

## **Summary**

This chapter outlines the general requirements for the reporting of appraisal work undertaken following the guidance laid out in STAG.

All STAG appraisal submissions to the Scottish Executive should be incorporated in a STAG report which should provide a concise summary of the work undertaken to demonstrate that the principles of planning and appraisal described in the Guidance have been followed.

The format of the report should follow that of STAG as outlined below:

- Introduction
- Objectives
- Analysis of Existing and Potential Problems
- Option Generation, Sifting and Development
- Consultation
- Part 1 (Initial) Appraisal
- Part 2 (Detailed) Appraisal
- Risk and Uncertainty
- Monitoring and Evaluation
- Conclusions

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## **14. REPORTING**

### **14.1 Introduction**

14.1.1 This chapter outlines the general requirements for the reporting of appraisal work undertaken in support of any transport projects, plans or programmes for which the Scottish Executive may provide funding or for which Scottish Executive approval will be required. Users might also wish to consider adopting a similar format for submissions for funding within their own organisations. It should be noted that, for proposals requiring SEA, a separate SEA 'Environmental Report' will be required.. Guidance on SEA can be found in: Scottish Statutory Instrument 2004 No 258 The Environmental Assessment of Plans and Programmes (Scotland) Regulations 2004; and ODPM: A Draft Practical Guide to the Strategic Environmental Assessment Directive.

#### **General Principles**

14.1.2 The aim of the report should be to provide a concise summary of the work undertaken to demonstrate that the principles of planning and appraisal described in STAG have been followed. Whilst the report should be concise it is not practicable to provide guidelines on the size of the report which will be determined by the complexity of the planning exercise undertaken.

14.1.3 The summary report should not replace the technical reports generated by studies, it is, instead, intended to act as a summary of those reports and as such the principal audience should be viewed as the public. Where appropriate, the report should refer to the availability of technical reports, but should not normally include them.

14.1.4 Where SEA has been undertaken, this should be referred to within the STAG report and a brief summary provided.

14.1.5 All the information contained in a STAG Planning and Appraisal Report should be easy to read, that is, it should be clear, use non-technical language and present information in a logical manner using appropriate maps, diagrams etc for illustration.

### **14.2 Format of the Report**

14.2.1 The format of the report should follow that of STAG as outlined below:

- Introduction
- Objectives
- Analysis of Existing and Potential Problems
- Option Generation, Sifting and Development
- Consultation
- Part 1 (Initial) Project Appraisal

- Part 2 (Detailed) Project Appraisal
- SEA summary (as appropriate)
- Risk and Uncertainty
- Monitoring & Evaluation
- Conclusions

14.2.2 The remainder of this chapter gives further guidance on the content of each of the sections of the report.

### **Introduction**

14.2.3 This should set out clearly the decision to undertake a planning and appraisal exercise. This should include background and descriptive information concerning the geographic, spatial, economic and social characteristics of the study area.

### **Objectives**

14.2.4 This chapter should be a summary of the methodology applied to developing the planning objectives. As noted in Chapter 2 there is no one right way to develop planning objectives, although the example of using Analysis of Problems, Constraints and Uncertainties is used in the guidance. The planner should outline the approach adopted and provide a clear statement of the planning objectives established for the study. In summarising the methodology used, the planner should be able to demonstrate that the principles promoted by STAG of developing value-led SMART objectives has been followed or, if not, a justification for the approach adopted.

### **Analysis of Existing and Potential Problems**

14.2.5 Evidence of a clear statement of existing and potential problems that the proposal is intended to address or ameliorate is required. It is expected that a consideration of existing and potential problems has been an integral part of the methodology adopted to develop the project and evidence of this should be presented in this chapter.

14.2.6 As well as presenting a statement of the assessment of problems, issues, constraints and uncertainties this chapter should also summarise the sources of data and any consultation activities undertaken. Tables and figures may be useful but are not essential. The use of GIS and mapping software can help illustrate problems succinctly.

