



Department
for Transport

Zero Emission Bus Regional Areas Scheme – 2021 to 2022 Application Form

Call for Expressions of Interest

Applicant Information

Local transport authority: Blackpool Council

(For joint bids only) Which local transport authority is the lead bidder: n/a

Area within authority covered by bid: entire local authority area and services run into both Fylde and Wyre district areas

Bid Manager Name and position: David Simper – Group Leader (Transport Projects)

Contact telephone number: 01253 476176

Email address: david.simper@blackpool.gov.uk

Postal address: PO Box 4, Blackpool, Lancashire, FY1 1NA

Submission of proposals:

Applications to the Scheme will be assessed against the criteria set out here and in the guidance document. Please adhere to word limits. We will not accept any additional information unless specifically requested.

Proposals must be received no later than 17:00 on the following days.

- **Fast track process** - 5pm on 21st May 2021
- **Standard process** – 5pm on 2nd July 2021.

You will receive confirmation that we have received your proposal within 1 working day.

An electronic copy only of the bid including any supporting material should be submitted to buses@dft.gov.uk.

Please include “**ZEBRA (Fast track Process) Local Transport Authority name**” in the subject line of the email if you are applying under the fast track process.

Please include “**ZEBRA (Standard Process) Local Transport Authority name**” in the subject line of the email if you are applying under the standard process.

Enquiries about the Fund may be directed to buses@dft.gov.uk.

Transparency and privacy

Please refer to the guidance for this scheme before completing the application form to understand how DfT will manage your data.

SECTION A: Mandatory Questions

Areas must satisfactorily answer all of the questions in this section to be eligible to progress to Phase 2 of the scheme. If you would like further information, please contact the Department for Transport at buses@dft.gov.uk.

Areas must provide the information requested in questions A1-A5.

A1. In total, how many new zero emission buses will your proposal deliver?

The proposal will deliver 115 new zero emission buses of which 58 will be single-deck and 57 double-deck.

A2. Total DfT funding sought (£m)

While there is no minimum or maximum size for bids the department is interested in supporting at least three areas across the ZEBRA scheme as a whole, so we expect to see schemes that are approximately £25m – £35m. This is designed to encourage a wide range of bidding areas to come forward and to ensure DfT are able to fund at least three areas across the whole scheme.

Total DfT funding of £ is sought.

A3. Third party funding contributions (£m)

Total third party funding is £, of which £ is the base (diesel) bus cost and £ is the 25% ZEB contribution. SSE is willing to make a contribution of asset value towards the costs of the project of £ to £ and the rest of the third party contribution will be provided by the bus operator, Blackpool Transport Services Ltd (BTS), an arms-length company 100% owned by Blackpool Council. This will be funded by the sale of existing (mid-life) diesel buses with an estimated resale value of £ and by a shareholder loan.

A4. Funding from other government schemes (£m)

Please set out any funding from other government schemes that is intended to be used alongside funding from the ZEBRA scheme.

n/a

A5. Total cost of the proposal (£m):

This should include DfT funding as specified in A2, any third party contributions as specified in A3 and any funding from other government schemes as specified in A4.

Total scheme cost is £ , of which £ is the base (diesel) bus cost and £ is the ZEB element (buses and infrastructure).

Areas must be able to answer yes to question A6-A12 to be able to progress to Phase 2.

A6. If your bid is successful, are you able to invest DfT funding within the time outlined by your scheme?

Yes, scheme planning has been underway for two years and a draft programme has been prepared, ready for implementation.

A7. If your bid is successful, are you able to capitalise DfT grant funding?

Yes, the council is able to manage DfT grant funding as per the guidance. Blackpool Council has a proud history of participation in Government initiatives and delivering under them. Most recently the economically vital Yeadon Way road has been strengthened and resurfaced using resources from the National Productivity Investment Fund and Local Transport Plan match. The council also secured resources under the Local Highways Challenge Fund to secure and renovate the town strategically important bridges in such as Devonshire Road bridge.

Blackpool Transport Services and the council also participated successfully in the Clean Vehicle Technology Fund project, equipping twenty five older vehicles with ad blue dosing and micro-fans to save fuel and reduce polluting emissions. Having met the scheme's requirements, even more efficient euro vi compliant vehicles have now replaced these units, which are themselves now due for replacement with the new generation of electric buses.

A8. Have you considered whether additional zero emission buses are needed to replace existing buses?

Evidence suggests that replacing diesel buses with zero emission buses can require additional zero emission buses to provide the same level service as provided by diesel buses. Areas should set out how many additional zero emission buses are needed to replace existing buses. If areas are of the view that additional zero emission buses are not required please set out why.

Yes, fleet operation profiles have been reviewed and current bus workings that cannot be completed by a zero emission bus without a recharge have been identified. In some cases, scheduled downtime can be used to undertake opportunity charging in our centrally located depot, but in others an additional vehicle would be necessary. We calculate that a total of five (5) additional zero emission buses will be required.

