

Delivering the Black Country Strategic Economic Plan



Initial Proposal - For all Projects requesting Black Country LEP funding

Project Name:		Black Country Ultra Low Emission Vehicle Programme		
1. Applicant Details:				
Applicant/Lead contact:	Stuart Everton	Position:	Black Country Director of Transport	
Applicant/Lead Organisation:	City of Wolverhampton Council			
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Postal Address:	Civic Centre, St Peters Square, Wolverhampton WV1 1SH			
Registration No:				
Project Sponsor:	Stuart Everton, Black Country Director of Transport			
Local Authority area (please highlight)	Dudley	Sandwell	Walsall	Wolverhampton
Have you, or any associated organisations, previously delivered projects using or having been awarded public sector funding?				
If yes, please provide details				
2. What opportunity or barrier will this investment unlock?				
National Context				
<p>The UK's transportation sector is responsible for 27% of the nation's carbon emissions, 90% of which come from road transport. Since the introduction of the 2008 climate change act which binds the UK to 80% reduction in carbon emissions based on pre-1990 levels, transportation carbon emissions have increased, whilst other sectors have made significant reductions. Decarbonisation of transportation is an important prerequisite to avoid 2°C of global warming which is anticipated to cause catastrophic climate change impacts and subsequent environmental, agricultural and economic disruption around the world.</p> <p>Road transportation is also a considerable contributor to poor urban air quality through the production of tail pipe exhaust fumes. Exhaust emissions account for 80% of roadside NOx emissions, 12% of Particulate matter (PM 2.5) and 5% of other noxious compounds. These gases and compounds have been directly linked to the exacerbation and increasing incidence of chronic respiratory and cardiovascular illness. Collectively these emissions have been attributed to approximately 40,000 premature deaths annually in the UK.</p> <p>public health impacts have economic costs associated through increased health care costs and loss of productivity which, left unaddressed, will continue to grow as the national population increases, further exacerbating the problem. EU directives and national law, require the government to address air pollution in our urban centres, and ensure levels are kept in compliance with the law. Recent occurrences of successful lawsuits against the government have primed the environment for future litigation against inaction which has stimulated a more concerted effort by the UK government.</p> <p>Ultra-low emission vehicles are at the heart of the governments ambitions to decarbonise the economy and form a major part within the industrial strategy linking clean growth and future</p>				

mobility objectives together. ULEVs are considered as the cornerstone by which significant progress in carbon reduction and air quality improvements can be made, in line with decarbonisation of the UK's energy mix.

The Road to zero strategy aims to see that all new cars and vans to be zero emission by 2040, as set out in the NO2 plan, and outlines how this will be achieved by "putting the UK at the forefront of the design and manufacturing of zero emission vehicles".

The Clean Growth Strategy outlines an ambition to achieve between 30-70% of new car sales and up to 40% of new van sales as zero emission by 2030, but expects a minimum of 50% which vastly supersedes European ambitions.

To support this the Government has invested £1.5 billion in infrastructure, research and development, and other incentives to stimulate the zero-emission market. However, recent registration figures have dropped in response to changes to the governments Plug ion car scheme which saw the grant reduced from 4,500 per car to 3,500 per car.

Regional context

The west midlands strategic transport document Movement for Growth indicates the need to decarbonise transport by promoting the use of Ultra Low emission vehicles to deliver on two key environmental policies,

- ENV1 To significantly improve the quality of the local environment in the West Midlands Metropolitan Area.
- ENV2 To help tackle climate change by ensuring large decreases in greenhouse gas emissions from the West Midlands Metropolitan Area.

And also indicates the need for a joined up metropolitan wide approach to policy and infrastructure, to ensure that all transport services are fully integrated across the region.

In light of this, transport for West Midlands are working closely with the West Midlands Combined authority and constituent local authorities to develop a west midlands ULEV strategy.

The wider West Midlands region is a centre for research and manufacturing in the automotive industry and promotion of ULEVs has significant potential to contribute to the local economy.

Local Context

The 1995 Environment Act, mandated all British local authorities to address poor urban air quality in order to improve public health. Air quality implementation plans and air quality management areas were introduced to assist the UK government in attaining ambient air pollution figures that were concordant with EU directive on air quality (2008/50/EC), which set legally binding limits for 8 main pollutants which become English law in 2010.

