic objective of a Healthier Scotland recognises the need to increase the proportion of journeys to made by public or active transport. The development of Active Travel Hubs across Scotland will support both of these aims.</p> <p>Initiatives such as the National Cycle Network and Smarter Choices, Smarter Places have supported a number of communities in encouraging active travel and creating more sustainable living places. A strategic and holistic approach to Active Travel Hubs has the potential to build upon this work and act as a catalyst for a more significant step change in the take-up of cycling and walking, particularly for short journeys, and links to public transport.</p> <p>Hubs will provide opportunities for affordable bike hire and parking, similar to successful schemes in other countries. It will also provide safe, secure and convenient cycling and walking routes that, whether linking to employment opportunities (e.g. business parks, industrial estates), public transport or an end in itself, will offer an attractive alternatives to taking the car. Barriers to active travel could be addressed in urban and rural areas, permitting the use of funds to develop cycle networks and paths. The health and environmental benefits stemming from this could be significant and would be quantified as part of an initial feasibility stage, working with organisations such as HITRANS who have already audited barriers to active travel and seen significant behaviour change. Additionally, the marketing of active travel can be considered as part of the development of hubs.</p>

<b>2. Context and rationale</b> <ul style="list-style-type: none"> <li>• Describe what existing problem / challenge this intervention would address</li> <li>• How does this 'fit' with GES/organisational strategy/business plan?</li> </ul>
<p>Transport is the one sector in which Scotland's emissions has increased since 1990. One of the key ways to reverse this trend is to encourage modal shift from cars to active travel, particularly for short journeys. Similarly, walking and cycling must</p>

become the norm for short trips in order to reverse the trend of public health problems associated with lack of exercise, and to reduce air and noise pollution.

The Government Economic Strategy established a new priority: Transition to a Low Carbon Economy. Encouraging business and consumer demand for low carbon goods and services, including bicycles for commuting, is a key opportunity within this area

The project also supports all three strategic outcomes within Scotland's National Transport Strategy: *reducing emissions; improved journey times and connections; and improved quality, accessibility and affordability.*

The Cycling Action Plan for Scotland stated a vision that, by 2020, 10% of all journeys taken in Scotland will be by bike. This project will support a step change towards achieving this vision, as well as supporting the forthcoming National Walking Strategy for Scotland.

The development of a national network of long distance paths and trails has already been identified as a strategic priority in National Planning Framework 3. This national network will connect and facilitate seamless passage through the country's seven cities; link key cultural heritage visitor destinations and public transport hubs; and provide recreation and active travel opportunities for people of all ages and abilities. The proposal identifies 33 potential projects worth an estimated £25 million for completion in the first five years and is expected to generate an economic cost-benefit ratio of up to 1:7.

### 3. Describe Intervention and activity

- what is the suggested intervention?
- What activity is included?
- who is target audience / intended beneficiary group?
- how this would be delivered (direct staff, grant support, via third party etc.)?

#### **What is the suggested intervention?**

The creation of Active Travel Hubs which will provide focal points for cycling and walking routes. The specifics of each Hub will be tailored to the location and based upon need but typically include bike library initiatives, bike repair services, safe and secure facilities for personal bikes, improved links to public transport and travel information.

#### **What activity is included?**

- Identification of suitable pilot Hub locations
- Procurement of facilities and equipment (e.g. bike parking, drinking fountains)
- Designation or, in some cases, design and construction of cycle and walking routes.
- Securing of a private partner(s) to help meet match funding
- Awareness-raising education programme, supported by NHS Scotland and SNH, highlighting the exercise and recreation benefits of active travel, especially to families and those with health issues
- Studies into travel behaviour

#### **Who is the target audience / intended beneficiary group?**

- Those who typically use the car for short journeys – e.g. those living in urban/suburban areas where some cycling and walking facilities already exist, those in rural areas with poor pedestrian access, rail commuters who would benefit with bike facilities at stations.
- Those who are excluded from employment opportunities at key business park/industrial estate locations where cycling or walking access is currently limited.
- Those with or at risk of health issues due to lack of exercise.
- Existing cyclists and walkers – improving safety and ensuring continued positive environmental behaviours within these groups.