A9. Have you provided a breakdown of infrastructure costs for your proposal?

Infrastructure costs could include (but are not limited to): cost of charging unit or refuelling stations electrical or other power components; civil engineering works, labour costs (for installation); hardware costs; capital costs of developing associated software systems; surveys at the point of procuring the infrastructure provided they can be capitalised; upgrades to the energy grid to cater for increased energy demand.

Yes, best estimate costs based on figures supplied by SSE have been provided in the accompanying spreadsheet.

A10. Does your proposal have the support of bus operator(s) in the area?

*The proposal requires the support of at least one bus operator operating in the area who will operate the zero emission buses. The bid does not, however, need the support of all bus operators operating in the area. If local transport authorities are not able to provide this evidence of support from operators they **must** explain why.*

Yes, this proposal is fully supported by Blackpool Transport Services Ltd, and a letter of support is provided. This commitment includes specifying and procuring the vehicles, preparing them for service use and refurbishing the depot for recharging and ongoing servicing. A promotion campaign using traditional routes, social media and the in house app would be delivered. Subject to any covid restrictions, a public launch event would be held where people could try the new vehicles, speak to staff and pick up promotional goodies.

Both principal partners are hoping for a significant modal shift from car to bus travel resulting from this transition to an electric bus fleet. The vehicles must not be perceived as just another bus, only electric; they need to be a step change in ride quality and passenger comfort. Once away from exclusively car travel, passengers would also use other operators' services more (Stagecoach Bus – three non-electric operable inter-urban routes, Coastliner Bus and Coastal Coaches), also cycle, walk and taxi, not to mention coach and rail for longer distance trips, and tram along the coast. This modal shift would have benefits beyond measure, but reduced congestion, further better air quality, healthier lifestyles through exercise and generally improved public realm ambience would be primary gains.

The council's traffic monitoring shows that levels are now back to pre-covid levels and are likely to climb above, a situation that needs to be turned round as soon as possible.

A11. Have you spoken with any energy companies when preparing your proposal?

Energy companies could include Distribution Network Operators, Independent Distribution Network Operators, energy supplier, energy storage companies, smart charging providers or hydrogen fuel providers.

Yes, the proposal has been prepared following discussions with SSE and a letter demonstrating their commitment to the proposal is attached to this application.

A12. Does your proposal comply with the accessibility requirements set out in the scheme guidance?

The scheme guidance sets out a number of accessibility requirements including: requiring buses to incorporate equipment to identify the route, each upcoming stop, and the beginning and end of diversions: providing an induction loop to aid direct communication between drivers and passengers who use a hearing aid and providing an additional flexible space in addition to the mandatory wheelchair space, suitable for a second wheelchair user and/or at least two unfolded pushchairs or prams.

Yes; even before the National Bus Strategy the council has encouraged all operators in the town to meet and exceed accessibility standards for local bus travel. Our demographics, both residents and visitors, ensure that this is a priority for Blackpool Council.

Our partners in this expression of interest, BTS, are recognised for the high physical accessibility standards of their bus fleet, their buildings and infrastructure, but also an overarching commitment to disability training for all staff and partnerships with all leading disability groups on the Fylde Coast. As an example every member of staff, including administration and engineering staff, undertake dementia training, with BTS recognised as the first UK bus company to achieve full “Dementia Friendly” status. A Dementia Safe Haven was created within Blackpool Transport town centre customer centre to offer an additional support facility. They have successfully run Disabled Access Day events at depots and facilities, building strong links with representative bodies and individuals.

As the maximum age of any BTS vehicles is currently five years and its Alexander Dennis supplied vehicles are specified at higher levels than required by Equalities Act 2010, PSVAR and DfT guidance we can confirm that any future vehicles will continue to maintain the high standard established, both in physical accessibility to buses and continued emphasis on customer facing staff disability training. We can confirm that the specification agreed with BTS preferred supplier, ADL, will meet the enhanced accessibility standards requested, over and above the PSVAR requirements. These include the visual, audible and induction loop information and communication links with passengers, plus additional wheelchair space as identified in the EoI guidance.

SECTION B. Defining the place

This section will seek a definition of the area to be covered by the Zero Emission Bus Regional Area. Areas should:

- Include information setting out the extent of the area to be covered by the proposal – the **defined area**. If the defined area is different to the area covered by the local transport authority please make this clear. Please provide maps if required.
- Provide details on the bus sector including naming **all** operators who operate services in the defined area, their market share and fleet sizes. This should include both operators who are supporting your proposal and will be operating the zero emission buses and other bus operators in the defined b area.
- Clarify what proportion of bus services in the defined area will be operated using zero emission buses.

Please limit your response to 500 words. Please provide maps as annex documents if required.

