



# ZEBRA Bid

## Executive Summary



31 May 2022, Final submission



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# 1. Project Background

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## 1.1 Why this area and why now

### **Overview - A flagship transport scheme**

- 1.1.1 This project to introduce 34 Zero Emission Buses (ZEBs) to three routes is one of the key enablers for both Hampshire County Council (HCC) and Portsmouth City Council (PCC) Bus Services Improvement Plans (BSIPs).
- 1.1.2 More specifically this scheme will make a significant impact for a Defined Area of the Southeast that contains some of the highest levels of deprivation in the UK. The bus routes chosen, as well as containing high levels of deprivation is also an area that for decades has suffered from high levels of inequality, pollution, congestion, and poor air quality.
- 1.1.3 This project will replace 34 diesel buses operating across the Gosport – Fareham – Portsmouth area with new – modern - accessible battery electric Zero Emission Buses (ZEBs), charged using Renewable Energy Guarantees of Origin (REGO) Certified 'green' energy, providing immediate air quality improvement.
- 1.1.4 For PCC and HCC, this scheme is considered as flagship and complementary to the implementation of their BSIPs and Local Transport Plans, which will ensure faster and more reliable journey times for these buses, improved connectivity between bus routes and other modes of transport and improved lower cost simpler ticketing helping to promote the shift from car to bus.

### **Addresses deprivation, levelling up and future growth**

- 1.1.5 The Defined Area for this Scheme has high population density and high deprivation when compared to the rest of SE Hampshire. Unemployment in the Defined Area is high compared to rest of SE Hampshire. Notably the job density in Gosport for 2021 is just 0.52 which means there is effectively only one job for every two residents of working age. The high number of out-commutes against high in-commutes suggests a skills mismatch between local residents and local employment opportunities. There has been an 14% decrease in workplace employment in the Town Ward since 2015 with an estimated 500 fewer jobs.
- 1.1.6 The Scheme in this context can reconnect this region; with improved access to health and social care, employment and general opportunity, and with coherent marketing will become a flagship scheme for getting people back on bus and away from recognised pollutants such as the car.
- 1.1.7 Statistics from the region show those residents most likely to use the routes covered by this Scheme are disproportionately likely to be from Protected

Groups as defined by the Equality Act 2010, with a much greater proportion than the total population of the region being:

- Elderly
- Having various disabilities, including those associated with breathing difficulties
- Identify as Female
- Identify as LGBT
- From lower-income households
- From households without access to a car
- From single-parent families
- Young
- From BAME groups.

1.1.8 The Scheme will support the process of levelling up by introducing the most innovative, and high-tech battery-operated buses in the world to the region to provide a genuine, once in a lifetime opportunity to step change its future.

### **Improved air quality and reduced pollution**

1.1.9 The defined area has a number of air quality hot and noise spots and has high levels of pollution compared to other areas in HCC. It also has high levels of congestion. Further, HCC and PCC need to meet Government Ministerial Direction on reducing environmental impacts and meet the ZEBRA objective of transport decarbonisation. Additionally, they must deliver BSIPs in order to secure future funding and investment

### **Complementary to National Strategy**

1.1.10 In addition, the Scheme supports the Government's three strategic priorities:

- Grow and Level up the Economy
- Reduce Environmental Impacts
- Improve Transport for the Users.

Meeting these objectives have been central to the selection of the Scheme and the delivery model.

1.1.11 Fundamentally, the Scheme plays a part in the core objectives of ZEBRA:

- To support the Government's commitment to decarbonisation and to reduce the transport sector's contribution to CO<sub>2</sub> emissions

- To support the roll out of 4,000 ZEBs that the Government committed to in February 2020.
- To support bus manufacturers in developing ZEB technology.
- To support partnership working between Local Transport Authorities (LTAs), bus operators and other local stakeholders as set out in the NBS.
- To better understand the challenges of introducing ZEBs and supporting infrastructure to inform future Government support for ZEBs.

