

Problem Statement



How to price/value the benefits of active transport for the development of business cases

AP 18-02

Problem Description

Question

Description of the problem and purpose of the proposed research

Response

The Future Transport Strategy 2056 has a strong emphasis on encouraging active transport. For example, the 'Movement and Place Framework' which underpins the Strategy emphasises the need to access 'successful places' through active transport. To achieve this, however, the infrastructure projects that provide active transport may require different, and less-traditional, cost-benefit analysis (CBA) approaches. For example, intangible benefits are often not formally recognised in business cases or in CBA for new active transport infrastructure projects. This can result in unfavourable or undervalued appraisals of these projects and a hesitation toward future investment.

This research is designed to examine how other jurisdictions around the world are incorporating active transport benefits into business cases and CBAs to inform decision-making regarding infrastructure. Ideally, this research will identify the emerging best-practice approaches and methodologies in this area, and demonstrate how these can be incorporated by Transport for NSW (TfNSW).

Hypothesis & Variables

Question

For explanatory research, please describe a clear hypothesis with variables for testing

For exploratory research, please describe how the proposed research will contribute to future explanatory research

Response

This research aims to understand best practice methodologies in CBA for evaluating the benefits of active transport infrastructure projects. Ideally, these methodologies or tools will be applicable in a TfNSW context.

Identify appropriate CBA tools or methodologies for evaluating the benefit of active transport infrastructure projects (in a TfNSW context)



Enable future investment in active transport



Strategic Criteria & Alignment

Question Response This problem statement is aligned with the Strategic Research Theme of Alignment with 'Successful Places'. This research is also aligned with the 'Successful Places' strategic theme outcome in the Future Transport Strategy 2056 which outlines how active transport encourages physical activity and increases social interactions within these communities. **External driver of** We use PESTLE analysis to identify and describe the external drivers of change that this research would help TfNSW be in a better position to respond to. change analysis **Political** Outline how the research will better position TfNSW 'Delivering infrastructure' and 'Tackling Childhood Obesity' are two of the Premier's to respond proactively Priorities. The proposed research is central to supporting the public value to macro drivers of change proposition for the NSW Government. **Economic** As populations increase, there is an increased demand on all government infrastructures. The delivery of capital project, such as those that help improve the wellbeing of individuals and that create place-making benefits, are likely to have indirect economic effects. Social The ability to capture the numerous social benefits associated with active transport in business cases will lead to more projects with place-making benefits being funded and implemented. Social benefits include increased social wellbeing (a sense of belonging and inclusion with others), quality of life and community strengthening through increased social interactions on streets and within neighbourhoods. **Forward looking** This problem statement is forward looking as there is currently no known formally

Potential research impact

The successful development of this approach has the potential to make previously unviable projects viable, and allows for greater emphasis on active transport.

recognised NSW/Australian method of valuing active transport in business cases

Technical Criteria

Question	Response
Innovation Outline how the proposed research will result in new knowledge	As there is presently no accepted tool or CBA approach for capturing the benefits of TfNSW infrastructure projects that provide active transport, this research will be making a unique contribution. The methodology (or tool) that ultimately results from this research has the potential for widespread application.
Basis in completed research and/or observed practice	There are a number of studies that have explored the economic benefits of active transport as it relates to a CBA; studies have also examined the direct and indirect economic benefits of physical activity. There are also a series of reports and reviews available from an Australian context. Examples include A systematic review, An Australian Report Active Transport by VicHealth. TfNSW understand that there are jurisdictions around the world that have developed methods of valuing active transport and have made efforts to incorporate this into their CBA, such as in London and Amsterdam.
Feasible data requirements	In seeking to apply new methodologies in an applied manner, it is anticipated that TfNSW would provide data on its existing approaches, including previous and current assessment of capital projects.

and CBAs.

Level of Collaboration & Resource Requirements

Question	Response
Level of collaboration	1. 'Quick-Fire' Research
Please select the level of collaboration required to complete the proposed research	Intense bursts of research activity (e.g. under 8 weeks). Intended to make use of 'hackathon'-type environments, where students/researchers work collaboratively and intensely on particular problems involving data interrogation and visualisation.
	2. Undergraduate Final-Year Research
	Suitable for final-year undergraduate students (e.g. capstone, Honours) as part of the research requirements for their undergraduate degree (i.e. 1 to 2 semesters).
	3. Higher Degree Research ⊠
	Project may form whole or part of a postgraduate research degree (i.e. Masters, PhD), and contribute to new knowledge (i.e. 1 to 3 years).
	4. Major Collaborations and Funded Research
	Project may form the basis for a significant collaboration agreement between TfNSW and the relevant research institution, including major competitive grant funding (e.g. Australian Research Council funding with TfNSW as an industry partner).
Comments	This project could form all or part of a PhD or Master of Research
Supporting TfNSW resources	TfNSW will facilitate access to subject matter experts and project support (up to 4 hours per week). TfNSW will also endeavour to help attain required data and access to business cases.