At the Fylde Coast's heart, the Blackpool Council area is this proposal's focus. However, many BTS services cross two administrative areas, thus parts of Wyre and Fylde districts are included to establish a viable 'Defined Area'. Wyre and Fylde councils have Lancashire County Council (LCC) as their transport authority, and all support this submission. Because of the three councils' contiguous urban area, the Zero Emissions bus network will serve the primarily BTS operated area, including Fleetwood, Poulton-le-Fylde, Lytham and St Anne's.

The Fylde Coast has a strong tourism economy with Blackpool the main attractor with 18m visits a year. Recently there has been growth in industrial, retail and service sectors. Our sub-regional plans aim to expand communities by increasing house building and attracting new employment. However, Blackpool continues to suffer deprivation: in 2019 Blackpool was identified as the most deprived of 317 English local authorities (Index of Deprivation 2019). A reliable, affordable local transport network, providing access to employment, education, retail and leisure, is key to enabling communities to thrive.

BTS provides 92% of the region's bus mileage with a 115 strong fleet offering services within Blackpool, Wyre (82%) and Fylde (48%). The company has benefited from £25m in vehicle investment since 2016, giving BTS a national reputation for quality. The last Transport Focus Passenger Survey 2019 before Covid-19 found that 92% of respondents are satisfied (60% very satisfied) with its operation, contributing to recent 5% pa customer growth. There is now a clear post-covid agenda to restore ridership.

BTS operates the tramway between Blackpool and Fleetwood. This refurbished 18 vehicle system was reopened in 2012. An extension to Blackpool North railway station will open in 2022, also creating bus interchange opportunities. Three of five Northern trains serving the Fylde Coast are now electric, as is the Avanti London service. A zero emissions bus fleet would give Blackpool the UK's most sustainable and wholly electric EV local public transport network.

Other regional operators include Stagecoach Bus, running inter-urban services, and two smaller operators, Coastliner, operating limited town services in Blackpool, and Coastal Coaches, operating tendered rural services on behalf of LCC.

Our proposal is to transform the Fylde Coast (population 330,000) to 92% (by mileage) using zero emissions buses, by converting the BTS fleet over three years. It is hoped that partner operators would be able to transit to electric vehicles in due course to achieve an entirely electric Fylde Coast service.

Statutory procurement procedures will be adhered to. BTS has developed priority order options for electric vehicles with ADL, and has prepared a draft business case for match funding through sale of current Euro IV vehicles, council loans and revenue funding.

As BTS has a rapid fleet replacement policy, it has delivered a wholly Euro VI compatible fleet, and investigated in 2018/19 potential zero emissions bus transit. Because of the BTS fleet's young age, replaced vehicles will be attractive for resale to operators needing double deck buses, creating a valuable revenue stream to further improve the business case.

SECTION C: Ambition

This section will seek evidence of the level of ambition from the local transport authority to decarbonise their bus fleets, support bus services and decarbonise transport.

C1. Public transport ambitions

Areas should:

- Provide clear explanation of your ambition to decarbonise the bus fleet in the defined area and how this proposal will support this ambition. If the defined area is different to the local transport authority area please explain your ambitions to decarbonise the bus fleet in your local transport authority area and how this proposal will support this ambition.
- Provide evidence of existing plans to support the provision and operation of local bus services in the area. This could include existing partnership working between the local transport authority and bus operators, bus priority measures, improvements to information about bus services.
- Include complementary policies to decarbonise transport in the area.
- Explain how the proposal supports wider ambitions to increase public transport use and active travel in the area.

Please limit your response to 500 words.

The council is actively promoting sustainability and an integrated climate change response. In 2019 Blackpool Council declared a Climate Emergency and committed to a policy and action agenda to combat the global climate change existential challenge.

Working with a number of Fylde Coast partners we are seeking to make a step change in how we live, work and travel. We are committed to making the council's own carbon emissions net zero and using 100% clean energy across the council's services by 2030.

A key strategic component is addressing the private car's emissions impacts and to encourage a switch to both active travel and clean, green local public transport. The Climate Emergency declaration builds on our core anti-congestion traffic management policies and a new air quality management strategy.

Our Local Plan commits the council to:

'working with bus operators to provide enhanced bus services with efficient comprehensive routing served by high quality infrastructure, providing bus priority measures to enable operational service efficiency.'

Our new Local Transport Plan will combine the updated plans, policies and strategies emerging from the Climate Emergency targets, confirming our commitment to environmentally friendly travel across the Fylde Coast.

The current Local Plan and LTP both promote public transport and active travel, while working to mitigate Blackpool's large visitor traffic flow impacts. For example, our ongoing works programme has recently introduced a new town centre bus hub area, offering pas-

sengers a significantly upgraded waiting environment. Plans for new bus priority will dovetail with the increased emphasis in using TMA powers with the National Bus Strategy, delivering an ambitious BSIP.

We are fortunate to have retained an interest in our municipal bus operator, BTS, and as sole shareholder can work closely to deliver a quality and sustainability step change, although the company remains operationally independent. We will seek to establish a formal Enhanced Partnership with BTS and other bus companies in 2022, building on good relationships with all operators built up over many years. This level of integration of strategic goals and commercial growth, while year on year improving services to our communities, is our 'dividend'.