## **1.2 Project overview**

- 1.2.1 The project is based on replacing the existing 34 Euro 6 single deck diesel buses operating by First Hampshire and Dorset on routes 1, 3, 9/9A with 34 single deck Battery Electric Buses (BEVs) with a life of 17 years along with the associated charging infrastructure supplied with REGO Certified 'green' energy.
- 1.2.2 The purchase of the buses and infrastructure with ZEBRA funding will be funded in partnership with PCC and HCC and managed by First Hampshire and Dorset with installation and delivery ready for operations in 2024.
- 1.2.3 The high speed 150 kW chargers will be supplied by Heliox, one of the leading suppliers of charging units for heavy vehicles. First Group and Heliox are proposing a supply, maintenance and service level agreement which will cover the life of the vehicles, so minimising ongoing maintenance charges and guaranteeing against obsolescence in this rapidly developing product area.
- 1.2.4 The works will be carried out by Scottish and Southern Electricity Networks (SSEN), who will undertake the power supply upgrade works and provide the power needed to charge the bus batteries. As part of this Authority partnership the electric charging infrastructure will be made available to other operators.
- 1.2.5 In driving this innovative change, the Authorities want to ensure those with the most protected characteristics in the region are able to benefit from this change. They will inform this through the EQIA process applied across those benefits, the Scheme, and people.

## 2. Summary of Changes from EOI Stage

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### 2.1 What is the Change

- 2.1.1 **Annual Kilometres Run:** the annual km per bus was adjusted from 71,329km in the EOI to 70,860km in this case.
- 2.1.2 **Electricity Consumed:** the kWh of electricity consumed per km was changed from 1.35 to 1.0 to reflect the value in the Greener Buses Model.
- 2.1.3 **The Cost of the Infrastructure:** this has been updated since the EOI, this includes costs for charging units, civils costs, power supply fees offset by inflation costs being removed. The total has risen from £1.737m to £1.965m.

### 2.2 What is the Rationale for the Change?

- 2.2.1 **Annual Kilometres Run:** The EOI number for annual km was updated to reflect more accurately the expected annual km post EOI submission. This has a non-material impact on CO<sub>2</sub>, PM<sub>2.5</sub> and NO<sub>x</sub> savings.
- 2.2.2 **Electricity Consumed:** the change was to reflect the Greener Buses Model.
- 2.2.3 **The Cost of the Infrastructure:** Costs have changed as more has become known of the scheme and lessons learnt from complementary schemes. See table 2-1 for detail.

### 2.3 What is the impact on Costs, Grant Request and BCR?

- 2.3.1 Table 2-1 below summarises the changes that have taken place in the capital costs and grant requests since the EOI submission.

**Table 2-1: Project Cost Changes since EOI**

| Item                                 | EOI Figures | This Bid    |
|--------------------------------------|-------------|-------------|
| 34 x 12 metre Battery Electric Buses |             |             |
| Cost of diesel equivalent vehicles   |             |             |
| Extra cost of electric vehicles      |             |             |
| Infrastructure Costs                 |             |             |
| <b>Project Totals</b>                | £14,317,225 | £14,545,005 |
| <b>Grant request from DfT</b>        | £6,428,919  | £6,599,354  |
| Project Cost % increase since EOI    | 1.6%        |             |
| Grant Request % increase since EOI   | 2.7%        |             |

- 2.3.2 Inputting the original figures from the EOI into the Greener Buses Model suggests that the BCR at the time of that submission was 1.27 with a cost effectiveness indicator of 206.5.
- 2.3.3 **Annual Kilometres Run:** *Ceteris paribus*, the small reduction depresses the BCR by approximately 0.02.
- 2.3.4 **Electricity Consumed:** This had a material impact on CO<sub>2</sub> saving with an improvement of 200 tonnes per annum, thus improving the BCR by 0.21.
- 2.3.5 **The Cost of the Infrastructure:** The changes are itemised, and an explanation given for each in table 2-2 below. Their effect on the BCR was to reduce the figure by 0.05.

