

REDACTED VERSION

Missing text sections and white-out boxes are redactions for the publicly available version of this EOJ, due to commercial sensitivities and information relating to the upcoming competition



Department
for Transport

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

Call for Expressions of Interest

Applicant Information

Local transport authority:

Kent County Council

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

N/A

Area within authority covered by bid:

Dartford, Gravesham & Dover – all Bus Rapid Transit networks in Kent. These are branded Fastrack. The bid is for a ZEBRA contribution to electrification of the full Fastrack fleet.



Bid Manager Name and position:

Shane Hymers, Fastrack Development Manager

Contact telephone number:

Email address:

Postal address:

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 25th June 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?

33

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.

£9.2 million (c. % contribution to total cost)

A3. Third party funding contributions (£m)

n/a

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.

£ million

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

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

Yes

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 it's been considered, and no they will not be required. The Fastrack networks have been fully modelled to account for the dwell time required for opportunity charging. As significant dwell time is already built into the timetables for Fastrack to further enhance reliability, this time would be additionally spent charging. This service function is the main reason opportunity charging is the preferred method for Fastrack. The other reason is the long working days of the buses.

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, see VfM pro forma

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. Whilst this is a contracted service, we have support of all the operators who have actively expressed an interest in bidding for the contract (see appendices). If we successfully acquire this funding, a condition of tendering for the Fastrack operating contract would be compliance with the terms of ZEBRA.

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. We have discussed (and costed as per VfM pro forma) the requirements of our schemes with _____ and _____.

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, above and beyond PSVAR as per the National Bus Strategy's guidelines for buses funded by the Government.

We have learnt through electric bus trials that the loss of engine noise can be unsettling for our visually impaired customers. To address this, in addition to the on-bus announcements and induction loops, our new service app would include the option of location-specific simulated engine sounds with overlaid next stop announcements. This was an idea given to us by one of our concerned customers.

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.

The funding would provide complete coverage of our two Bus Rapid Transit networks in Kent: Fastrack Dover and Fastrack Kent Thameside (covering Dartford and Gravesham). Each of these networks would have just one operator. Therefore, there are no other bus operators in the “defined area” as it’s a closed network.

As contracted services, we don’t yet know who the operators will be but we have support of all operators who have expressed an interest in operating each network. The new operating contract for Kent Thameside Fastrack will commence in 2022. The maiden Dover Fastrack operating contract will commence in 2023.

Kent Thameside Fastrack 27 vehicles (% of local bus services)
Dover Fastrack 6 vehicles (% of local bus services)

Route maps are provided in an appendix.

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.

Ambitions for the wider authority area (i.e. the rest of Kent not covered by Fastrack Kent Thameside or Fastrack Dover):

Fastrack Kent Thameside is considered the flagship scheme of Kent. Its success attracted Dover to take on a 2nd Fastrack network, currently in development (approved). We anticipate the Fastrack model to spread further in Kent, as our existing success with BRT draws more interest from other areas trying to increase mode share of their buses and unlock 'growth without gridlock'.

We think the Fastrack brand will also encourage more BRT schemes across the country, outside of Kent, and Kent County Council often provide consultation and advice to other authorities (within the UK and internationally) given our expertise with BRT learned through Fastrack.

As part of our BSIP response to the DfT's National Bus Strategy, we will be providing an extensive response into the benefits of BRT as we know them, building upon your existing proposal (in the NBS) to "support more Bus Rapid Transit networks".

Exclusive BRT infrastructure provides the ideal environment for electric bus operation: there is less stop/start due to the fluid movement within the dedicated busways. For this very reason, Fastrack Kent Thameside will be exclusively hosting _____, as a showcase to a global audience. Previously, we yielded them with the optimum performance figures.

Within the defined area (Fastrack Kent Thameside and Fastrack Dover):

Across the existing Fastrack network, we have a mode share of 22 per cent. We are targeting 25% by 2025 – a quarter of all journeys made locally.

In April 2021 we conducted an extensive survey of residents that live within 500 metres of Fastrack. We asked what behaviours people may make to their lifestyles to improve their impact on the environment.

“Use Fastrack instead of the car”

46% - I am already doing this

16% - I’m thinking about doing this

5% - I haven’t thought about doing this

It is very clear that the local community understand the benefits that aggregated journeys have on the environment. By going electric with Fastrack we could push the environmental benefits even further and capture those considering more public transport use for more or all journeys (alongside walking and cycling).

Fastrack features centrally in every local plan for decarbonisation. As an example, please refer to the Ebbsfleet Development Corporation’s implementation framework: <https://ebbsfleetdc.org.uk/wp-content/uploads/2017/04/Ebbsfleet-Implementation-Framework.pdf>

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.

