

APPENDIX D - Assurance Summary

VERSION 1 24.11.2021

1 – SCHEME DETAILS

Project Name	D0031 Electric Community Transport Minibuses	Type of funding	Grant
Grant Recipient	SYMCA	Total Scheme Cost	£1,726,000
MCA Executive Board	TEB	MCA Funding	£1,400,000
Programme name	Gainshare	% MCA Allocation	81%
Current Gateway Stage	FBC	MCA Development costs	£0
		% of total MCA allocation	0

2 – PROJECT DESCRIPTION

Is it clear what the MCA is being asked to fund?

Yes – 11 electric minibuses specifically for CT usage.

3. STRATEGIC CASE

<i>Scheme Rationale</i>	<i>Does the scheme have a clearly stated rationale and provide a strong justification for public funding?</i> Yes. Yes	
<i>Strategic policy fit</i>	<i>How well does the scheme align with the strategic objectives of the SEP and RAP?</i> It aims to meet all high level objectives – Stronger, Fairer, Greener, the latter being the primary aim, but focussed on a vulnerable grouping and with wider economic impacts.	
<i>Contribution to Carbon Net Zero</i>	<i>Does this scheme align with the strategic objective to achieve Carbon Net Zero?</i> Yes. It is expected to save 200 tonnes over 60 years.	
<i>SMART scheme objectives</i>	<i>State the SMART scheme objective as presented in the business case.</i>	
	Strategic objective	Scheme objective
	Stronger	Growing a more successful business base, underpinned by more productive and higher growth businesses

	<table border="1"> <tr> <td>Fairer</td> <td>Gap in healthy life expectancy is narrowed</td> </tr> <tr> <td rowspan="2">Greener</td> <td>Improvement in air quality, as measured by relevant different particulate matter.</td> </tr> <tr> <td>Contribution to net zero carbon target</td> </tr> </table> <p>Only the Greener objectives have been monetised. <i>Is there a 'golden thread' between the strategic objectives (see 3.2) and the scheme objectives (see 3.8)?</i> Yes.</p>	Fairer	Gap in healthy life expectancy is narrowed	Greener	Improvement in air quality, as measured by relevant different particulate matter.	Contribution to net zero carbon target
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Greener	Improvement in air quality, as measured by relevant different particulate matter.					
	Contribution to net zero carbon target					
<i>Options assessment</i>	<p><i>Is there a genuine Options assessment and is there a clear rationale for the selection of short-listed options and the choice of the Preferred Way Forward?</i> Yes, but the option of ceasing the service was not considered as does not meet strategic objectives – nor existing policy to support these services. However the FBC needs to clarify that it is a cost-effectiveness analysis of diesel v electric minibus provision as currently this is unclear and there is an error in the calculation of the BCR.</p>					
<i>Statutory requirements and adverse consequences</i>	<p><i>Does the scheme have any Statutory Requirements?</i> No. Height of charging points will be within permitted limits. <i>Are there any adverse consequences that are unresolved by the scheme promoter?</i> No</p>					
<i>FBC stage only – Confirmation of alignment with agreed MCA outcomes (Stronger, Greener, Fairer).</i>	<p><i>Does the scheme still align with strategic objectives?</i> Yes <i>Have the conditions of approval granted at SBC been complied with?</i> Yes.</p>					

4. VALUE FOR MONEY

Monetised Benefits:		
VFM Indicator	Value	R/A/G
<i>Net Present Social Value (£)</i>	£0.95m	
<i>Benefit Cost Ratio / GVA per £1 of SYMCA Investment</i>	1.63	
<i>Cost per Job</i>	n/a	
Non-Monetised Benefits:		
<i>Non-Quantified Benefits</i>	Improved reliability via greater vehicle availability due less breakdowns LAQ (PM2.5 and PM10) New jobs in maintenance/repair with wider take-up	

Value for Money Statement.

Taking into consideration the monetised and non-monetised benefits and costs, does the scheme represent good value for money?

Yes.

Over a 60 year appraisal period the appraisal indicates that the scheme represents “medium” value for money (BCR between 1.5 and 2) , or good (>2) with slower (10 year) replacement or “high” carbon values per TAG). There are likely to be additional benefits not monetised in the appraisal in the form of greater vehicle reliability/availability and elimination of PM10 and PM2.5 (tailpipe). Additional employment is expected.

The central case assumption is that vehicles (DM and DS) are replaced every 8 years; if the EVs replacement slips to 10 the BCR increases to 2.44. If capex increases by 10% the BCR falls to 1.57 whilst if high carbon values are used the BCR increases to 2.1

5. RISK

What are the most significant risks ?

DNO works and connections

Insufficient funding to deliver project due to inflation increases

And is there evidence that these risks are being mitigated?

Yes. Early engagement with NPG

Do the significant risks require any contract conditions? (e.g. clawback on outcomes)

No.

Are there any significant risks associated with securing the full funding of the scheme?

No – all within MCA control.

Are there any key risks that need to be highlighted in relation to the procurement strategy?

No.

6. DELIVERY

Is the timetable for delivery reasonable and has the promoter identified opportunities for acceleration?

Yes. March 2024 commencement is likely to be achievable.

Is the procurement strategy clear with defined milestones?

Yes. Frameworks are available, potential suppliers engaged

What is the level of cost certainty and is this sufficient at this stage of the assurance process?

95%

Has the promoter confirmed they will cover any cost overruns without reducing the benefits of the scheme?

SYMCA will be the 100% funder and owner of the assets. The scheme is scalable without significant impact on BCR.

Has the promoter demonstrated clear project governance and identified the SRO?

Yes. Pat Beijer

Has the SRO or other appropriate Officer signed off this business case?

No

Has public consultation taken place and if so, is there public support for the scheme?

No, not seen as necessary as service will improve/not reduce. NPG and vehicle and equipment manufacturers have been consulted.

Are monitoring and evaluation procedures in place?

Details of vehicle replacement and usage will be reported and this will allow an update of monetised benefits as forecast by the appraisal.

7. LEGAL

Has the scheme considered Subsidy Control compliance or does the promoter still need to seek legal advice?
Yes. No

8. RECOMMENDATION AND CONDITIONS

Recommendation	Proceed to contract
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Payment Basis	Defrayal
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Conditions of Award (including clawback clauses)

- Preparation of an M and E Plan to capture the process of conversion, costs and delivery of service, reliability and savings.