14.2.7 The summary should be comprehensive in its identification of problems, issues and constraints facing a study, but it should also be concise. If necessary, supporting technical appendices may be prepared, to present the detail of analysis or surveys.

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### **Option Generation, Sifting and Development**

- 14.2.8 The chapter should outline the methodology adopted for generating, sifting and developing the options as described in Chapter 4. In addition all options generated by the process should be identified and the *do-minimum* and *reference case* described.
- 14.2.9 Where options have been rejected at this preliminary stage, having not contributed to meeting the planning objectives, the reasons for this should be outlined briefly.

### **Consultation**

- 14.2.10 Because there is no standard approach to participation and consultation this chapter should summarise the process developed for the study. When describing the approach the following issues should be covered:
- What were the objectives of the participation / consultation process?
  - When were people involved in the process and on what?
  - Who was involved in the consultation process?
  - How were they involved in the consultation process?

Further guidance on considering each of these questions is contained in Chapter 12.

### **Part 1 (Initial) Appraisal**

- 14.2.11 This chapter should outline the initial appraisal and broad assessment of impacts of the options taken forward from the Option Generation, Sifting and Development stage. An outline of the appraisal work undertaken during the initial Part 1 appraisal should be provided and Part 1 ASTs included for all schemes taken forward to more detailed Part 2 Appraisal.
- 14.2.12 The chapter should include a discussion of which are likely to be the main impacts of the scheme, and hence what issues particularly need to be examined in more detail at the later stages of the appraisal process.
- 14.2.13 For each proposal which is discounted at Part 1 there should be a discussion of its performance against the planning objectives, and the issues which led the planner to conclude that the proposal should not progress to Part 2 explained. Full Part 1 ASTs do not need to be included for rejected proposals although it is expected that at least partly-completed Part 1 ASTs would be produced as part of the study process and could be called upon for audit or enquiry purposes at a later stage.
- 14.2.14 In order to avoid abortive appraisal work, at this stage discussions should be held with the Scottish Executive about the likelihood of the proposal securing funding, and whether options other than those identified also need to be assessed in detail.

## **Part 2 (Detailed) Appraisal**

14.2.15 The detailed appraisal of the proposal(s) should form the main element of the report and it is within this Chapter that the Part 2 Appraisal Summary Tables should be presented. A summary of the proposals which have been developed following the initial Part 1 appraisal including a more detailed investigation of its potential positive and negative impacts, including its capital and operating costs, and the risks involved in implementation and operation should be included. It is recommended that the chapter be sub-divided into a number of sections to cover all elements of the appraisal process. The number and detail contained in these sections would be determined by the complexity of the proposal and the findings of the Part 1 scoping exercise but should include:

### *Proposal details*

14.2.16 Proposal details and background information will have been developed further since the initial Part 1 appraisal and it is necessary that key revisions be summarised.

### *Planning Objectives & Implementability*

14.2.17 It is likely that proposals will undergo some development between the initial Part 1 appraisal and the more detailed Part 2 appraisal and it is therefore necessary to reassess the impact of the proposal upon the established planning objectives. This revised assessment should be reported within this sub-section.

14.2.18 Similarly, a more detailed investigation of the proposals potential risks involved in implementation and operation should also have been reviewed and developed and should therefore be briefly described within this section.

### *Environment*

14.2.19 This section should include a discussion of what the likely environmental effects may be and the extent to which these effects have been investigated. Methodologies employed should be described and data sources utilised listed. Particular attention should be given to explaining the indicators and significance criteria used in evaluating the impacts. Any mitigation measures that have been developed as part of the proposal to remove or reduce adverse effects should be described.

14.2.20 The distributional environmental impacts should be identified. Depending on the context, distributional impacts by social group and/or geographic area might be considered particularly important.

14.2.21 The results of the appraisal of environmental impacts should be presented in a manner which will assist decision-makers and should be summarised in the Part 2 AST.

