Rural Mobility Fund

Call for Expressions of Interest
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Department for Transport
Great Minster House
33 Horseferry Road
London SW1P 4DR
Telephone 0300 330 3000
Website www.gov.uk/dft
General enquiries: https://forms.dft.gov.uk

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1. Introduction

Buses play a vital role in our transport system – getting people to work, to education and to see friends and family, the everyday journeys that make up our lives. The benefits of a reliable and innovative bus service are clear: less congestion, greater productivity and communities that are connected.

A Better Deal for Bus Users sets out a package of ambitious and innovative actions to meet the needs and demands of the travelling public. With £220 million of new funding to help start a revolution in bus services, they include:

- A National Bus Strategy for England, along with a long-term funding settlement and a review of existing bus funding.
- All new road investments receiving Government funding explicitly address bus priority measures to improve bus journey times and reliability
- Refreshing the Government's guidance to local authorities to provide up to date advice on prioritising those vehicles which can carry the most people
- Over £20 million investment in bus priority measures in the West Midlands
- Investing up to £50 million to deliver Britain's first all-electric bus town or city
- Improving passenger information through new digital services and at bus stops
- Challenging industry to deliver a campaign to attract people to buses
- Incentivising multi-operator ticketing with lower fares, with all buses accepting contactless payments for passenger convenience
- Trialling new "superbus" networks to deliver low fare, high frequency services including funding 4-year pilot of a lower fare network in Cornwall
- £30 million extra bus funding to be paid direct to local authorities to enable them to improve current bus services or restore lost services
- £20 million to support on-demand services in rural and suburban areas

The commitments to deliver Britain's first all-electric bus town or city, trial new "superbus" networks, and support on-demand services are the subject of three separate calls for proposals, launched today.

On-demand transport can be used to replace infrequent, traditional services which fail to meet a local community's specific needs, with ones which can get closer to where people live, at a time convenient for them. Though conventional services may still be the appropriate offering in many locations and situations.

Successful bids will receive a share of £20 million to trial new on-demand services or to improve existing services in rural and suburban areas. The aim is to deliver transport solutions that work better for local residents, as well as reduce the overall cost to the public of providing local transport in these areas.
2. Scope of the Fund

Objectives

Demand responsive transport has the potential to transform the local transport offer in areas where demand is more disperse and the distances involved makes it more challenging to maintain or provide services which meet local residents' needs, or in mixed used and residential areas at the outer fringe of urban areas, where links to existing transport hubs are less developed. It can also be used to provide area-based services, rather than corridor-based services that exclude large populations such as industrial estates.

The primary objective of the fund is to trial demand-responsive transport solutions in providing transport services which work better for local residents of rural and suburban areas than traditional transport services (i.e. timetabled bus services). The demand responsive transport solutions would either fill a gap in provision, where there is no current local transport offer, or complement existing timetabled bus services, for example by acting as a feed-in service. The intention of the fund is not to replace or compete with existing local transport services unless those services are failing; this is in line with the nine Future of Mobility Principles (see Annex 1). A second objective of the fund is to identify barriers and potential solutions to sustainability of demand-responsive transport.

The pilots will allow us to collect evidence and assess the efficacy of demand responsive transport solutions and disseminate lessons learnt to inform development of future local transport offers across the country.

The focus of the fund is on projects setting up services in places where they do not already exist. Existing schemes looking to expand their network or improve the services provided to local residents will also be considered. Services should enhance the opportunity of residents in accessing education, employment, healthcare and other services, and enable greater social inclusion. The solution should also demonstrate diversity of passenger groups, making the solution distinct from dial-a-ride and community transport services.

We would like to see vehicles on the road as soon as possible, though this will depend on the readiness of the projects and the proposed solutions. We are looking to fund both mature and new demand responsive transport solutions.

How the fund will work

There is £20 million available for the Rural Mobility Fund for more than one project. The fund will operate via a full competition over two phases, with the first acting as a light-touch process to reduce the burden on local authorities and their partners. This guidance acts as the launch of Phase 1 and invites local authorities to come forward with Expressions of Interest.
We will assess the Expressions of Interest against criteria set out within this document and the application form. We expect to be able to make an announcement in summer 2020 on which solutions will move forward to Phase 2, where final proposals will be co-developed with officials from the Department. For example, this work will include liaising with the Department's economists to identify the information needed to assess the value for money of each proposal, noting that certain measures might be difficult to assess in this way because of their innovative nature.