Table 2-2: Details and Justification for Infrastructure Cost Changes since EOI

| Factor                  | EOI | This Submission | Reason |
|-------------------------|-----|-----------------|--------|
| EV Charging Units       |     |                 |        |
| Civil Engineering Costs |     |                 |        |
| Power Supply Upgrade    |     |                 |        |
| Fees and Consents       |     |                 |        |
| 5% to cover inflation   |     |                 |        |

- 2.3.6 In summary, the proposed cost to the taxpayer of the grant request would be **£6.599m** over three calendar years between 2022 and 2024. This will leverage private sector investment by the local bus operator FirstBus of **£7.946m**.
- 2.3.7 The key inputs to the Greener Buses model include the project costs for both vehicles and infrastructure, together with details of the grant request to the Department. These are summarised in the table below.

**Table 2-2: Breakdown of Proposed Funding and Sources**

| Item                                   | Project Costs | Grant Funding Requested from DfT | Private Sector Funding from FirstBus |
|--|---------------|----------------------------------|--------------------------------------|
| 34 x 12 metre Battery Electric Buses   |               |                                  |                                      |
| Cost of diesel equivalent vehicles     |               |                                  |                                      |
| Extra cost of electric vehicles        |               |                                  |                                      |
| <b>Sub Total</b>                       |               |                                  |                                      |
| Percentage Breakdown for Vehicle Costs |               |                                  |                                      |

|   |                    |                   |                   |
|---|--------------------|-------------------|-------------------|
| Infrastructure Costs                    |                    |                   |                   |
| <b>Project Totals</b>                   | <b>£14,545,005</b> | <b>£6,599,254</b> | <b>£7,945,751</b> |
| Percentage Breakdown for Project Totals |                    | <b>45.4%</b>      | <b>54.6%</b>      |

## 3. Key Messages from the Strategic Case

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### 3.1 Introduction

- 3.1.1 This project is one of the key enablers for both Hampshire County Council (HCC) and Portsmouth City Council (PCC) Bus Services Improvement Plans (BSIPs). The bus routes chosen are in an area with high levels of deprivation and poor air quality. They will provide the 25% of households without a car greater and more affordable access to healthcare, jobs and education.
- 3.1.2 This project will replace 34 diesel buses operating across the Gosport – Fareham – Portsmouth area with new – modern - accessible battery electric Zero Emission Buses (ZEBs), charged using Renewable Energy Guarantees of Origin (REGO) Certified 'green' energy, providing immediate air quality improvement. Simultaneously, HCC and PCC will be implementing their complementary BSIPs which will ensure faster and more reliable journey times for these buses, improved connectivity between bus routes and other modes of transport and improved lower cost simpler ticketing whilst encouraging a modal shift from car to bus.

### 3.2 Strategic Context

- 3.2.1 This project is a strong strategic fit with National Bus Strategy (NBS), Strategic Priorities and the ZEBRA core objectives. It also aligns with the strategic plans of HCC and PCC to achieve net zero by 2050<sup>1</sup> as well as their economic and social plans for improving access to jobs, education, and services, which together support the Government's Levelling Up and Growth priorities.
- 3.2.2 The NBS (Bus Back Better) sets the strategic framework for this project from which both HCC and PCC have developed their specific BSIPs. Both authorities have chosen the Enhanced Partnership route, building on strong partnership working arrangements they have developed over time with operators. Both BSIPs aim to deliver significant enhancements to bus services to improve their attractiveness to customers, efficiency of operations and increase bus use whilst supporting wider decarbonisation and accessibility plans.
- 3.2.3 Flowing through these plans are the Government's three strategic priorities:
- Grow and Level up the Economy
  - Reduce Environmental Impacts

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<sup>1</sup> [Climate change strategy and action plan | Hampshire County Council \(hants.gov.uk\) and Council projects targeting climate change - Portsmouth City Council](#)

- Improve Transport for Users.

Meeting these objectives have been central to the selection of the scheme and the delivery model for this ZEBRA project.

3.2.4 The project has also been designed to specifically deliver on the core objectives of ZEBRA:

- To support the Government’s commitment to decarbonisation and to reduce the transport sector’s contribution to CO<sup>2</sup> emissions
- To support the roll out of 4,000 ZEBs that the Government committed to in February 2020.
- To support bus manufacturers in developing ZEB technology.
- To support partnership working between Local Transport Authorities (LTAs), bus operators and other local stakeholders as set out in the NBS.
- To better understand the challenges of introducing ZEBs and supporting infrastructure to inform future Government support for ZEBs.