If our bid were successful, we would create:

- 6 full apprenticeship schemes from local schools (2 for each district covered), specialising in zero-emission mechanical engineering.
- 3 apprenticeships for zero-emission transport planning.

will additionally recruit the required technicians from within Kent.

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.

Enclosed as appendices are letters of support from manufacturers, energy suppliers and bus operators.

We also have full support from our Cabinet Member for Transport, as well as the elected portfolio holders for transport at all three boroughs covered by Fastrack. This is through our Fastrack Advisory Board.

Kent County Council has full confidence in delivering ZEBRA in Kent through Fastrack. As a contracted service, we don't yet have a contracted operator in place, but potential operators will be bidding for Fastrack in the knowledge that they would need to comply with ZEBRA, should we be successful. As you will see from the appendices, we have letters of support (and compliance) from a host of operators who have expressed interest.

Kent County Council is also committed to support the operators to ensure success. Following the pandemic, we know there is a nervousness amongst many bus operators in relation to investment, which is why we will be adapting Fastrack to a gross-cost provision, giving intending operators confidence in investment as this arrangement will last for a minimum of _____ We are asking for _____ % of the

cost of electrification (within the set thresholds), and Kent County Council will underwrite the match funding.

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.

KCC declared a Climate Emergency in May 2019 and this has influenced what is in the next KCC Five Year Plan. There are seven key outcomes in the plan, two of which are highly relevant to our project. 'Outcome 3 -Connected Transport and Communities' and 'Outcome 4 - A cleaner and Greener Kent'.

Dartford, Gravesham and Dover all have Air Quality Monitoring Areas (AQMAs) near the Fastrack networks. Each of these areas has significant exceedances.

The primary source of local pollution is derived from road traffic vehicles. Air quality is heavily influenced by the strategic road network managed by Highways England and Kent County Council. Achieving the necessary reductions in traffic on these routes and the knock-on effects they have on the local road network will be extremely challenging and increased mode share for public transport is now universally acknowledged as crucial to improvement.

Fastrack follows the principles of 'Public Transport Orientated Design'. This means that Fastrack is a critical to the continued economic development and sustainable regeneration of Kent Thameside & Dover and prevents unacceptable traffic congestion. The ability to accommodate the large-scale regeneration that is underway locally, is predicated on hugely increased use of public transport and Fastrack in particular. Without Fastrack, these plans simply could not be delivered. Fastrack continues to evolve and has become a leading example of a successful mass transit system, welcoming guests from all over the world, who wish to emulate our success. Its role in delivering successful new communities, is why Fastrack is managed by us as the transport authority and overseen directly by our cabinet member for transport. This despite being very commercially viable in a deregulated market.

Our plan is to further enhance the Fastrack network across more of Kent, as it truly represents a viable and attractive alternative to the private car. Through aggregated journeys, we alleviate both emission levels and gridlock. With a 22% mode share locally to the existing Kent Thameside network, and a forecast of 25% by 2025, our high frequency Fastrack network forms a critical part of local air quality measurements by providing nearly a quarter of local journeys.

Beyond Fastrack, it is our ambition as the local transport authority to only purchase non fossil fuel vehicles for any services contracted by the authority where we provide the vehicles or vehicle specific funding. We want this ZEBRA fund to be the catalyst for this pledge and we would not look back. Through the new National Bus Strategy, we hope to have greater influence over the quality of buses in Kent generally and will use Fastrack for learnings and as an example of good practice.

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.

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.

Kent County Council will go out tender for the Fastrack operating contracts during 2021 ready for service commencement of the new Kent Thameside contract starting in 2022 and Dover from 2023. Awarding in 2021, we will have almost a year for mobilising Kent Thameside. We have assurances and project timelines from all suppliers involved or that may win contracts that this is sufficient time to put everything in place. Specific electric bus and infrastructure requirements will be specified in the tender documentation along with details of funding support from this bid., should we be successful.

In 2018, Kent County Council formed a Fastrack Advisory Board with a range of partners (see appendix). This has created productive working relationships both at a senior level and officer level with the supporting cooperative Fastrack Working Group. In addition to this, Kent County Council took part in demonstrator trials in 2018. This was using opportunity charging electric buses and this gave us confidence in this operation type. As already stated, so successful was the trial that we are Fastrack later this year – t

Both and have actively shown an interest in being the preferred vehicle supplier for Fastrack. In partnership with bidding operators, they both can tailor the service level provided so that KCC and the Fastrack operator can get the most value from the operation. For example, a full maintenance and battery package could be taken by KCC for the first 5 years during which the manufacturers would assist in the upskilling of the local maintenance staff, after this period KCC or the operator could then move to a parts and battery contract only. Both will offer support for the vehicles for up to a - year period.