The government's Department for Environment, Farming and Urban Affairs' (DEFRA) NO2 plan set out a plan to improve local air quality by mandating local authorities with exceedances to carry out targeted feasibility studies that would see exceedances brought into compliance and also announced the mandatory creation of Clean Air Zones in certain UK cities.

Birmingham was one of the governments named cities to introduce a clean air zone, whereby access to the city centre and inner ring road would be restricted to Ultra low emission vehicles or face a daily emission charge. Though implementation has been postponed, the realisation of this policy is likely to disproportionately affect the wider conurbation by pushing more polluting vehicles to the extremities, with potentially negative economic repercussions.

A targeted feasibility study was carried out across the black country which saw clean air grant funding awarded to support air quality improvement projects. Off the back of this work, the west midlands bus alliance introduced an advanced bus partnership scheme that set a target for all buses to meet Euro 6 standards by 2022 to drive.

Progress to date

Outside of the introduction of air quality management areas across the Black Country, limited investment has been put into the ultra-low emission vehicle agenda. Recent introduction of the advance quality partnership scheme will aim to retrofit non-compliant diesel buses to ensure they meet Euro 6 standards by 2021. These will include vehicles which operate within the urban centres and on arterial routes with specific exceedances.

The Black Country air quality Supplementary Planning Document (SPD) accompanies the existing black country core strategy to support has been a prominent policy document which stipulates planning conditions to include "provision for electric vehicle charging points"

Dudley

Have been instrumental in encouraging the introduction of ULEV charging infrastructure through their planning policy. Ensuring that all new residential and commercial developments include the provision where necessary to do so by enforcing the Black Country SPD.

Dudley Council have also installed rapid charging units on three of their council owned car parks to encourage uptake across the borough.

Sandwell

Sandwell council have not introduced any EV charging infrastructure to date, but have taken initial steps towards the electrification of their council fleet vehicles, replacing 30 diesels with electric or hybrid alternatives over the next few years. Including the provision of EV charging infrastructure on council properties across the borough to encourage EV uptake amongst staff.

Walsall

To date, no charging infrastructure has been introduced in the borough.

Wolverhampton

Wolverhampton council have been proactive in pursuing funding for EV charging infrastructure from the Government. The authority submitted a bid to the office for low emission vehicles for £480,000 to deliver electric taxi charging infrastructure across the city. In 2017, the council was awarded the funding for rapid charging units. The first phase of these installations will begin in summer 2019 with subsequent phases in 2020/21 and 2021/22.

Wolverhampton Council have also been successful in bidding for funding for a new electric bus to operate the free city centre 500 bus service. The electric bus will replace the existing euro 4 diesel buses which under the new AQPS regulation would need to be replaced after 2021, when the regulations come into effect.

Local Constraints

The black country has witnessed a slow uptake of electric vehicles over the past 5 years, and even with the availability of government grants Black country EV registration figures remain low.

The Black Country has some high levels of deprivation and the high cost of electric vehicles means that they are out of reach for a large percentage of residents. The black country ULEV consultation which was carried out in 2018 identified cost of vehicle as being a primary barrier.

A second barrier was the lack of available charging infrastructure and the concerns over the technological capabilities. General confusion over the technology and charging types are recognised as constraints amongst the wider population, even amongst those considering purchase of an electric vehicle.

This concern is particularly prevalent amongst residents without access to a driveway or off-street parking. Those who park on street are at an immediate disadvantage when considering purchasing an electric vehicle and become dissuaded from exploring EVs as an option in favour of convention and reliability.

The results of the consultation demonstrated a need for a more proactive approach to the agenda if Black country authorities are going to meet local air quality objectives and support national drive to reduce carbon emissions.

However recent changes to local government funding has seen a reduction in non-priority services and subsequent lack of investment in environmental projects, even as the environmental challenges continue to grow. New political surge to address these problems and ensure future prosperity for all is welcomed.

However, Black Country authorities have not had the necessary policy in place to drive the agenda forward and the absence of clearly defined corporate targets have kept the issues out of political scope and has consequently led to low uptake across the region.

Objectives

In order to address these constraints and meet national policy objectives around climate change and local air pollution, Wolverhampton council are working in collaboration across the Black Country LEP to deliver a sub-regional wide Ultra Low emission vehicle programme that supports locally aligned objectives as established in the Black Country Core Strategy and individual council plans.