3.2.5 The wider transport strategy for Hampshire and Portsmouth is covered in their Local Transport Plans 4, which contain the following visions for mobility:

- a) A carbon neutral and resilient transport system designed around people, which; support health, wellbeing and quality of life for all; connects thriving places; and respects Hampshire’s unique environment.
- b) By 2038 Portsmouth will have a people centred travel network that prioritises walking, cycling and public transport to help deliver a safer, healthier and more prosperous city

3.2.6 As part of Portsmouth’s 10-year strategy for cleaner air<sup>2</sup>, PCC is committed to working collaboratively to improve and maintain healthy air quality in the city to protect public health and the environment and enhance its status as a great waterfront city.

### 3.3 Case for Change

#### **The need to improve air quality, reduce pollution (GHG and noise pollution), and decarbonise to reduce levels of CO<sub>2</sub>.**

3.3.1 The Defined Area has high a number of air quality and noise hot spots and has high levels of pollution compared to other areas in HCC. It also has high levels of congestion. Further, HCC and PCC need to meet Government priorities on reducing environmental impacts and meet the ZEBRA objective of transport

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<sup>2</sup> [env-air-quality-strategy.pdf \(portsmouth.gov.uk\)](https://www.portsmouth.gov.uk/env-air-quality-strategy.pdf)

decarbonisation. Additionally, they must deliver BSIPs in order to secure future funding and investment.

**Need to address deprivation and deliver Levelling Up and Growth.**

- 3.3.2 The Defined Area has high population density and high deprivation when compared to the rest of SE Hampshire. Unemployment in the Defined Area is high compared to rest of SE Hampshire. Notably the job density in Gosport for 2021 is just 0.52 which means there is effectively only one job for every two residents of working age. The high number of out-commutes against high in-commutes suggests a skills mismatch between local residents and local employment opportunities. There has been an 14% decrease in workplace employment in the Town Ward since 2015 with an estimated 500 fewer jobs.

**Need to improve transportation for the user.**

- 3.3.3 Households with no car ownership is at 25% and there is a need to improve public transport to enable access to jobs and services. The project will also be integrated BSIP measures aimed at enhancing bus services through bus priority, new modern buses, better integrated transport network across all modes and improved fares and ticketing. The research undertaken by both PCC and HCC to develop their BSIPs and thus implement the Government's NBS highlighted the urgent need to improve transport for the user to enable the switch from car to public transport. This being a key component of reducing pollution.

## 4. Key Messages from the Economic Case

### 4.1 Overview

- 4.1.1 The economic case for this ZEBRA bid is designed to identify and understand the full impacts of this proposal to determine its value for money to the taxpayer.
- 4.1.2 The proposed cost to the taxpayer of the grant request would be **£6.590m** over three calendar years between 2022 and 2024. This will leverage private sector investment by the local bus operator FirstBus of **£7.946m**.
- 4.1.3 The proposed value for money category for the investment proposal reflecting the Benefit-Cost Ratio, non-monetised impacts and risks and uncertainties would be **medium to high**.
- 4.1.4 The Project has been assessed using the Greener Buses Tool (provided by the Department) to provide a Benefit to Cost Ratio for the project, which has a result of **1.51**.

### 4.2 Executive Summary

- 4.2.1 The key inputs to the Greener Buses model include the project costs for both vehicles and infrastructure, together with details of the grant request to the Department. These are summarised below.