The 14 charging infrastructure sites at Gravesend, Dartford and Dover are proposed to be installed by [redacted] using their engineering team based in Kent. [redacted] have extensive experience in delivering critical electrical infrastructure across the UK, which includes vehicle electrification projects (e.g. Bus Depots, Logistics Depots, Airports, Rail) and will coordinate with the following stakeholders to ensure timely delivery:

- Charge Point Hardware: Procurement, supply, installation, and commissioning of the opportunity charging equipment
- Civils sub-contractors – design, construction, reinstatement, permissions, traffic management
- [redacted]

The final interface would be provided by [redacted],

No public consultation is required for the highway charging locations, however KCC will consult on the installation of charging infrastructure as good practice. Planning consent would be required for installation of charging infrastructure at the operating depots, and we will engage early with our borough partners via the Fastrack Advisory Boards to ensure a smooth and timely applications.

No SMEs are currently directly involved in this bid. However, localism is a crucial element of the Fastrack strategy, and we will use local SME businesses where possible for the civil works and have made a commitment to similarly use local businesses, for every other possible element. For example – producing and fitting the new livery vinyl. Likewise, [redacted] have an extensive directly employed specialist consultancy, design and engineering delivery workforce employing a SME sub-contractor supply chain and will use local sub-contractors for the delivery of this project.

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.

Our Fastrack Electric project and the collected data could be used as an international test bed for opportunity charging electric bus networks.

As an authority led Fastrack service, **KCC** is already equipped to host, provide and share data from Fastrack. KCC will welcome visitors and guests and we will be a centre of learning for other local authorities around the world. Fastrack already attracts interest internationally as a successful Bus Rapid Transit scheme and would be keen to invite and host interested stakeholders from around the world to visit our two electrified networks when implemented and be seen as best practice for others to introduce opportunity charging electric bus technology to improve CO2 emissions and air quality in other UK towns and cities and indeed around the world.

We strongly believe in open data and as a contracted service, KCC would insist that all vehicle and charging telematics are shared, warts and all.

We also have monthly Fastrack Performance review meetings with the Fastrack operator where operational, vehicle and patronage data are provided. All performance figures will be published on the Fastrack website.

Dartford, Gravesham and Dover Borough Council will commit to completing an air quality screening assessment on an annual basis producing a Local Air Quality Management Report with a specific Fastrack monitoring section. This will be introduced to demonstrate the improvements from the introduction of the electric fleet.

The chosen vehicle manufacturer will provide monthly vehicle reports which will be generated for each vehicle via the onboard telematics system, this will be supported by automatic metering of the electricity supply to each vehicle. An example is below:

will co-develop and provide an infrastructure dashboard showing:

- Up-time and availability of chargers
- Charging session information including time and length of session, energy charged, power demand profiles, location of charging (in-depot or en route)
- Charger issues or faults and scheduled repair time

They will also provide a regular assessment of infrastructure utilisation highlighting spare capacity and opportunities for utilisation of this capacity.

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 are comfortable that we would be operating within the law. For the buses, because the Fastrack service's operation would be subject to a competitive tender, all operators have an equal chance at securing the service and subsequent funding. The supply of

supporting infrastructure would be procured through our existing framework of supplied partners. Appendix A outlines the legal advice we received from our internal legal team.

Appendix A – legal advice from KCC’s internal legal team

The aid in question is compliant and lawful under Articles 56 of the General Block Exemption Regulation (“GBER”).

The aid does not fall within the definition of state aid under Article 107 Treaty on the Functioning of the European Union (“TFEU”) on the application of ordinary principles because it is aid for the provision of infrastructure which would not affect trade between Member States.

Furthermore, it is covered under the exemption for local infrastructure aid in Article 56 of GBER. In those circumstances, there is no need to notify the European Commission (“EC”) of the aid pursuant to Article 107(3) and 108(3) TFEU.

Article 107 of TFEU states as follows - save as otherwise provided in the Treaties, any aid granted by a Member State or through State resources in any form whatsoever which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods shall, in so far as it affects trade between Member States, be incompatible with the internal market.

In principle, Member States are not allowed to implement a state aid measure without prior approval from the EC, which needs to be notified and assessed by the EC regarding its compatibility with EU state aid rules.

The GBER creates an important exception to this process. State aid measures that are covered by GBER can be implemented by the Member States without notification to the EC. However, the EC is still concerned to ensure that the aid is non-discriminatory, fair, open to all sectors, transparent, proportionate, limited to the amount necessary, viable, monitored and capable of acting as an incentive.