The programme's overarching focus is support the accelerated carbon reduction across the LEP area faster than the nationally defined targets and maximise the air quality potential of the area to achieve optimum public health benefits.

Thus, the primary output of the programme is to accelerate the uptake of Ultra low emission vehicles across the area and across all sectors.

This will be achieved in three parts.

1. Through the targeted delivery of the required charging infrastructure, and the supporting energy infrastructure necessary to facilitate uptake, whilst ensuring interoperability across the region and co-delivery, where possible, with regeneration and housing developments.
2. Through a series of on-going marketing and promotional campaigns focussed on educating and informing residents, workers, businesses and other organisations of the benefits of zero emission transport. Through this medium we can help to dispel some of

the misconceptions around the technology, whilst aiming to raise awareness of the environmental challenges that have guided this decision at a national and local level.

3. Through a clear vision for the black country in terms of what we would like to achieve. A set of policies and incentives that can be implemented universally to ensure synergy across the area and sufficient allocation of the resources and finances to be able to deliver

The programme is broken down as so:

- 1) Vision & Strategy development
- 2) Targeted short, medium and long-term objectives
- 3) Implementation/action plan development
 - a. Infrastructure
 - i. Charging points
 - ii. Energy generation/ storage
 - b. Marketing and Promotion
- 4) Project Delivery Phase
- 5) On-going Monitoring work & review

The Bid

The bid will help to support the development costs for the initial phases of the programme (1-3) which will shape the political direction and key ambitions of the programme including deliver a set of forecasted targets, a Vision and Strategy, and implementation plan, and lastly will support the development of a full Business case to support larger bids.

Forecasted Targets

The bid will help to support the development of a set of targeted objectives that are aligned to national and local environmental targets, including the EV growth objectives outlined in the Road to Zero Strategy.

Vision and Strategy

This will include the development of a vision and strategy for the black country that outlines a clear ambition and set of policy recommendations to the Black Country authorities. The Vision and Strategy will support local objectives set out in the Strategic Economic Plan and Black Country Plan and ensure that ultra-low emission vehicles will form part of the longer-term regeneration plans.

Implementation Plan

An action plan will be developed as part of the same commission to outline a delivery framework for the necessary infrastructure and energy provision required to facilitate targeted EV growth, the implementation plans will create a blueprint for short, medium and long-term objectives with a view that the programme be reviewed as part as standard monitoring arrangements every 5 years.

Full Business Case

The bid will also help to support full business case development to support application for larger funding opportunities through other funding bodies, such as central government, the West Midlands Combined Authority and through European Grants (ERDF, ESIF). These larger bids will be instrumental in delivering physical capital assets in the form of charging/ refuelling infrastructure, energy infrastructure and smart innovation projects that will help to strengthen local economies.

Project Support

Project management support and technical assistance is anticipated over the duration of this programme. This bid will help to pay for time for internal project management resource and the allocation of short term graduate support to deliver on the early phases of the work.

3. Please highlight which of the SEP Growth Objective/s the project will contribute to:

- | | |
|--------------------|---------------------------|
| 1. 6,384 New Jobs | 3. 3,200 Business Assists |
| 2. 2,536 New Homes | 4. 9,014 Learner Assists |

4. Please highlight which SEP theme(s) and strategic programme(s) the project will contribute to:

Place Theme:

PL1. Sites & Premises

PL2. Infrastructure

PL3. Housing

PL4. Local Distinctive Economies

PL5. Environment

People Theme:

P1. Skills for the supply chain

P2. Skills Capital

P3. Schools

P4. Upskilling

Competitiveness Theme:

B1. Supply chain development including Innovation & Enterprise

B2. Global Opportunities

B3. Access to Finance

5. How will this project unlock the specified SEP Growth Objectives?

Demonstrate how the proposal is aligned to the at least one of the 12 strategic programmes and will contribute towards achieving these growth objectives, whether directly or by acting as an enabler for economic growth.

The ULEV programme is all encompassing of the priority action in the SEP to “Implement the Black Country Ultra Low Emission Vehicle Strategy and the Smart mobility strands of the Black Country Digital Strategy”

PL2. Infrastructure. The programme will deliver significant investment into infrastructure and capital assists in the form of ULEV refuelling provision, energy storage and generation which will offer economic benefits in the future, providing potential revenue streams for the Black Country authorities to reinvest into environmental and smart transport solutions. Particularly important will be the investment into alternative fuels such as hydrogen and biogas to support the decarbonisation of freight, heavy goods and construction vehicles.

