

## **APPENDIX 1 – FEEDBACK FROM THE UK GOVERNMENT ON CONNECTED ARGYLL AND BUTE BID**

LUF20203 - Connected Argyll and Bute  
Argyll And Bute | Scotland | Transport

### **Bid Summary:**

Focusing on a net zero approach to regeneration this bid proposed 2 projects:

1. Islay/Jura Whisky Islands transform 2 key roads (A846 and B8016); new active travel route; additional marshalling capacity for LGVs; low emission replacement ferry with increased capacity; and port infrastructure upgrades.
2. North Lorn Economic Growth Zone trunk road junction works; new service area development road; new commercial area development platform. Oban airport - creation of a new Advanced Aviation Mobility Hub; extend existing helipad; install LED on runway; anti-glare solar panels and new Green Hanger; and introduce green hydrogen fuel to Oban through provision of storage tanks; hydrogen dispensers; and hydrogen bus purchases.

### **Headline:**

This bid provided a strong Strategic Fit element but more details and evidence was required in the Economic Case and Deliverability section to make this a stronger bid.

### **Assessment Overview**

#### **Strategic Fit:**

The council provided a detailed bid that clearly set out the local challenges and how the LUF grant would be used to overcome them, and identifying how a thriving whisky industry has the potential to transform the region but is being impeded by the existing transport networks. Similarly, the bid set out how new housing, enterprise and R&D zones on the mainland will only flourish if the proper infrastructure is in place to support them. However, the bid lacked evidence of the demand for an improved active travel route on Islay.

The council highlighted that concerns were raised during the consultation that the region's weather might make greater UAV use unlikely.

The bid included plans to establish a market for hydrogen fuel that were interesting and innovative, and seemed well-thought through.

#### **Economic Case:**

This section will outline the economic dimension feedback, whilst we have tried to make this as accessible as possible it is also important that it stays specific and technical to allow it to be insightful and actionable. It is therefore recommended that you should share this feedback with whoever authored the economic dimension if anything is not clear. If this is not possible DfT can provide a high level non-technical

summary on request. The feedback is framed as areas to improve and will not touch on the areas your economic dimension excelled at. The bid would have been improved by:

- Providing details of the problem with the current transport network, supported by evidence such as traffic flows, journey times or evidence of congestion on key routes. Traffic data should demonstrate that it is representative of current conditions and that it has been collected by methods which are aligned with Transport Analysis Guidance (TAG).
- Providing details on what the elements of the scheme consist of, such as the active travel measures
- Providing evidence on how the transport measures will address existing and future transport related issues, for example in terms of the impact on travel times and accidents. The future travel demand should be forecast using an appropriate methodology that aligns with TAG.
- Undertaking an economic appraisal of the highway schemes that is in line with TAG, for example the impact on journey times and accidents.
- Undertaking an economic appraisal of the active mode schemes, for example using active mode appraisal toolkit (AMAT).
- Presenting a spend profile across the full construction period for capital expenditure. This should include an appropriate level of inflation for each year that costs are incurred and be discounted to the PVC base year.
- Applying optimism bias at a level that aligns with TAG.

### **Deliverability:**

There were significant gaps in the deliverability section of the bid that needed to be evidence to strength the bid. The budget provided was high-level and required refinement and more evidence needed to be provided on securing the match funding. More evidence was also needed as to demonstrate that the Islay Community Access Group had the skills and experience to deliver the capital expenditure over a three year period.

The procurement approach evidenced by the applicant was too general and a more specific strategy for the bid with a detailed project delivery plan would have strengthened it.

While the bidder evidenced a track record of delivering projects of this type and scale, there was no delivery plan included with the bid and details on this and the background, roles and responsibilities of the project team were expected.

The monitoring and evaluation (M&E) element of the bid could be improved by providing details metrics for data collection (for example how will a reduction in congestion or carbon be measured?).

Providing details on how the data to be collected will be used to monitor the impact of the scheme and whether it will be measured against baseline conditions or a counterfactual scenario would also have improved the M&E, as would providing timescales for data collection that are sufficient to capture the full impact of the anticipated outcomes.