14.2.22 In order to provide confidence about the objectivity of the assessment underlying this summary, worksheets or working papers should be prepared for each topic and summarised within the report. These should not be included within the report

although it would be expected that they could be called upon for audit or enquiry purposes at a later stage.

### *Safety*

- 14.2.23 This section should describe which, if any, user groups are affected by the proposals. The calculation of monetised accident costs and benefits follows a well established methodology and no detailed further description is required. However, where a planner feels that the methodology does not allow the full benefits of a proposal to be identified then this and any additional analysis should be included in the report and summarised in the Part 2 AST.

### *Economy*

- 14.2.24 This section should summarise the expected economic benefits of the scheme in terms of Transport Economic Efficiency and, if the Part 1 exercise suggests they are likely to be significant, Economic Activity and Location Impacts.

### *TEE*

- 14.2.25 The Transport Economic Efficiency section should briefly describe the costs and benefits of the proposal to transport users and to private sector transport operators (NB costs to Government are identified separately below), as discussed in Chapter 8. A summary should be given of the methodology and models adopted, particularly highlighting any non-standard assumptions, e.g. on values of time.
- 14.2.26 The summary should also highlight where direct transport costs and benefits have not been fully captured by the appraisal and/or expressed in monetary terms (e.g. reliability benefits, improved integration, etc).
- 14.2.27 It will often be helpful to provide more detailed modelling results than those entered in the Part 2 AST, e.g. by breaking down user benefits into personal travel and freight, cars and public transport, different income groups, geographic areas, etc. The level of detail available will inevitably depend on the sophistication of the model used to calculate benefits and the robustness of the underlying data. The level of detail provided should also be based on judgements about the importance of these distributional impacts, i.e. does the breakdown help highlight important issues that are not well-summarised in the NPVs?

### *EALIs*

- 14.2.28 Where the Part 1 appraisal suggests that Economic Activity and Location Impacts are likely to be significant, an assessment of the EALI impact of the scheme will be required. The key findings should be highlighted in the STAG report, noting whether the project is likely to have net national economic impacts and/or net local economic impacts. Net local impacts are most likely to be of interest where the area of impact is particularly deprived (or, conversely, particularly prosperous).

14.2.29 Winners and losers should also be identified. Depending on the context, distributional impacts by social group, economic sector and/or geographic area might be considered particularly important.

14.2.30 Brief details of the methodology and assumptions adopted should also be provided. Tables such as those found in chapter 8 might usefully be included in the summary report, particularly where they would help to highlight particularly important issues for decision makers (e.g. where a specific sector would lose out from a proposal).

### *Integration*

14.2.31 The Integration objective has three sub-objectives, Transport Integration, Transport-land-use Integration and Policy Integration. The report should cover to some degree all three elements.

14.2.32 As noted in Chapter 9 there is a great deal of overlap and potential for double counting between Transport Integration and the Transport Economic Efficiency exercise. To support the AST it is necessary to answer and provide an explanation for that answer to the following two questions:

- Is there an identifiable impact upon transport interchange resulting from this proposal?
- Is it definitely the case that some aspect(s) of this impact will not be captured by the TEE or another aspect of the appraisal?

14.2.33 Further guidance on answering these questions can be found at Chapter 9.

14.2.34 Under the Transport-land-use sub-objective the promoter should report any conflicts and potential synergies with existing statutory documents concerning planning. In addition it is necessary to demonstrate that a proper analysis of the relationship between the transport proposal and any major existing or proposed developments with an eye to the principles of sustainability and reducing the need to travel has been undertaken.

14.2.35 The final sub-objective is a straightforward process of checks to establish the fit of the proposal with wider Government policies, e.g. on Disability, Health and Rural Affairs, and national transport targets. Aspects of social inclusion are considered under the next section.

### *Accessibility and Social Inclusion*

14.2.36 The accessibility and social inclusion criterion has four sub-objectives: public transport network coverage, access to local services, distribution of impacts by social group, and distribution of impacts by area. A wide range of methods can be used to calculate these indicators and the selected approach (ref. Chapter 10) should be described in the summary report.