PL4. Local Distinctive Economies. The programme will seek to build on the transport innovation and future mobility projects already underway in the Dudley to extend out investment opportunities to the wider black country to support the West midlands future mobility objectives. Particularly the integration of connected autonomous vehicles through local suppliers such as west field motor cars, into the urban environment will represent a 5G use case for transportation and make the Black country unique in its mobility offer compared to other authorities around the country.

PL5. Environment. The introduction of energy infrastructure (generation potential in the form of solar PV and energy storage capacity in the form of large capacity batteries) in conjunction with charging infrastructure and the transition towards ultra-low emission vehicles will help to reduce

carbon emissions for the area to protect against climate change, will help to significantly reduce road side air pollution ensuring that atmospheric concentrations are well within compliance to maximise public health outcomes. Additionally, noise reduction will be evident from the transition to ULEVs which will create environmental benefits for residents and improve health prospects for those living close to the busiest roads.

P4. Upskilling. The programme will work with colleges and universities to ensure that training is available to support the development of the next generation of skilled people who will serve the green economy. Where ULEVs and charging points are concerns, this will include necessary upskilling to maintain ULEVs, energy and charging infrastructure.

B1. Supply Chain development including innovation and enterprise. The programme will seek to build on existing manufacturing strength in the aerospace and automotive industry across the Black Country and the West Midlands to continue to help the region become the national centre for ULEV technologies. The programme will also seek to leverage the expertise that exists in the region where transport innovation is concerned, supporting local business and innovation.

6. What are the expected tangible Outputs/Outcomes to be realised?

(Please profile Skills Outputs as per the financial year, NOT the academic year)

Outputs/Outcomes	Metric	Direct / Indirect	2019/20	2020/21	2021/22	2022+	Total
Businesses Assisted	no.						
Businesses Created	no.						
Skills – Learners assisted (exc. Apprenticeships)	no.						
Skills – Apprenticeships Starts	No.						
Skills – Apprenticeships Completed	no.						
Employment – Jobs Created (FTE)	no.						
Employment – Jobs Safeguarded (FTE)	no.						
Place – Houses Started	Units						
Place – Houses Completed	Units						
Place – Land Remediated	Hectares						
Place – New Employment floor space – [specify use class here]	Sq mtr						
Length of newly built roads	Km						
Length of resurfaced roads	Km						
Length of new cycle ways	Km						
Other (please specify)							

7. Site Details

Location (include full address and postcode)					
Overall Site Area (Ha)					
Ownership / Occupation					
Existing / Former Use					
Existing Condition					
Planning Status of Project					
Any Other Comments					
8. For Learners Assists/Apprenticeships please specify the course offering and the level of learning supported. <i>(Apprenticeships, specify the framework duration (years))</i>					
Course Details			Level of Learning Supported		
9. Expected TOTAL Project Costs & Source of Funding <i>(Please insert full figures only, rounded to the nearest £)</i>					
	% of Total Cost	2019/20	2020/21	2021+	Total
Total Project Cost		£160000			£160000
Applicant Own Funds Revenue - Transport Innovation Role		£30,000			£30,000
Other Public Funds					
Private Sector Funds specify					
Funding Requested from BC LEP - GRANT		£130,000			£130,000
Total Project Value (if site/property)					
If Grant funding is sought, explain why grant is required as opposed to a loan. (Less than 100 words)					
The Grant is required over loan to provide development funding for a Black Country wide Vision, Strategy, Implementation plan and business case for Ultra low emission vehicles programme, it will also provide some element of project support to deliver these workstreams.					

The funding will not be tied to a physical asset in this instance but will help to lay the foundation for larger funding opportunities for the delivery of infrastructure and projects that will return economic benefits for the Black Country, supporting growth and environmental objectives set out in the SEP and Black Country Core Strategy.