We expect local authorities to give in their Expressions of Interest an indication of the level of funding they would need to deliver this; however, they are not guaranteed the full amount they propose though the Department appreciates that this will be an educated estimate.

We expect the final proposal co-development phase to take a further three to six months. We expect shortlisted local authorities to submit their final proposals which will be assessed against Government appraisal methodologies. We will then make decisions on which solutions will receive support and the level of funding.

Local authorities would be expected to fund Phase 1 bids. For Phase 2, funding can be made available to support business case co-development with the Department.

Final decisions on the amount of support for shortlisted bids will be made considering the quality of the final proposals put forward at the end of Phase 2. We will announce the funding amount for each eligible area then. Local authorities will be able to split the funding received up to four years.

There is no guarantee of funding to shortlisted local authorities if the final proposals put forward at the end of Phase 2 are not sufficiently developed or fail to demonstrate adequate value for money or deliverability, or a monitoring and evaluation plan.

Funding for the successful bid(s) will only receive final approval once any state aid requirements have been agreed and met. Further information on the consideration of state aid in applications is in section 4 of this guidance.

Once approved, the size of the agreed funding will be fixed. Should cost increases occur, the Department will not provide additional funding, and this will need to be accounted for within local budgets or from private investment.
Indicative timetable

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
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<tbody>
<tr>
<td>6th February 2020</td>
<td>Phase 1 opens and Expressions of Interest invited</td>
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<tr>
<td>5pm, 4 June 2020</td>
<td>Deadline for Expressions of Interest</td>
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<tr>
<td>Summer 2020</td>
<td>Announcement on shortlisted places moving to Phase 2</td>
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<tr>
<td>Summer/Autumn 2020</td>
<td>Business cases of shortlisted place(s) to be submitted</td>
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Monitoring and evaluation

We intend to run these projects as a pilot, allowing us to test, trial and evaluate innovative ideas and schemes. Robust monitoring and evaluation are required to ensure learning from this can be generated to inform the development of future schemes.

The Department, local authorities and delivery partners have a shared interest in evaluating the effectiveness of this funding and measuring the impact on local areas, bus operations and patronage. The Department will require the support of the selected local authorities from the outset in providing baseline and monitoring data.

Local authorities, working with their delivery partners, will be expected therefore to develop monitoring and evaluation arrangements for pilots. Where possible these will compare the pilot schemes with existing schemes outside the pilot area to understand the net impacts of the pilot and relative cost effectiveness of schemes.

The evaluation should also identify learnings about the delivery and implementation of schemes and the impact of schemes on areas including (but not limited to) patronage and operating costs.

It is important to embed monitoring and evaluation arrangements from the start of the pilot scheme and therefore monitoring and evaluation plans will be assessed by DfT alongside proposals from local areas.

The Department will work with successful authorities in due course about the design and funding of an evaluation framework to ensure it meets both Government and local needs.
3. Eligibility

Eligibility criteria

Given their role in improving transport services for local residents, we recognise that local authorities are best-placed to bid for the funding.

We therefore invite bids from all tiers of local government in England with responsibility for transport, except London boroughs, as long as the services proposed primarily serve rural and suburban areas as defined below.

We will not accept bids from local authorities which have received, or are due to receive funding, from Transforming Cities Fund (TCF). TCF cities have already had an opportunity to bid for similar funding through the Future Mobility Zones programme. This will allow us to evaluate the value of demand responsive transport solutions in isolation to other measures included in those projects.

We expect to trial demand responsive transport solutions in rural and suburban areas with vehicles on the road as soon as possible, though this will depend on the readiness of the projects and the proposed solutions. For the purposes of this fund, we have defined rural and suburban areas and clarified the mode of transport within scope below.

**Defining rural areas**

To be eligible for this fund, projects will need to demonstrate that services predominantly serve communities in areas classified as a rural area in England under the Government Rural Urban Classification. This classification is used to distinguish rural and urban areas, and defines areas as rural if they have a population of fewer than 10,000 residents. Eligibility is also extended to include non-built up parts of urban census output areas and discrete built up areas of 10,000 residents or fewer.