**How would this be delivered (direct staff, grant support, via third party etc)?**

- Project managed by dedicated staff based within Transport Scotland/local authorities/RTPs
- Potential to be delivered via third party e.g. Sustrans

**Outcomes, targets and milestones**

- What are the long term outcomes (what would success look like)?
- How will these be measured (outputs)? And against which baseline?
- What milestones might realistically be achieved by mid-term review?

**What are the long term outcomes (what would success look like)?**

An established network of Active Travel Hubs and routes, across of mixture of cities, towns and islands, providing simple, safe and affordable means to cycle or walk for an increasing number of participants.

**How will these be measured (outputs)? And against which baseline?**

- Cycling vision achieved of 10% of journeys made by bike by 2020
- Increased length of National Cycle Network
- Increased length of national network of walking paths and trails – additional 100 km on top of existing 6250 km
- Increased journeys made by walking, particularly for target groups e.g. school children, business park/industrial estate employees
- Reduced road traffic congestion
- Reduced greenhouse gas emissions from transport
- Fewer cyclist road accident casualties
- Improved air quality
- Improved health/lower obesity rates
- Number of people reached by awareness-raising sessions.

These will typically be measured against a 2014 baseline, except the awareness-raising campaign which will be measured in absolute terms against a target set in due course.

**What milestones might realistically be achieved by mid-term review?**

- Launch of first Active Travel Hub
- Identification and agreement of future locations for wider roll-out

**How much ESI funding is required in each year? Which ESI Fund(s)? (if more than one, please specify which element of proposal from which fund)?**

**Total ESI proposal cost:**

£8-15 million presuming a 40% intervention rate

We would envisage that the project is best suited to ERDF funding but could also consider EAFRD and LEADER.

**Total intervention cost (including match):**

£20-37.5 million. This would fund 15-20 projects of varying size, from development of 100 km of walking routes (at £50,000-£150,000 per km) to fully kitted cycling hubs at Scotland's busiest train stations (anything up to £1 million a year).

**Where will match funding come from?**

Transport Scotland

Local authorities/RTPs

Scotrail

Private partner to provide bikes for hires (e.g. Barclays in London)

**Project additionality**

- What is new or added value from this approach?

A national delivery programme of Active Travel Hubs, tailored to local needs, will have the greatest impact by improving cohesion and transport integration across a number of modes, particularly the interface for rail and cycling.

Large scale demonstration of active travel will encourage the public, therefore infrastructure is required to enable that demonstration to take place. Increased participation will then build confidence and catalyse behaviour change among those who may initially be more reluctant, leading to further participation.

**How will the programme support and embed the horizontal themes (equality, social inclusion and environmental sustainability)?**

**Equality** will be supported by developing Hubs across a mix of urban and rural areas. By establishing safer and more affordable means of transport, the project will support groups who might find these issues as barriers, such as those on low incomes or

**Social inclusion** will be supported in Hub areas by enabling those without access to a car to a means of safe and affordable travel, encouraging social and labour market participation.

**Environmental sustainability** is at the heart of the project's aim to reduce

emissions and road congestion.

**Aligning with other Workstreams:**

- Describe how the actions / activities of the intervention would align with any of the other relevant Scottish Partnership Agreement Themed Funds if applicable

**Competitiveness, Innovation and Jobs**

By providing safe and affordable means to travel, the project will help remove a barrier to labour market participation.

**Low Carbon, Environment & Resource Efficiency**

**Local Development and Social Inclusion**

By providing safe and affordable means to travel, the project will help remove a barrier to social participation.

**Read across to other Low Carbon, Environment & Resource Efficiency project proposals.**

**Low Carbon Communities (lead to be confirmed)**

While active travel is not mentioned explicitly under this proposal, its overarching aim is to foster community buy-in to the low carbon agenda and embed positive environmental behaviours into daily community life. We would suggest that, as active travel sits at the top of our transport hierarchy, Low Carbon Communities consider cycling and walking options as part of the overall project portfolio.

Similarly, Active Travel Hub locations should be chosen after giving consideration to potential links with Low Carbon Communities.

**Green Infrastructure (led by SNH)**

This proposal included the development of national paths and trails, to support the provision of attractive green spaces and networks of safe active travel, in alignment with an existing National Planning Framework 3 proposal. It has been agreed that this aspect of the SNH proposal should be integrated into the Active Travel Hubs, as is now reflected in this template.