10. What will LEP Funding be spent on?

(Please provide a detailed cost breakdown)

Project Costs	2019/20	2020/21	2021+	Total
Target Setting	£20,000			£20,000
Implementation Plan Development	£20,000			£20,000
Vision & Strategy	£25,000			£25,000
Business case Development	£20,000			£20,000
Project Support (Revenue match)	£45,000 (£30,000)			£45,000

11. What are the main issues likely to derail the project?

Issues	Means of Resolution
Lack of additional resourcing to support project delivery	Leverage public sector grant funding to procure internal project management and graduate support
Lack of available Local authority funding to support project delivery	Apply for public grant funding where available to support development and delivery of project

12. What are the main risks the Project will need to manage?

Risks	Means of Managing
Contractor delivery time frames not being met due to unforeseen circumstances	Continued dialogue with contractors to ensure delivery timeframes are adhered to and also ensure that information/ date, where necessary, is made freely available and in a timely manner in concordance with delivery timeframes.
Political disagreements over the direction of the programme and outline of the visions pertaining to new policies and incentives	Workshops included in the development of vision and the creation of policies and regular oversight by executive teams across the LEP to ensure political resolutions can be met
Risks that project costs may increase if additional work becomes necessary over time	Ensure scope is well defined, keep in scope and work closely with contractors and stakeholders to prevent scope creep

13. Please indicate how your project complies with State Aid Regulations without contravening the State Aid Legislation.

All applicants need to take steps to satisfy themselves that any BCLGF funding approved does not amount to unlawful State Aid. Further confirmation to this effect will be requested at the Full Business Case Stage. A declaration of compliance with EU State Aid Regulations will be required prior to any BCLGF funding being provided. If your project is awarded funds from the BCLGF it will be subject to a condition requiring the repayment of any BCLGF funding in the event that the European Commission determines that the funding constitutes unlawful State Aid.

The project funding being requested is to be used for the commission of external consultancy support that will be procured through legal procurement channels or called off through existing contractual frameworks which has been procured in accordance with state aid legislation. City of Wolverhampton council and the remaining Black Country authorities have had a long history of delivering projects through existing framework arrangements, evidencing their efficiency and concordance with existing legislation.

14. Any other Significant Constraints to deliver the Project not mentioned above.

15. Submission Checklist

Please ensure that the following documentation is submitted with this application:

- Site Plan
- Title Certificate
- Key Milestones
- Project Team
- Measures of Success
- Planning Consent (where available)
- Scheme Plans (where available)
- Summary Development Appraisal (where available)

For Site Investigation bids ONLY, please provide:

- 3 quotations in support of cost of works for which funding is sought
- Stage 2 Due Diligence Checklist (Black Country Growth Deal – Accountable Body)
State Aid De Minimis Declaration (applicable for grants <£150k)

16. Proposer Declaration

I confirm that I am authorised by my organisation to make applications for funding and to make legally binding commitments on its behalf and that the information contained in this proposal is correct to the best of my knowledge.

I confirm that I/we have read the generic Growth Deal conditions of Grant (Grant Agreement) and that I/we understand that if my/our application is greater than £150,000 I/we will need to provide security to the Council in the form of:

- A Charge over Land or Property
- A Charge over Bank Account
- A Performance Bond

I/we also confirm that I/we understand the conditions of Grant for Site Investigations/Development Studies, including the obligation to repay the Grant if we do not choose to deliver a scheme on the Site following the development/investigation phase:

I confirm I/we have read the Due Diligence Checklist and that I/we agree the following:

- Submission of all required organisational and financial information at the first and second stages of Due Diligence;
- Completion and submission of a fully completed Due Diligence Checklist and supporting information at the same time as submission of a Full Business Case (FBC). I understand that I/we are completing this work at risk with no guarantee of funding.

I confirm that I/we have read and understood the Accountable Body’s Monitoring, Compliance and Audit Framework and understand our obligation to provide the record-keeping and monitoring information required by the Accountable Body.


I confirm that I/we understand my/our obligations to procure services and goods in line with EU Procurement Rules.

I confirm that I/we have checked/been advised and are able to accept this grant without being in contravention to State Aid rules.

I confirm that I/we acknowledge that there are time limitations on the drawn down of LGF funding and that there will be no availability post 31st March 2021 for the Growth Deal Programme.

Data Protection – Any Personal Data collected will be processed in accordance with our Privacy Policy available at www.blackcountryconsortium.com or provided on request.

I/we consent to Black Country Consortium, Local Enterprise Partnership and Black Country Councils processing of any personal data associated with this proposal for the purpose of processing the proposal and managing the proposal process.

Signed	
Name	Stuart Everton
Position	Black Country Director of Transport
Date	31/07/2019