**Table 4-1: Breakdown of Proposed Funding and Sources**

| Item                                    | Project Costs      | Grant Funding Requested from DfT | Private Sector Funding from FirstBus |
|---|--------------------|----------------------------------|--------------------------------------|
| 34 x 12 metre Battery Electric Buses    |                    |                                  |                                      |
| Cost of diesel equivalent vehicles      |                    |                                  |                                      |
| Extra cost of electric vehicles         |                    |                                  |                                      |
| <b>Sub Total</b>                        |                    |                                  |                                      |
| Percentage Breakdown for Vehicle Costs  |                    |                                  |                                      |
| Infrastructure Costs                    |                    |                                  |                                      |
| <b>Project Totals</b>                   | <b>£14,545,005</b> | <b>£6,599,254</b>                | <b>£7,945,751</b>                    |
| Percentage Breakdown for Project Totals |                    | <b>45.4%</b>                     | <b>54.6%</b>                         |

- 4.2.2 The key outputs from the model, including the sensitivity tests required by the Department, are described in the Economic Case with the outputs summarised in the table below.

**Table 4-2: Key Outputs from the Central Case**

|  |  |
|--|--|
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |

4.2.3 This Economic Case provides an assessment of the full range of possible Non-Monetised Benefits as discussed in the DfT’s Appraisal Summary Table. These show beneficial effects across a whole range of possible benefits, and no adverse impacts

**Table 4-3: Overview of Non-Monetised Benefits**

| Category             | Type of Impact                                  | Assessment for this Project |
|----------------------|---|-----------------------------|
| <b>Economy</b>       | Business users & transport providers            | Beneficial                  |
|                      | Reliability impact on business users            | Beneficial                  |
|                      | Regeneration                                    | Slightly beneficial         |
|                      | Wider Impacts                                   | Beneficial                  |
| <b>Environmental</b> | Noise   | Slightly beneficial         |
|                      | Air Quality                                     | Beneficial                  |
|                      | Greenhouse gases                                | Beneficial                  |
|                      | Landscape                                       | Slightly beneficial         |
|                      | Townscape                                       | Slightly beneficial         |
|                      | Historic Environment                            | Neutral                     |
|                      | Biodiversity                                    | Neutral                     |
|                      | Water Environment                               | Slightly beneficial         |
| <b>Social</b>        | Commuting and other users                       | Beneficial                  |
|                      | Reliability impact on commuting and other users | Slightly beneficial         |
|                      | Physical activity                               | Beneficial                  |
|                      | Journey quality                                 | Beneficial                  |
|                      | Accidents                                       | Beneficial                  |
|                      | Security  | Beneficial                  |
|                      | Access to services                              | Beneficial                  |
|                      | Affordability                                   | Beneficial                  |
|                      | Severance                                       | Moderate beneficial         |
|                      | Option and non-use values                       | Neutral                     |

4.2.4 A discussion of the uncertainties that might influence the scheme's value for money is contained in Chapter **Error! Reference source not found.** of the Economic Case. These cover

- Vehicle Delivery and Performance
- Battery Warranties
- Infrastructure Delivery
- Electricity Prices
- Market Response

The key conclusion is that the primary responsibility of managing these uncertainties lies with the private sector partner in this project, FirstBus, who have confirmed that they will bear the financial risk of cost overruns and variations in energy costs.

## **5. Key Messages from the Commercial Case**

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### **5.1 Summary of the Commercial Model**

- 5.1.1 Portsmouth City Council (PCC) and Hampshire County Council (HCC), also referred to as the Local Authorities, will jointly be the scheme promoters, retaining ultimate responsibility for key strategic decisions relating to the project. We will engage with FirstBus to procure 34 new battery electric single-deck buses (BEV). The buses will each have a seating capacity of 35 and a standing capacity of no less than 50. The forecast performance of the battery is a range of up to dependent on battery capacity before recharging and 8 years before recycling.
- 5.1.2 FirstBus intend to cascade to remove the existing 34 converted vehicles within their fleet and remove 34 Euro 3, and possibly 4, older vehicles within the operating company. This will further reduce carbon emissions and improve air quality elsewhere in FirstBus operations.
- 5.1.3 FirstBus will also commission the chargers, power supply upgrade and associated works. FirstBus will own and operate the vehicles and all associated infrastructure. This will be compliant and consistent with public procurement regulations.
- 5.1.4 FirstBus will own and manage the risks around the procurement, delivery and operation of the BEVs.
- 5.1.5 It is planned that the operation and maintenance activities will be aligned with existing operational arrangements in use at FirstBus to ensure an efficient operating model.
- 5.1.6 Key project risks have been identified and are set out in detail in the Management Case. They will be allocated to the party best able to manage the risk taking into account the price for transferring the risk and ensuring the public purse is protected.