Therefore council business loans have been widely supported to enable BTS to renew its fleet, making that fleet one of the youngest in the country. With Government support this mechanism can be used to facilitate a total fleet transition to zero emission bus vehicle operation.

The council is also appraising electric or other low emission vehicle adoption and will phase these vehicles into its own municipal fleet. Local taxi operators, such as Premier, have voluntarily adopted hybrid EVs and increasingly full ZEVs, in advance of legislation.

The escalating Climate Emergency makes this region wide transition urgent. The council is overhauling all of its policies to reduce its carbon and energy footprint, reviewing its funding mechanisms to support a zero carbon objective. Achieving comprehensive electric bus adoption will be a primary objective. Recent data reported in the national press indicates that sea level rise threatens Blackpool within a small number of decades.

C2. Community benefits

Please highlight any community benefits from your proposal. This could include economic development in the area or the creation and/or retention of jobs and apprenticeships related to the maintenance of zero emission vehicles, including batteries and fuel cells, and supporting infrastructure.

Please limit your response to 500 words.

The council has a clear understanding of the relationship between an effective local transport network and community benefits. Mobility is essential for residents, employers and visitors, making connections between homes and education, work, healthcare and retail, plus offering safe and secure travel for our guests. Transport links between deprived estates and new employment sites, such as the Enterprise Zone, are being considered.

Proposals for new mixed use town centre developments and a general policy to create employment across the Blackpool area, underlines the benefits of jobs attracted through the Government's 'levelling up' agenda, plus job growth post Covid-19 as major employment sites such as the airport are redeveloped. Local public transport links are being rethought to serve these opportunities, which are often setting themselves 'stretching' sustainability goals as part of their development agreements and travel plans. Clearly bus modal share to new developments needs to be maximised; car access for all can no longer be assumed.

With the challenge of having the highest levels of deprivation in England, we know that maintaining and improving reliable, good value transport is essential. Disadvantaged residents have the certainty that there is a public transport offer that meets their essential

travel needs, so that people are not private car dependent to access jobs, training, education or healthcare. There is no room for complacency and further work to extend the network, enhance frequencies and keep fares low are shared council and bus company objectives.

Public transport and its benefits are defined as quality sustainable transport for all. The council and its operator partners wish to catalyse a consistent modal shift from private car to electric bus. Bus should not be perceived as 'poor man's transport' but a general needs transport mode for all. Although concentrations may be low, there is a clear advantage in removing harmful emissions from people's environments. EV buses are also significantly quieter than diesel. These EV buses will represent a step change in ride quality, differentiating them from previous vehicles and making them attractive to a wider social profile.

By making the network future proof through early zero emission vehicle adoption, we can then concentrate on enhancing and extending our service offer, through an Enhanced Partnership. With new buses in play, operators can develop existing training and work support programmes for local people:

- With Blackpool and Fylde College offering bespoke electrical vehicle technician courses the opportunity to expand BTS EV apprenticeships every year is built into our draft business case
- BTS is providing University of Lancashire internships and this strengthens the relationship in advance of conversion to electrical drivetrains
- The council and BTS are partners in Digital Blackpool, which is establishing a centre of excellence to make the Fylde Coast a hotbed of digital innovation and home to new sustainable technologies

Blackpool is a town that pioneered electric transport systems over 100 years ago, and we see potential for significant economic and social agglomeration benefits as electric vehicle, battery and infrastructure businesses select the Fylde Coast for relocation and expansion.

C3. Support for your proposal and wider vision

Provide evidence of support for your proposal and wider vision, such as letters of support or evidence of engagement, from partners.

This **must** include evidence of support from the bus operator(s) who will operate the zero emission buses. You **do not** need to include evidence of support from all bus operators within the area, only the operator(s) who will be operating the zero emission buses. This evidence must be a signed letter by both the CEO/equivalent level of the company and the local MD, committing to investing in the buses and operating them in the defined area e for a minimum of 5 years.

Local transport authorities that have not included this evidence must clearly set out the reasons for this.

You **must** also include evidence of engagement with an energy company. Energy companies could include Distribution Network Operators, Independent Distribution Network Operators, energy supplier, energy storage companies, smart charging providers or hydrogen fuel providers.

Areas may also wish to include evidence of support from other relevant bodies, depending on the proposal, for example:

- Other tiers of local government
- Local Enterprise Partnerships
- Local Energy Hub
- Leasing companies
- Finance companies

Please limit your response to 1000 words. Evidence of support, such as letter of support, can be included as annex.

The council owned bus operator BTS will be the principal partner. Its Managing Director has provided a detailed letter setting out its intent to deliver this project, which is attached to this Expression of Interest as requested. There is a clear commitment by BTS to invest in a comprehensive upgrade to a zero emissions bus fleet and it will continue operating them in the defined area for a minimum of five years, in line with its own replacement policy. The risk of the vehicles being lost to the Fylde Coast region after the investment is negligible as the bus company is 100% locally based and funded, with no national or international ownership.

