

## Appendix 12

### Calculation of the safeguard sum

## Calculation of the safeguard sum

### A worked example

The safeguard sum should be calculated using Somerset County Council's standard formula. This is given below. Some examples and a sliding scale are provided below.

- The minimum safeguard sum for a standard development is £10,000 where it is above the DfT's standard travel plan thresholds
- For smaller development below these thresholds, the minimum safeguard sum is £7,000
- For those developments that are double or more than double the DfT's threshold, the minimum safeguard sum is £40,000

All safeguard sums must relate to specified expenditure that will contribute towards the targets in the travel plan.

Safeguards are not penalties or fines; they must be spent directly on matters unrelated to achieving the outcomes in the travel plan. Advice on ways to avoid triggering the implementation of safeguards by producing an effective travel plan is provided in Appendix 5.

### Safeguard sum formula:

The safeguard formula divides the total safeguard sum available for any particularly year according to the degree to which the target has been missed, judged by relationship between the target, the measured modal split, and a default worst case scenario of travel by car alone (set as midway between the target and 100% car use). This is shown on the diagram which follows.

- T = target split (SOV)  
A = actual modal split (SOV)  
H = 100% modal split (SOV)  
M = midpoint between T and H  
E = exceedence  
S = total safeguard sum (£)

### Annual safeguard amount

=

$$[(A-T)/(H-T)] \times (S \times 2)$$

#### Example 1:

$$[(74-72)/(100-72)] \times (10,000 \times 2)$$

$$= 2/28 \times 20,000$$

$$= \text{£}1,428$$

Example 2:

$$[(86-72)/(100-72)] \times 20,000$$

$$= \text{£}10,000$$

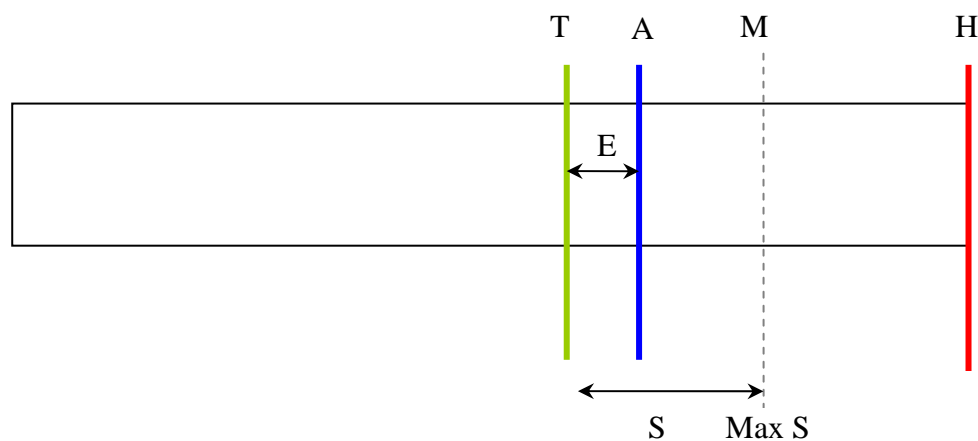
Example 3:

$$[(90-72)/(100-72) \times (10,000 \times 2)]$$

$$= 18/28 \times 20,000$$

$$= \text{£}12,857 \text{ but capped to } \text{£}10,000$$

**Diagram showing relationship between 100% car alone modal split (H), the target (T), the actual measured modal split (A) and a midpoint between T and H (M).**



Example of a company with 50 employees:

- target is 50%
- actual modal split is 60%
- the overshoot is 10 percentage points

This equates to getting 5 staff members of staff to travel differently or for 25 staff to travel differently once a week. What are the costs of this? What will £10,000 buy?

- Bus ticket example:

Suppose the cost of a return bus fare is £4.50. To support 25 staff with a 50% reduction on their bus fare, this would cost £56.25 per week. Over a year, this would cost £2597.50 assuming 6 weeks' annual leave for each member of staff. For this incentive to be provided for a period of 4 years following the first annual

monitoring survey, this would amount to £10,350, this using up the total safeguard sum.

- Bus service example:

The cost of an additional bus service is approximately £x per day. A subsidy to provide return journeys for staff would cost £x

- Commuting mileage rate for cycling example:

Suppose the length of a return cycle journey to work is 8 miles. To support 25 staff cycling to work with a 20p per mile incentive, this would cost £40 per week. Over a year, this would cost £1,840 assuming 6 weeks' annual leave for each member of staff. For this incentive to be provided for a period of 4 years following the first annual monitoring survey, this would amount to £7,360, this nearing the total safeguard sum.

- Pedestrian crossing example:

Suppose people could be encouraged to walk to work by the provision of a new pedestrian crossing. To support 5 staff who live nearby to get to work, a pedestrian crossing is to be installed between a nearby residential area and the development. This would cost £x to implement.

- Cycle track example:

Suppose people could be encouraged to cycle to work by the provision of a new cycle route. To support 5 staff who live within cycling distance to get to work, a new on-road cycle route is to be implemented between a suburban residential area and the development, of approximately x km in length also featuring a segregated x km off-road section to avoid a narrow busy stretch of road. This would cost £x to implement.

- Promotional initiatives example:

Although the travel plan includes a travel plan coordinator, this time devoted to this role has not been sufficient to deliver the targets even though measures have been put into place. This have not been promoted well enough and staff have not been involved to a sufficient extent. To counter this, an additional resource to help with x promotions per year is appointed for 1 day per week; the cost of basic pay is £4,600. This extra resource can be provided for 2 years to increase staff awareness of the measures provided in the travel plan within the safeguard sum of £10k.

- Funding through parking revenue – employer-based WPPL:

In the above example, where targets are met 50% of staff continue to travel by car. If these 25 staff are charged £10,000 collectively over 4 years, the equates to a parking fee of only 40p per day per member of staff based on 250 days' parking per year (or £100 each per year).