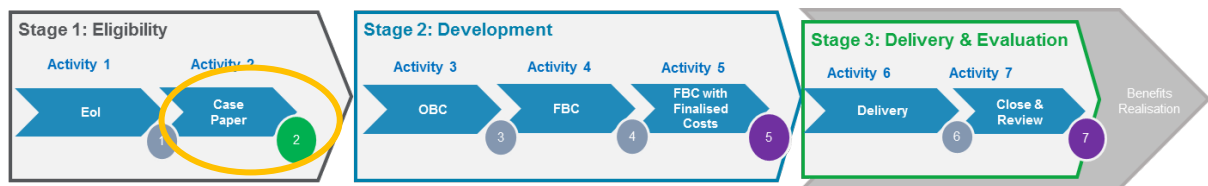


## Section A: Scheme Summary

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| <b>Name of Scheme:</b>                                   | <b>Clean Bus Technology Fund</b>   |
| <b>PMO Scheme Code:</b>                                  | DEFRA-CBTF-001   |
| <b>Lead Organisation:</b>                                | West Yorkshire Combined Authority  |
| <b>Senior Responsible Officer:</b>                       | Neale Wallace  |
| <b>Lead Promoter Contact:</b>                            | Alistair Ryder   |
| <b>Case Officer:</b>                                     | Mary Innes   |
| <b>Applicable Funding Stream(s) – Grant or Loan:</b>     | Department for Environment, Food and Rural Affairs (DEFRA)<br>Clean Bus Technology capital grant fund  |
| <b>Growth Fund Priority Area (if applicable):</b>        | Priority three – Clean Energy and Environmental Resilience<br>'High Quality Places'  |
| <b>Approvals to Date:</b>                                | Decision to submit funding application made by leadership team in October 2017. Expression of Interest at activity one approved February 2018.   |
| <b>Forecasted Full Approval Date (Decision Point 5):</b> | May 2018   |
| <b>Forecasted Completion Date (Decision Point 6):</b>    | March 2019   |
| <b>Total Scheme Cost (£):</b>                            | £4.756 million made up of:<br>£4.213 million (West Yorkshire Combined Authority grant award £2.842 million; Leeds City Council Grant Award £1.371 million)<br>£120,000 (project management, procurement and legal advice) being reimbursed from scheme.<br>Estimated £543,000 match funding from bus operators to be confirmed once competition delivery scoring agreed. |
| <b>WYCA Funding (£):</b>                                 |  |
| <b>Total other public sector investment (£):</b>         |  |
| <b>Total other private sector investment (£):</b>        |  |

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| <b>Is this a standalone Project?</b>                | Yes  |
| <b>Is this a Programme?</b>                         | No   |
| <b>Is this Project part of an agreed Programme?</b> | Yes – this project is part of the suite of programmes within the West Yorkshire Bus and West Yorkshire Low Emissions Strategies. |

#### Current Assurance Process Activity:



#### Scheme Description:

The project will provide £4.213 million in capital grant funding from the DEFRA Clean Bus Technology Fund to bus operators via an open grant competition to retro-fit accredited emission control technology on to 231 older, more polluting buses across West Yorkshire to significantly improve their tailpipe emissions. This would equate to approximately one quarter of the West Yorkshire bus fleet. Match funding from operators will cover project development and delivery costs. The Combined Authority will manage the grant process for the whole of West Yorkshire including Leeds City Council's separate grant award.

#### Business Case Summary:

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| <b>Strategic Case</b>  | The scheme has a clear strategic fit to the Strategic Economic Plan (SEP) and West Yorkshire Transport Strategy. The project will deliver against Strategic Priority three – Clean Energy and Environmental Resilience through improving the clean energy performance of part of West Yorkshire's bus fleet. It will also deliver against the policies of the Combined Authority adopted West Yorkshire Bus Strategy and West Yorkshire Low Emission Strategy to significantly reduce bus emissions to support development of 'quality places' in the region.  |
| <b>Commercial Case</b> | <p>Research by Public Health England undertaken as part of the West Yorkshire Low Emission Strategy (WYLES) has identified that almost 1,000 premature deaths each year are as a result of air pollution, with a significant source being road transport that is accountable for more than 60% of local roadside emissions.</p> <p>Across West Yorkshire, there are 28 declared Air Quality Management Areas (AQMAS) due to annual nitrogen dioxide (NO<sub>2</sub>) exceedance. This project targets key NO<sub>2</sub> exceedances in West Yorkshire's AQMAS. In Bradford, the bus sector represents 40% of nitrogen oxides (NO<sub>x</sub>) emissions within Bradford's Inner Ring Road. The project is forecast to</p> |

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|                        | <p>remove 31 tonnes of NO<sub>x</sub> per year (3.12 tonnes NO<sub>2</sub>), equating to a £3.9 million reduction in damage cost reduction over a five-year period.</p> <p>The project will also ensure a significant number of buses avoid having to pay a potential charge for entering the proposed Leeds Clean Air Zone due to compliance with the zone's minimum emission standards for buses.</p>  |
| <b>Economic Case</b>   | <p>The scheme will contribute to the delivery of SEP indicator Environmental Sustainability, reducing CO<sub>2</sub> emissions and start the process of creating a modern, up to date technology specification bus fleet. Soft market testing with operators undertaken as part of the funding proposal and engagement with DEFRA and partner councils indicate that the project appears to offer the potential of reasonable value for money. Operators will be required to maintain real time emission monitoring performance to ensure the emission benefits are realised.</p>  |
| <b>Financial Case</b>  | <p>The Combined Authority and Leeds City Council have been awarded £4.213 million from the government's Clean Bus Technology Fund to deliver the scheme. Match funding from operators equating to a minimum of 10% is expected with a further 2% match required to cover project management, development and legal costs.</p>  |
| <b>Management Case</b> | <p>The Combined Authority is the scheme promoter and will be leading on the overall project management of the scheme. The project will form part of the suite of Combined Authority projects in the delivery directorate and will be governed by the relevant Board within approved tolerances. Timescales are challenging with full project delivery, including grant delivery and spend commitment, required by March 2019. Key risks are:</p> <ul style="list-style-type: none"> <li>• Delivery capacity and timeframes</li> <li>• Accredited technology suppliers may be overwhelmed with orders which could have an impact on delivery timescales.</li> </ul> |