Other operator partners have also been considered for the ZEBRA scheme. After consideration they will not participate in the Blackpool led scheme but may be involved in a Lancashire County Council ZEBRA bid. This is primarily because it is more difficult to electrify rural and inter-urban routes with the technology currently available but hybrid or hydrogen powered vehicles might be considered for deployment in the future.

Both BTS and Stagecoach Bus are well advanced in appraising electric bus vehicles, following their transition to complete Euro VI compliant fleets over the last two years.

The smaller Fylde Coast region operators can be brought into similar conversion schemes as opportunities arise. For example Coastal Coaches provides a tendered service from the Fylde district for Lancashire County Council, which terminates in Blackpool and in future the LCC contract may specify ZEB operation. There is a clear objective to achieve 100% electric operation across the Fylde in partnership with our valued operators over as short a time period as possible.

We have secured stakeholder support from the Lancashire Local Enterprise Partnership and adjoining local authorities (Fylde Council, Wyre Council and Lancashire County Council) as the proposal is considered to be compatible with their environmental and economic objectives. The local business community, including the Winter Gardens venue and the Blackpool Business Leadership Group, have also recognised this project's enviro/economic advantages and are fully in support. The vehicles must help regenerate town centres as retail offers are adjusted, including replacing the lost Houndshill Centre Debenhams anchor store.

Wyre and Fylde council areas benefit from BTS providing a large proportion of their public transport and are in support, providing letters to confirm (see attached). LCC is these areas' transport authority and it also supports the scheme in line with its own transport and environmental objectives and principles.

Tourism is very important to the Fylde Coast and the viability of its bus and tram operations is enhanced through providing a high quality public transport offer to visitors to the

region. BTS has built strong partnerships with attractions, hospitality and hotel sectors, including integrated marketing, service information, apps and discount travel offers. Representing this important sector of the economy the council's Visit Blackpool organisation is fully supportive and will work with tourism stakeholders such as Stay Blackpool (representing hoteliers) and Merlin Entertainments to stress EV bus accessibility to premises and attractions.

As identified in section C2 above, the Fylde Coast benefits from a particularly innovative further and higher education sector, which partners with BTS on a range of technology, marketing and training projects. The Blackpool and Fylde College and Lancaster University are fully supportive of this bid, reinforcing the apprenticeship training, electrical engineering and digital technology benefits the project could bring to Blackpool.

The BTS Rigby Road depot will need to be reconfigured to accommodate and service zero emission buses, including overnight charging for 115 heavy duty batteries, when overall network demand becomes low. Renewable electricity generation options can be appraised and incorporated into this project. At this stage it is not anticipated that the electricity grid overall will require a significant upgrade to accommodate these new vehicles, but this needs to be kept under review as more EVs come into operation. A new sub-station at the depot will be necessary. If private motoring was to begin to transition to EV quickly, a wider network upgrade would be needed in central Blackpool (where the BTS depot is located), but the trend is not yet accelerating sufficiently to place excessive demands on the network at this stage.

Initial discussions between BTS and SSE, which would be the electricity supplier and technical adviser, are already ongoing and they have provided their support for the project.

Blackpool Council has ongoing relationships with energy and electrical services suppliers and the conversation regarding this possible scheme has progressed through regular contact channels. The council's energy supply partners in this area are well aware of the direction the market is going and are prepared to upgrade the local supply network to accommodate more EV vehicles.

Contracts to provide vehicles will be let on a fully competitive basis. In preparation, BTS, our partner in this bid, has in recent years built a strong relationship with Alexander Dennis Limited, which has supplied all of its current new fleet of single and double deck Euro VI vehicles, which provides a market benchmark. Long running discussions with the vehicle supplier with regard to electric buses has involved sharing of technical information, depot and manufacturing site visits, and direct contact with BYD, the Chinese electric drive train manufacturers.

ADL has offered a letter of support with confirmation that, if successful in securing an order, they can establish a build programme for the required number of vehicles over the planned implementation period, although this will be contingent on following procurement procedures.

The council will continue to support this initiative, providing finance using the shareholder loan mechanism, including investment in vehicles and supporting infrastructure. The town has a recent history of investing in transport infrastructure including BTS' bus fleet, the tramway and acquisition of Blackpool airport as part of an enterprise zone strategy. This is the next logical step for the council in its commitment to the road to zero emissions.

SECTION D: Air Quality

This section will seek evidence of the air quality challenges in the area and how your plans tackle air quality in the area. Areas should:

- Set out the air quality challenge in the area, such as whether the area is identified in the national assessment as exceeding statutory limits.
- Set out how the proposal would address the local air problem.
- Provide evidence of existing transport plans to tackle air quality and greenhouse gas emissions.

Please limit your response to 500 words.