### **5.2 Market Engagement**

#### **Summary of the market engagement that has taken place and is to take place**

Vehicles will be selected by FirstBus through a tender process to ensure orders are placed for the most suitable vehicle on the market at that point. However, in developing this Business Case, The planning work for delivering the infrastructure and power supply upgrade for the Hoeford depot is underway. Quotations have been received for the power supply upgrade from Scottish and Southern Electricity Networks (SSEN) and for the chargers from Heliox.

Both organisations confirm their support and that they can deliver within the specifications and timings required.

## **5.3 Summary of Commercial Strategy**

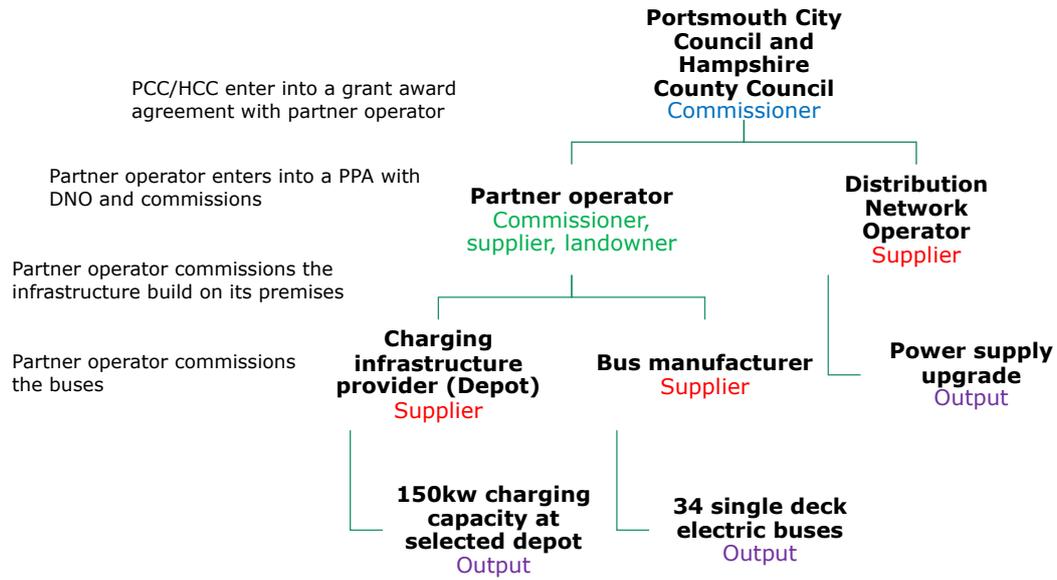
- 5.3.1 The Local Authorities and the bus operator FirstBus, already have a strong working partnership which has delivered, and continues to do so, major improvements to bus routes and bus services in the region.
- 5.3.2 This approach has contributed to an overall growth in passenger numbers, across the region, over the last ten years, which has bucked the national trend, including a 12% growth in Fareham & Gosport and bus use in Portsmouth at an 18 year high.
- 5.3.3 This partnership will be mobilised to deliver 34 new battery electric vehicles (BEV) on the designated routes 1, 3 and 9/9A.
- 5.3.4 The project will be overseen by a Project Board led by Portsmouth City Council (PCC) and including Hampshire County Council (HCC), as co-lead partners, FirstBus, and other key stakeholders as required. This is in line with other projects and programmes to which there will also be an important interface.
- 5.3.5 Close collaboration between the Local Authorities and FirstBus will see the project managed on the ground by FirstBus with an oversight role held by the Local Authorities.
- 5.3.6 The project funds will be held by PCC. Funds will be released to the operator to pay supplier invoices subject to the satisfactory achievement of project milestones and with sufficient demonstration of funding use for the agreed spending - 75% of difference between Diesel and EV and 75% of Infrastructure required for EV operation.