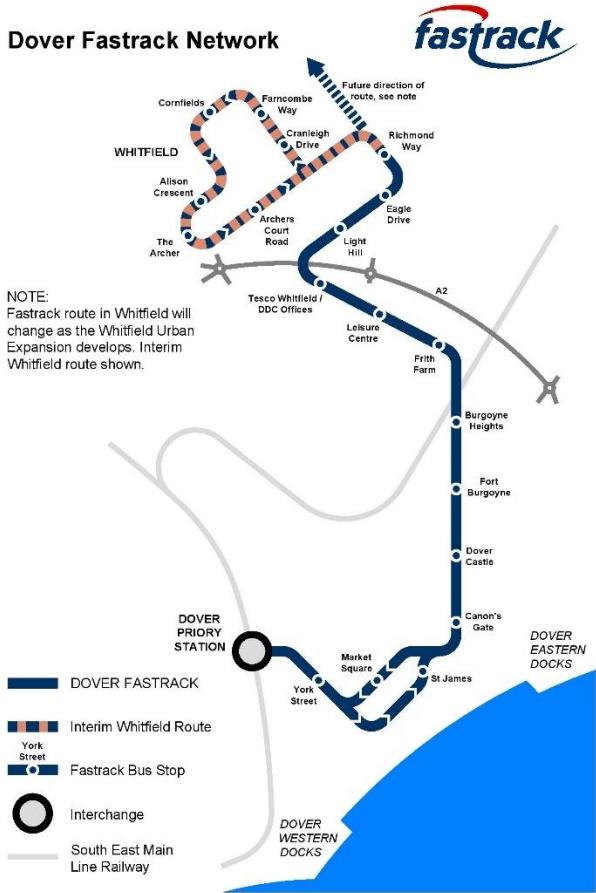
This aid is compliant under Article 56 of the GBER being aid for local infrastructure and awarding aid under the shield of the GBER is generally the preferred route as it is regarded as leading to a greater degree of legal certainty.

It is plain from the project documents that the aid constitutes financing for the “construction ... of local infrastructures which concerns infrastructure that contribute at a local level to improving the business and consumer environment”.

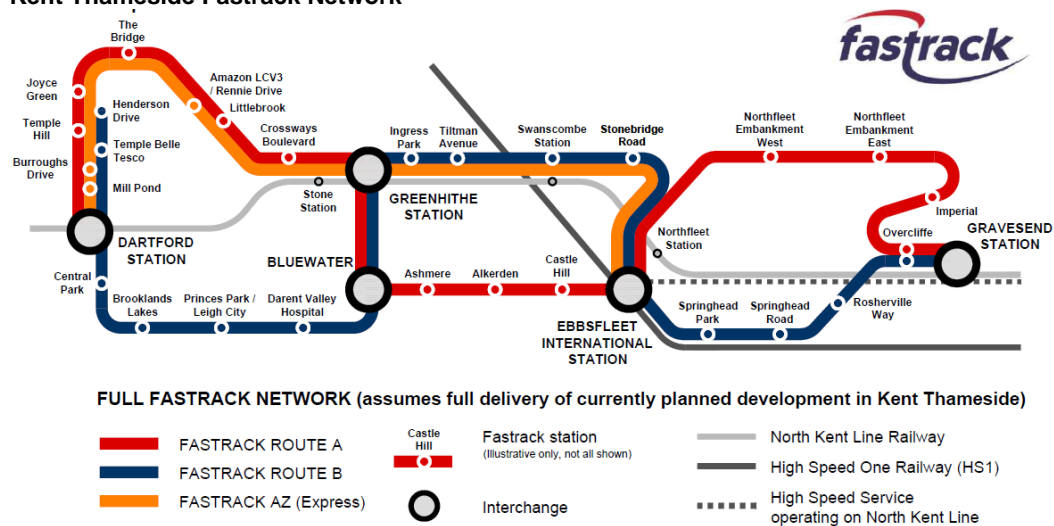
In addition to this, the project complies with the general provisions of GBER as follows: (a) the outcome of the aid will be for the benefit of the general public (b) it will not be commercially exploited (c) it is transparent aid under Article 5 (d) it has no cross border interest.

Therefore, any aid granted for the delivery of the project is a compliant and lawful aid compatible with internal market and therefore exempt from the notification provisions in Article 108 TFEU.

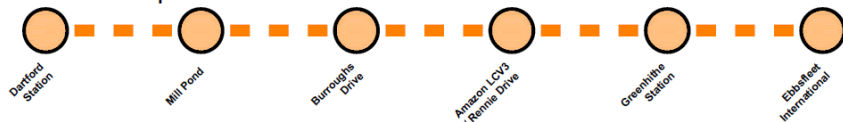
Appendix B – route maps



Kent Thameside Fastrack Network



FASTRACK AZ Map



MAY 2021

Appendix C – letters of support

Appendix D – Fastrack Advisory Board

The attached document shows an organisation chart and the Terms of Reference for the Fastrack Advisory Board. The document is from April 2020. The composition of the board is currently under review as we have a new Cabinet Member for Transport following the May 2021 local elections, and Dover District Council will be added to the board