We will not accept bids covering places that cannot show that they have air quality issues.

The Challenge

Traffic emission levels largely determine Blackpool's air quality. The M55 terminates at Blackpool's boundary, bringing significant traffic into the town. Peak tourist traffic often means congestion. Other Blackpool main roads are the A583, A5073 and A5230, leading off the M55, the A587 and the seafront A584.

Blackpool Council has one Air Quality Management Area (AQMA), located in central Blackpool, declared in 2005 due to annual mean nitrogen dioxide limit exceedances.

Blackpool monitors air quality at one AURN station (measuring NO_x and PM₁₀) and non-automatic NO₂ monitoring sites across the town. Measured emissions have declined in recent years, but have still come uncomfortably close to statutory limits and have exceeded at times. When the Blackpool town centre regeneration envisaged, including a major employment hub arrives, town centre travel demand will increase possibly causing air quality deterioration. Thus a modal shift to EV public transport and a policy to move all bus services to EV operation is imperative. This needs to be a strong and persistent programme with full Government support, as many citizens are, or believe themselves to be, locked into private car use and viable alternatives need to be provided.

Blackpool with its compact geography, urban form and links to other areas is this project's ideal venue.

Addressing the Problem

The Blackpool Joint Strategic Needs Assessment identified the following action to improve air quality:

- Promoting and facilitating the use of electric vehicles by public transport operators and public authorities

This project will support the air quality management strategy directly. The council proposes a benchmark target 10% drop in nitrogen dioxide emissions following EV fleet adoption.

In addition, given the recognised Oslo effect of rubber-tyred vehicles creating additional PM_{2.5}, drivers need encouragement to shift to EV bus, rather than merely replacing ICE vehicles with EVs, retaining congestion's public realm impacts.

Transit to EV buses would reduce emissions outside schools, many adjacent to arterial roads.

Existing Transport Plans

The council has invested £22 million into the tram network's Blackpool North Station extension, connecting with the rail network and due to open in 2022. Improving non-car access in several ways, this will reduce town centre area emissions.

The council has designated a green infrastructure officer and strategy, tasked with improving the town centre, including by re-designating road space to cycling, walking and green-space. The Local Transport Plan and Core Strategy both consider and promote non-car travel options. A traffic jam of EV cars remains a problem, even if it's not polluting.

However, the transit to EVs has clear benefits. The council has recently installed four electric charging points in a town centre car park to join the three already in place. Other privately operated charging points are available. This will assist local EV transit and support the crucial visitor economy.

Blackpool Council was the lead local authority partner for the successful Living Streets (a charity organisation that encourages people to walk more, including encouraging children to walk to school) bid for Walk to School funding. Funding to continue this programme has been requested.

SECTION E: Value for Money

This section will seek evidence how you meet the Value for Money criteria, as set out in the guidance. Areas are also required to submit a separate value for money proforma that has been published alongside the application form. This spreadsheet requests basic information about the proposed investment to enable the value for money to be assessed using the Department's "**Greener bus model**".

The information in a completed pro forma, enables the model to estimate the greenhouse gases (GHG) emissions savings, other environmental & social impacts such as reduction in particulate matter (PM) and nitrogen oxide (NoX) emissions and savings & costs in the public and private sectors. By quantifying the key impacts of a proposed investment, this model helps provide decision-makers with as full a view as possible, about impacts on the environment, society, transport operators and the government finances.

The model provides a measure of the 'Value for Money', in the form of a benefit cost ratio (BCR) alongside other metrics such as the total estimated GHG savings and a cost effectiveness indicator estimating the net cost per tonne of carbon saved. These outputs will be used to score bids based on value for money.

The model does not capture every possible impact from a proposed investment, such as impacts from any resulting increases in patronage, improvement to the quality of journeys, or increased reliability. Where wider impacts (positive or negative) from investment are expected these should be stated, in the pro forma, as non-monetised impacts. These will be considered when making a value for money judgement, as set out in the Department value for money framework.

Our completed value for money pro forma spreadsheet is attached to this application.

SECTION F: Deliverability

This section will seek evidence of how the Zero Emission Bus Regional Area will be delivered, and demonstrate that plans are credible and deliverable.

F1. Method of delivery and timescale for implementation

Establish the method of delivery, to cover:

- How you will work with local bus operators and other partners to deliver the proposal
- Any public consultation or third-party permission that will be required (e.g. for infrastructure)
- Explain any mitigations put in place for SMEs.
- Timescales for implementation, including when orders will be placed for zero emission buses and when supporting infrastructure will be delivered.
- Please demonstrate how your plans are credible and deliverable in the time proposed, and that any risks have been understood and mitigated

Please limit your response to 1,000 words.

