

# Active Travel Infrastructure Fund Tier 2 for Design – Background and Application Guidance



## Purpose of fund

In 2024, following consultation and agreement across the active travel sector, Transport Scotland has introduced a new tiered model for funding active travel delivery in Scotland. This new approach means that the existing Places for Everyone (PFE) fund, administered on behalf of Transport Scotland by Sustrans, will close in December 2025. Tier 1 has replaced the Cycling, Walking and Safer Routes Fund, and is provided to each Local Authority directly through their General Capital Grant with Tier 2 funding construction ready active travel infrastructure projects.

In recognition of the need for funding support for the design stage of active travel infrastructure development, we are now introducing for 2025-26, the Active Travel Infrastructure Fund for Design (Tier 2 Design) which is a capital fund. In order to assist the transition, we intend to retain many of the principles established through PFE, which are already based on our [Active Travel Framework](#) which brings together the key policy approaches to improving the uptake of walking and cycling in Scotland for travel.

## Who can apply

We welcome applications from the following groups:

- Local Authorities
- Regional Transport Partnerships
- National Park Authorities

Other interested groups such as community organisations, centres of education, and businesses should engage with the most appropriate of the three eligible groups to discuss their active travel infrastructure aspirations to determine if those aspirations can be supported.

## What we will fund

In order to support partners to develop their pipeline of active travel infrastructure construction projects, the new capital Tier 2 Design fund will provide funding to cover all of the pre-construction phases of design development (business case, feasibility, concept, and detailed design), relating to eligible projects.

Types of infrastructure which would be eligible for funding include, but are not limited to, the following:

- New permanent segregated cycleway
- New junction treatment that specifically includes improvements for active travel beyond routine maintenance
- New permanent footway
- New shared use (walking & cycling) facilities
- Installing physical protection to make an existing cycle or footway route safer
- Programmes of medium/high area wide accessibility improvements including use of dropped kerbs, permanent kerbs, side road Improvements / minor works to make an existing walking/cycle route safer or more convenient
- Area-wide traffic management to reduce traffic volumes with specific and evidenced benefits for active travel (e.g. modal filtering using Automatic Number Plate Recognition, bollards, robust planters or similar)
- Provision of secure cycle parking facilities where these relate to a wider active travel infrastructure scheme – as standalone they would be better considered through Tier 1
- New and upgraded road crossings that enhance access for walking, wheeling and cycling
- School streets / safer routes to school
- Targeted speed reduction measures where these have specific and evidenced benefits for active travel and are accompanied by infrastructure improvements
- Barrier removal to increase accessibility for existing or potential active travel infrastructure users
- Activities that will encourage people to use the infrastructure (behaviour change)

Our expectation is that Local Authorities, who also receive direct funding for active travel infrastructure through the Active Travel Infrastructure Fund Tier 1 (Tier 1), will fully consider which of the suite of funding

opportunities is best placed to deliver on their active travel aspirations. In general, we would expect larger design projects to go into a Tier 2 Design fund application, but it is entirely at the discretion of each local authority where they think their projects best fits. However, we would expect work such as the development of active travel strategies to be funded through Tier 1.

More detailed Tier 2 construction fund eligibility information can be found [HERE](#)

### **What we are unlikely to fund**

- Projects which are not intended to deliver active travel infrastructure interventions
- New cycling infrastructure that does not demonstrate a high level of service as defined by Cycling by Design (e.g. indirect / stop-start / lack of social safety), particularly in urban areas
- Inappropriate use of shared use active travel infrastructure, resulting in likely conflict between people walking, wheeling and cycling
- Schemes that show poor value for money. Note that while at the design stage all options should be explored, however where these do not demonstrate good value for money at the construction stage e.g. due to 'gold plating' then we may consider a contribution but would not expect to fund in their entirety.
- Schemes that upgrade existing cycling routes that do not demonstrate an enhanced level of service
- Schemes where active travel is not the main beneficiary and/or where it is routine maintenance (e.g. resurfacing, traffic light upgrades)
- Schemes such as 20mph rollouts which change signage only without complementary infrastructure interventions to curtail speeds
- Funding for ETROs/TTROs/TROs with no complementary active travel infrastructure interventions
- Infrastructure to mitigate the impact of development proposals which it would be expected that developers should provide or fund through planning conditions, planning obligations, or other legal agreements
- Projects which received feedback from Places for Everyone that they performed poorly against the scoring impact should consider whether they are sufficiently different from previous proposals submitted to increase their scores, otherwise the outcome is likely

to be similar and time would be better spent amending the proposal where practicable to do so rather than resubmit.