- 14.2.37 Great care is needed to avoid double counting. For example: walking and cycling assessments may have been partly included in the TEE; access for people with disabilities, in rural areas, to health, or to education may be partially reported under the integration criterion; and some aspects of the distribution of accessibility impacts by location may be covered in the EALI. There are no hard and fast rules on the scope of each criterion since appraisal methodologies differ, but the approach to avoiding double counting whilst retaining comprehensive coverage of the issues should be reported.
- 14.2.38 Where the speed, frequency, routes and availability of public transport services are unaffected by the proposal, reports should state that there is no impact on the network coverage. However it should be remembered that public transport operators are often able to take advantage of infrastructure changes such as new roads so impacts may not always be immediately obvious. Comments should be included on the potential for public transport benefits even where a quantitative analysis is not possible.
- 14.2.39 Accessibility and social inclusion findings can be much easier to understand when presented on maps. Access to local services can summarise impacts for relevant services separately or collectively for a range of services in local centres such as towns and villages. If walking and cycling routes are unaffected then this should be stated in the summary.
- 14.2.40 Summaries of the distribution of impacts on places and people should be consistent with the level of detail for assessing absolute levels as discussed above. Graphs are useful ways of showing comparisons of impacts for different locations and people groups.

#### *Cost to Government*

- 14.2.41 In order to form an overall judgement on value for money, the benefits of the project (as reported in the earlier sections) need to be compared with the cost of the project from the point of view of the public sector. This section should therefore summarise the likely net cost of the proposal.
- 14.2.42 Cost to Government refers to all costs incurred by the public sector as a whole, net of any revenues. The total net cost consists of investment costs, public sector operating and maintenance costs, grant/subsidy payments, revenues, and taxation impacts. In all instances costs presented should be adjusted for optimism bias (see below). It should be noted that costs and revenues to the private sector will have already been assessed under "Economy".
- 14.2.43 Where possible, costs should be broken down further according to potential funding partners (e.g. developer contributions, local authority, SRA, Scottish Executive, etc). This is more likely to be possible for well-developed projects. Similarly, for more advanced projects potential procurement routes should be identified, e.g. PPPs.

## **SEA**

14.2.44 Guidance on production of the SEA Environmental Report itself is available in ODPM: A Draft Practical Guide to the Strategic Environmental Assessment Directive. The STAG report should include a section on the SEA summarising the process and outcomes..

## **Risk and Uncertainty**

14.2.45 This chapter requires the practitioner to demonstrate the steps taken to identify and mitigate risks, and to justify the allowances made for optimism bias. It is a requirement that all costs used in the appraisal and reported in the ASTs have been adjusted for optimism bias and an explanation of the methodology adopted to do this and the outcome should be reported here.

14.2.46 Sensitivity testing of key variables for a given proposal is also required to demonstrate the robustness of the proposal to the assumptions made. This chapter should contain a discussion of the key variables selected for sensitivity analysis and also a discussion of the outcome of the analysis and the implications for the proposal. It is expected that explicit consideration of risk and uncertainty as discussed in Chapter 12 will feed back into the implementability appraisal.

## **Monitoring & Evaluation**

14.2.47 The Scottish Executive requires monitoring and evaluation to be undertaken and documented for any proposal for which it provides funding, in whole or in part. This chapter should outline the Monitoring and evaluation strategy developed following the guidelines contained in Chapter 15.

14.2.48 The monitoring regime forms an integral part of the development of proposals and key performance indicators (KPIs) of progress towards meeting the planning objectives should be presented as well as an outline monitoring programme.

14.2.49 As part of the monitoring programme an indication of the scope and timing of the evaluation should be provided.

## **Conclusions & References**

14.2.50 The report should conclude with a brief summary of the key objectives of the study and a brief synopsis of the methodology and description of the key proposal(s) for which funding is being sought. References may be provided to other key documents which the reader could refer to for more detailed study information and analysis.