Our proposals have been developed in close collaboration with the principal local bus operator, Blackpool Transport Services Ltd (BTS), who will be operating the zero emission buses. There has been direct engagement with potential vehicle supplier ADL and SSE as electricity supplier. This early engagement has highlighted key issues and constraints, and informed the detail of the scheme proposals. The conclusion is that the programme envisaged is entirely deliverable and would furnish a case study of a medium sized operator providing a network service in an interesting area, serving the local community and providing for visitor economy needs.

If our bid is successful, an early imperative will be to establish a delivery group using the council's Prince 2-based project management system, managed by council officers and including stakeholders' representatives. This would meet monthly, convening issue focused workshops as required. Two integrated delivery teams will be formed within the council and the operators' group, communicating directly and through a nominated liaison officer. Both will report to the delivery group and the BTS management board. The proposal has been discussed pre-submission with partner operators, at the council's quarterly bus operators' forum.

Following approval, we will finalise a risk register and risk management plan in accordance with our project management system. This will:

- identify and document individual and overall project risks
- analyse identified risks using a risk probability and impact matrix to determine the probability that risks will occur and the impact it will have on project objectives. Risk scores will be calculated by multiplying probability with impact to highlight high-priority risks.
- plan the risk responses to address project risk exposure, considering options to avoid, transfer, mitigate or accept the risk.

The risk management plan will be a dynamic document, used iteratively to review risks throughout the project.

The project would be delivered over the period 2022 to 2025, commencing with the initial depot refurbishment, and then an accelerated vehicle replacement programme, as shown in the draft project programme below. A critical path delivery profile will be established as part of a full project management plan which will be developed post approval.

	2021		2022				2023				2024				2025			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Depot refurbishment designed and commissioned	■	■																
Depot refurbishment on site		■	■	■	■	■												
Funding awarded			■	■														
Vehicles designed and commissioned				■	■													
Depot power infrastructure upgrade							■	■										
Phase 1 promotion campaign and events								■	■									
Phase 1 vehicles enter service									■	■								
Phase 2 charging infrastructure installation												■						
Phase 2 promotion campaign and events													■	■				
Phase 2 vehicles enter service														■	■			
Phase 3 charging infrastructure installation																	■	
Phase 3 promotion campaign and events																		■
Phase 3 vehicles enter service																		■
Evaluation exercise																		■

Our proposal is based on a three year delivery programme to ensure that the 25% contributory funding being provided by the bus operator is affordable within its capital expenditure programme and the associated cash flow profile is manageable and consistent with its sound financial control systems.

Upgrading of the Rigby Road depot to modern standards is scheme critical and a master-plan for this is in place. Planning permission has been obtained for upgrading the current East Garage including demolishing the existing single storey extension and erecting two storey front and side extensions. The council's property services team would support the delivery process.

By using a vehicle recharge rotation system, on-street recharging facilities and wider electricity network upgrading would not be required, accelerating programme delivery as street works for charger installation would be eliminated. The depot supply, however, would need to be upgraded and discussions have commenced with SSE in preparation for this. This work is not constrained by any planning permission requirement. Vehicle maintenance facilities would also need to be established and a staff training programme instituted.

Public consultation and engagement will be undertaken as proposals progress. The council is closely following University of Central Lancashire (UCLAN) research on perceptions of bus services, which will help determine the modal shift potential accruing to zero emission buses. Unfortunately, at the time of writing COVID-19 has paused this project. A BTS led bus passenger forum will also inform this process, when convened.

Public engagement will also consider the road safety implications of much quieter electric buses for pedestrians and cyclists. Driver training will also cover safeguarding potentially vulnerable road users.

The council is supporting a Lancaster University Masters student undertaking a project to determine factors behind mode selection and possible shift in the Fylde Coast's social context, particularly in Blackpool. This project's outcomes will provide insight material for the promotional campaign focused on the new buses' launch that will be required and will be delivered jointly. The buses will be used to project the innovative, forward looking image that the town needs to support its regeneration and economic diversification.

Promotion needs to focus on potential new bus users from a wide social spectrum rather than existing users. This means ads on rather than in the bus. Both principal partner organisations have good social media presence and links to traditional media, newspapers, radio and TV. Both are accustomed to delivering launch events and Blackpool has the spaces to accommodate a vehicle fleet to this effect. This will enable the buses' advent to be broadcast to the widest possible group of people.

The council and BTS have a strong track record in operating electric passenger transport over a century of running Blackpool's famous trams. BTS was awarded Public Transport Operator of the Year in 2017 at the North of England Transport Awards, where it was recognised for demonstrating innovation, excellence and best practice. It will be a remarkable thing to see the state of the art electric vehicles rubbing shoulders in the refurbished depot with the resort's magnificent heritage tram fleet, which still plies the Promenade bringing spectacle and pleasure to thousands of people. We are confident that, in BTS, we have a credible partner with robust management systems and skilled management and workforce geared to effective service and project delivery.

F2. Monitoring and evaluation

Please provide indicative details of how monitoring and evaluation will be used to ensure learning about the project and inform future schemes. A detailed monitoring and evaluation plan is not required at this stage but should explain how the approach to delivering services will ensure that future learning is maximised.