### **Match funding**

Successful applicants can receive 100% of the design costs without any requirement to match fund from other sources and it should be noted that project management fees tied to staff costs for design projects that can be capitalised are eligible for inclusion in a Tier 2 design fund application e.g. project management and consultation.

### **Application frequency, numbers and funding timescales**

At present we anticipate that there will only be one application process each year. As with all other active travel funding across infrastructure and People and Place behaviour change programs, there are no opportunities to award funding across multiple years, or to carry over funding from one financial year to another.

Careful consideration should be given by each applicant as to the appropriate phasing of design development for projects not deliverable in one financial year. Subject to available annual budgets, we may prioritise design projects funded in part, one year, in a subsequent year, however this cannot be relied upon. There is no limit to the value of each application, or the number of applications that can be made by each organisation per year, but each project must be applied for on its own and not grouped together. There is no maximum amount per partner, however Transport Scotland will always seek to realise best value for money and will expect to deliver a geographical distribution of projects.

### **Design principles**

In designing schemes, Transport Scotland expects that organisations understand and reflect the design principles and outcomes outlined in [Cycling by Design](#) to be incorporated into their designs. This is an important and necessary starting point. Consideration should also be given to local context and priorities detailed in up to date active travel strategies or local/ regional transport strategies. Across the Nation there is huge diversity of need and of landscape, and in some cases this will inform whether strict adherence to Cycling by Design is possible.

If an applicant believes they have an impactful scheme for which evidence to support a departure from Cycling by Design is available, this should be included in the application. In general, an application that departs from Cycling by Design without a strong and evidenced basis for doing so, will be scored down. Early discussion with Transport Scotland

officers is advised in order to gauge any possible detriment to overall application scores.

## **Statutory requirements and policy alignment**

Public bodies, and those funded by public bodies, need to ensure they are meeting the general requirements of the Equality Act 2010, and the Public Sector Equality Duty for example.

It is the responsibility of the public body promoting their active travel schemes to set out how they will meet all statutory duties in that and all other respects, including inclusive engagement to inform these.

While compliance with these duties is a requirement for funding, it is not the role of Transport Scotland to provide detailed reviews or feedback on statutory responsibilities. However, public bodies will be required to provide evidence that they have fulfilled these duties as part of the funding process. Transport Scotland may conduct high-level checks to ensure compliance where appropriate, but the ultimate responsibility remains with the public body to determine and fulfil its statutory obligations. The fund aligns with the purpose set out in [Going Further: Scotland's Accessible Travel Framework](#) and use of the draft [Guidance on Inclusive Design for Town Centres and Busy Streets](#) where appropriate.

## **Other considerations**

Some projects are considered as 'major investment projects' in the Scottish Public Finance Manual [Major investment projects - Scottish Public Finance Manual - gov.scot](#) e.g. has a total anticipated whole-life cost of £5 million plus inclusive of fees and VAT (though see other circumstances in the Manual). For such projects, SPFM indicates that a business case will need to fully reflect the options for delivery and that each option is evaluated to determine the implications on expenditure and use of resources. The business case and delivery options must be scrutinised as part of the appropriate project approvals process. If funding is sought from Transport Scotland then it is likely that Transport Scotland will require to confirm it is content with the business case for funding to be released. Therefore this should be built into project timescales where appropriate.