## **5.4 Outline of the Procurement Strategy**

### **Including the preferred option**

- 5.4.1 The following diagram summarises the commercial model, the preferred option, being used for the BEVs and the infrastructure procurement:

**Figure 5-A: Commercial Model**



5.4.2 FirstBus have confirmed that they will use their standard and Group backed procurement procedures to competitively source Battery Electric Vehicles (BEVs) and all infrastructure e.g., energy supply, electric chargers, upgrades to their depot.

## **6. Key messages from Financial Case**

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### **6.1 Project Summary / Key Project Financials**

- 6.1.1 The purpose of the financial case is to demonstrate affordability and long-term sustainability alongside securing the support of stakeholders and customers.

### **6.2 Vehicles**

- 6.2.1 The capital cost of the vehicles for this project is £12,580,000.
- 6.2.2 The cost of the diesel equivalent vehicles has been supplied by FirstGroup plc at Infrastructure
- 6.2.3 The infrastructure cost of the bid is £1,965,005,
- 6.2.4 .
- 6.2.5 Total scheme cost and funding source for cost are shown in Table 6-1 below.

**Table 6-1: Scheme Cost and Funding Sources**

| <b>Scheme</b>                               | <b>Total Cost</b> | <b>Source (1)</b> | <b>Cost</b> | <b>Source (2)</b> | <b>Cost</b> |
|---|-------------------|-------------------|-------------|-------------------|-------------|
| ZEB   |                   |                   |             |                   |             |
| Infrastructure                              |                   |                   |             |                   |             |
| Warranty Costs                              |                   |                   |             |                   |             |
| Battery Replacement Cost                    |                   |                   |             |                   |             |
| Diesel Bus Cost (used in grant calculation) |                   |                   |             |                   |             |
| Totals                                      |                   |                   |             |                   |             |

### **6.3 Financial Risk**

- 6.3.1 A top line summary of the assessment of the Financial Risk is shown in Table 6-2 below.
- 6.3.2 Overall, whilst a complex project the overall risk is considered low once mitigations have been developed.

## **Table 6-2: Assessment of Financial Risk**

Note: The assessment of risk is based on developing mitigations against each individual 'risk factor'. As this submission develops and more information is known the likely risk will fall.

## 7. Key messages from Management Case

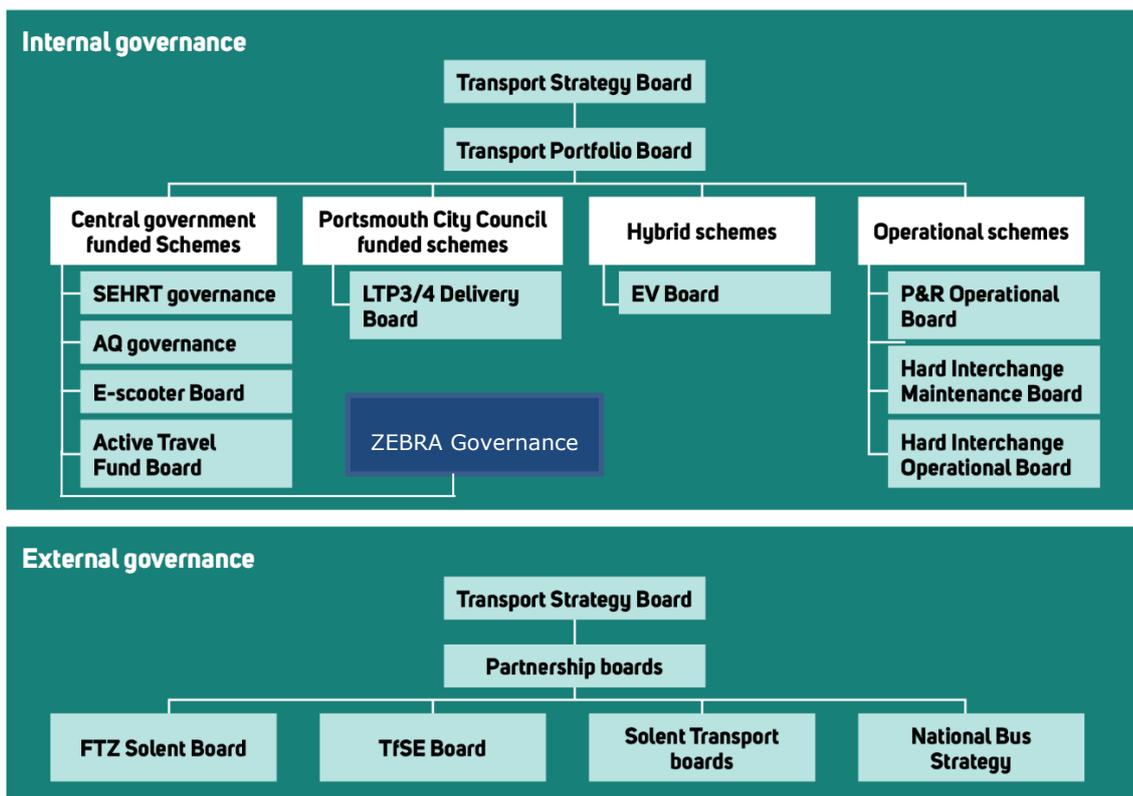
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### 7.1 Overview of Governance Arrangements