Please limit your response to 500 words.

As with all major investments, the council places considerable emphasis on good governance, excellent project management and detailed monitoring, so that post project evaluation can be undertaken for a full 'lessons learnt' review.

A project board will take the scheme through its full development and implementation cycle as well as the eventual post project appraisal and exit strategy, at which point the new electric vehicles will be operating. Monitoring and evaluation will be a standing project board agenda item. Assembling a baseline data position will be the project team's first priority – for example assessing emission levels, bus patronage and operating costs – as part of a robust monitoring structure. The project board will be jointly chaired between operator and the council. Governance structures, including reporting lines and key personnel, will be prepared for the next stage of business case development.

Opportunities to engage with service users, where their 'real world' experience with EVs will be sought, will initially be based on the established BTS bus user group. An annual customer perception and satisfaction survey will be commissioned during the project's lifetime. Promotional events will offer an opportunity to capture more customer feedback information and also to contact current non-bus users and provide them with public transport information. Generally it is found that non-users have misconceptions and need information about how modern bus services works, including fares and where to catch the services they need. Electric buses give BTS a chance to relaunch its services to these otherwise often hard to reach segments of the population.

It is important that a monitoring framework that enables the new fleet's performance to be compared with the previous DERV fuelled vehicles is put in place, building on available vehicle performance and consumption data. This will include indicators relating to running

costs, saved fuel burn, saved emissions and the effect as demonstrated by AQMA monitoring, ridership and modal shift and customer satisfaction. Initial figures show that each EV bus saves £K of DERV per annum, but incurs £K of electric charging cost. There is a £K BSOG loss, but a £K BSOG gain, which discrepancy might usefully be corrected. An early workshop to determine the monitoring framework would be held within one month of funds being awarded, ensuring that DfT monitoring requirements were met. BTS staff will advise on performance and maintenance indicators that are robust and straightforward to obtain.

The project would include provision for on-vehicle and on-road air quality monitoring equipment. Installation of on-line real time monitoring devices would provide an enhanced air quality data profile, complementing the indicator tube system that is in place. An exercise to establish a baseline position might be necessary. The project will conclude with an evaluation exercise that will measure success against the baseline data set and user perceptions of the new vehicles.

F3. Procurement, State Aid and subsidy rules

Please confirm you have received advice on legal requirements in relation to procurement, subsidy control and state aid.

Please also demonstrate how you will abide by legal requirements in relation to procurement, subsidy control and state aid, including an explanation, together with supporting evidence, of how you will comply with the principles under the UK-EU Trade and Cooperation Agreement.

Please limit your response to 500 words.

We have sought an understanding of the council's legal requirements to ensure compliance with procurement, subsidy and state aid rules:

Following Brexit UK has to abide by domestic subsidy control rules, the primary requirements being set out in Articles 366 -375 of the UK-EU Trade and Cooperation Agreement OJ L 149/10. The subsidy definition is similar to the State aid provisions the EU applies to meet its TCA obligations.

Grant to the Council would not have been a State aid to it as it would simply be passing funds through to BTS, the intended beneficiary, and will not be a subsidy at that level either given the commonality in definitions. However the safe assumption is that when passing on to BTS the funding will be a subsidy as BTS is engaged in the activity of providing transport facilities in competition with (say) Stagecoach and FirstGroup who are cross border operators. This is so even as a local authority's subsidiary. This means BTS is an economic actor as per the TCA. The amount of subsidy is the grant, together with sub-commercial element in the loan (if any).

Consequently under TCA, Council will need to award by reference to the six Common Principles set out in the TCA and observe the minimum publicity requirements post-award. These are set out for convenience in the table attached which Council will complete with the advice of its lawyers, information from BTS and a project appraisal backing the full application if this EOI succeeds.

Council will determine that the subsidy is the minimum amount required in delivery of the project's objectives, that there is no alternative and less distortive method of financing the project,

and that in balance the benefits from the project outweigh its distortive effects. Useful evidence of this is that the scheme itself is based entirely on a State aid scheme for the UK which the EU had already approved as meeting these common principles.

However Council will work with BTS and legal advisors to provide additional evidence of necessity, appropriateness and proportionality embedded in the common principles should this EOI be successful.

In terms of procurement law, as BTS will be obtaining a grant from the Council it is not a procurement. However as a contracting authority itself we anticipate a need to procure the acquisition of the buses by means of open competition as per Public Contracts Regulation.

It is hoped that this will permit the expression of interest to proceed. Additionally as stated, the operator will have access to commercial council business loans, the yield supporting local services. These loans are not state aid as only a discounted interest rate is involved.

The grant element is justifiable because it will accelerate the desirable zero emissions transition. Without this Blackpool Transport Services cannot transit to electric operation in the time stated. The project is a 'one-off'. It provides a template for future transition and therefore accelerates the desired national move to electric public transport. The fund's objectives are therefore justified.