For projects which are likely to fall within the definition of major projects then a business case is likely to be required to support an application, or funding for a business case may be able to be applied for through ATIF. If your project is likely to fall into this category and does not have a

business case, please contact Transport Scotland to discuss further by e-mailing [scot-tag@gov.scot](mailto:scot-tag@gov.scot) copying to [ATTFund@transport.gov.scot](mailto:ATTFund@transport.gov.scot)

All projects will require to develop and implement a Monitoring and Evaluation Plan which ATIF can fund.

### **Appraisal Criteria**

Further information on the criteria that will be considered when assessing applications can be found in Annex A.

### **Decision making process**

At the close of the application window, each application will be independently assessed to establish a prioritised list of eligible design projects for which we have sufficient available budget, and those that are not eligible. Transport Scotland will endeavour to provide proportionate feedback to unsuccessful applicants to indicate if a project was deemed to be entirely outwith the fund objectives and a future re-application is unlikely to be successful, and those that could be strengthened in the future.

### **What happens next**

Transport Scotland will formally notify all applicants of the outcome of their applications as soon as is practicable. The timetable is difficult to define at this stage since the overall Scottish Government draft budget is subject to approval by the Scottish Parliament in the first instance, followed by the outcome of our internal budget approval process. However we are aware that applicants welcome early notification in order to develop work plans for the year.

Once we are able to notify each applicant, those that have been successful will be provided a grant offer letter which is the legal agreement detailing all the outcomes and deliverables expected, the reporting requirements and deadlines for receiving those reports and any claims. This grant offer letter must be signed and returned to Transport Scotland within one month of the date of the offer, or the offer may be withdrawn.

Across the financial year, applicants will be required to meet with Transport Scotland officials to provide regular updates as to the progress of each design project. The reporting requirements will be included in the grant offer letter so all parties understand what is required in advance of signing and returning the grant offer letter. The

frequency of engagement with Transport Scotland will also be outlined and depend on the projects.

We will detail deadlines for providing financial reporting and making claims in the grant offer letter and it is important that applicants understand that these dates do not have any flexibility. If claims are received after the deadline, we cannot guarantee that we will be able to pay the funds, therefore it is imperative that grantees integrate meeting those deadlines into their work plan. There is also no ability to move funding from one year to the next as funding for subsequent years would come from the budget for subsequent years.

## **Annex A – Appraisal criteria for design funding**

When considering funding awards the following will be considered:

1. Increase the number of everyday journeys made by walking, wheeling and/or cycling
2. Support more trips to school made by walking, wheeling and/or cycling
3. Improve physical and perceived safety for people walking, wheeling and/or cycling
4. Make walking, wheeling and/or cycling more inclusive for the project community, taking into account all protected characteristics
5. Improve the quality and/or integration with public transport of current walking, wheeling and/or cycling infrastructure
6. Positively impact an area of higher deprivation (as identified by the Scottish Index of Multiple Deprivation (SIMD))
7. Contribution to the 20% car km reduction target
8. Local policy support – That the project is contained within an existing Active Travel Strategy, Network Plan or masterplan
9. Political support – Whether the project has political support
10. Consideration of value for money
11. Delivery programme with break down of costs for each element requested, including procurement strategy where known
12. Relative (construction) cost – Indicative cost per mile will be considered
13. Absolute (construction) cost – Absolute monetary cost of projects will also be considered to ensure that there is a variety of scale of projects considered for funding

14. That adequate funding and resource has been accounted for within the project budget and delivery plan
15. Risk register – Top 5 risks relating to the project are provided.
16. That engagement/behaviour change/communications plans/road safety audits (and other deliverables as relevant) are proposed or have been undertaken to the relevant stage and are inclusive
17. The applicant has the capability/capacity, either internally or from external support, to deliver the project and that this has been accounted for within the application
18. That the relevant impact assessments, including EqIA, are proposed or have been undertaken and that copies of these are available
19. Whether the project is on the National Cycle Network and if so, that it has the support of Sustrans. Please note that National Cycle Network related applications will be shared with Sustrans
20. Statutory permissions that will be required/are known given the stage of the project and the progress of these
21. A monitoring and evaluation plan (including the collection of baseline data) will be developed or is in progress

Note that this is not exhaustive and other factors may be considered.