- 7.1.1 This management case sets out the arrangements, mechanisms, and processes for the successful delivery of ZEBRA. It confirms the governance arrangements that are based on programme management processes and structure for this case.
- 7.1.2 The project will be overseen by a Project Board led by PCC and including HCC, as co-lead partners, FirstBus and other key stakeholders as required. This is in line with other existing projects and programmes (see Figure 1-2) to which there will also be an important interface.
- 7.1.3 The local authorities and the bus operator FirstBus, already have a strong working partnership which has delivered, and continues to do so, major improvements to bus routes and bus services in the region.
- 7.1.4 The Senior Responsible Owner (SRO) will be Pam Turton (Assistant Director for Transport, Portsmouth City Council). She will have overall accountability for the project and for reporting to the Project Board.
- 7.1.5 A Senior Project Officer will also be appointed from PCC and will report into the SRO and will oversee and deliver the project principles and methodologies. They will work closely with HCC and with the senior programme and project managers from FirstBus and will be part of the overall governance of transport projects and programmes with the Local Authorities. ZEBRA will be added as an additional project to the list of other "Central government funded schemes."
- 7.1.6 Close collaboration between the Local Authorities and FirstBus will see the project managed on the ground by FirstBus with an oversight role held by the Local Authorities.
- 7.1.7 FirstBus will appoint their own Senior Programme Manager from their Project Management Office who will oversee the full deployment. They will work closely with the FirstBus Property Team who will in turn appoint a project manager to control the infrastructure upgrade. At all times a close working relationship and clear reporting will be undertaken with the Operating Company Senior Leadership Team to ensure any operational risks are mitigated and managed.
- 7.1.8 Throughout this case the Association for Project Management (APM), Projects IN Controlled Environments (PRINCE) 2 and Managing Successful Programmes (MSP) methodologies will be utilised where appropriate to ensure the successful management and delivery of the programme.

- 7.1.9 A key point to note is that although the Local Authorities and transport operators will individually deliver their respective responsibilities, all will work collaboratively in terms of structure, governance and reporting. Collaboration and partnership are key elements of this bid, and the management case illustrates how the responsible organisations will work together to successfully deliver their respective elements.
- 7.1.10 Figure 7-A below shows how this interface will look from an internal and external governance perspective. ZEBRA will join the list of projects under the heading "Central government funded schemes".

**Figure 7-A: Transport Governance at PCC (Source: BSIP 2021)**



## 7.2 Key milestones for delivery

- 7.2.1 The following table summarises the key milestones from the Project Plan. Detail on the delivery of these milestones is covered in more depth in section 3 of the Management Case and in the Commercial Case.



**Table 7-2: Top Ten Risks Currently Identified (before mitigation)**

Note: The assessment of risk is based on developing mitigations against each individual 'risk factor'. As this submission develops and more information is known the likely risk will fall.