Services which enable residents of rural areas to access amenities in an urban area are included in the scope for eligibility. Eligible areas will need to demonstrate poor connectivity to areas of employment or the nearest urban area, and how the current transport offer is unable to meet the needs of local residents.

Feeder services to commercial bus routes or park and ride will also be eligible for funding.

**Defining suburban areas**

To be eligible for this fund, projects will need to demonstrate that services operate in a suburban area. A suburban area should be a mixed use or residential area located in the outer fringe of an urban area, or a separate residential community within commuting distance to an urban area.

Services which enable residents of a suburban area to access services in an urban area or an industrial estate are included in the scope for eligibility. For example, a
demand-responsive transport offer might help residents living in housing developments in the suburbs to access employment in an industrial estate. Eligible areas will need to demonstrate poor connectivity to areas of employment or the nearest urban area, and how the current transport offer is unable to meet the needs of local residents.

**Mode of Transport**

By vehicles we mean those road vehicles configured to carry more than one passenger at a time, excluding the driver, even though at times a vehicle might only carry one person depending on demand.

All vehicles must be wheelchair accessible.

Funding will not be provided for other modes of transport such as walking, cycling, light-rail, rail or plane.

**Type and size of projects**

The focus of the fund is on projects setting up services where they do not already exist, with existing schemes looking to expand their network or improve the services provided to local residents also being considered.

We are not seeking to specify a solution as those need to be tailored to the specific needs of local residents and the geographical circumstances of the rural and suburban areas that the services will operate in.

As an indication we would consider any identified need for support for:

- Assessment of needs through community-led or data-driven approaches, or both;
- Development or enhancement of technology, e.g. digital platform, scheduling software, apps or interoperability of systems;
- Start of operations where those do not already exist;
- Expansion of the area or offer (e.g. evenings or weekends services) covered by existing services;
- Pooling of existing resources to provide better services to local residents by reducing duplication of efforts or the costs of providing the local transport offer; or
- Other relevant solutions

We encourage local authorities to develop and deliver proposals working in partnerships with bus operators, local residents, other local partners such as transport providers for NHS services, social care providers or education providers, employers, etc.

We expect to see a range of project sizes coming forward, many of which would receive funding of £0.5 million to £1.5 million. Though we will also consider support for other amounts depending on identified need for support.
4. Assessment Process

Phase 1: expressions of interest

Local authorities need to submit the separate application form attached as an annex to this document. The application is based around four themes against which solutions will be selected:

Defining the area

a. Name the area, and include a map showing the proposed area in which the demand responsive transport services will operate.

b. Explain how the area meets the eligibility criteria against either the definition of rural areas or of suburban areas set out above. This should also include, where relevant, links to any urban areas that the services will provide local residents access to.

Setting out the challenges

a. Explain the challenges faced by local residents in accessing services within the operating area, and who those local residents are. This could include data on population-density and demographics of the population in the area.

b. Clearly describe the current local transport offer. This could include the number of operators (both commercial and non-commercial operators), size of the bus fleet in the area, existing routes offered (commercial, tendered or community transport services), and areas which are not served by those routes as well as lack of transport provision.

Data and maps from the Department for Transport Public Service Vehicle Survey will be used to assess changes in mileages in the operating area.

Evidence must be provided that the current transport offer in the area is not sufficient to meet the needs of local residents.

c. Explain the challenges faced by local authorities or bus operators in maintaining or providing transport services meeting the need of local residents, and why Government funding is needed.

Explaining the ambition and proposed solution

a. Set out the high-level ambition for the local transport offer through demand responsive transport services. This should explain how the services would enhance the opportunity of local residents in accessing education, employment, healthcare, and other services as well as enabling greater social inclusion, or improve the experience of or offering to passengers through improving bus journey times, destinations, reliability, providing weekend or evening services, etc. It should show how this option would compare with and be better than a traditional bus service.
This could include estimates of how the services could help reduce the overall cost of the local transport offer, for example, through delivering efficiencies, or improve living standards, access to employment or progression through income of local residents. Estimates of cost efficiencies beyond the local transport offer, for example to the NHS through reducing loneliness and isolation would also be helpful, where relevant.

This section should also explain how the service will attract a diverse range of passengers.

b. Clearly describe the proposed solution. We are not seeking to specify a solution ourselves, as those need to be tailored to the specific needs of local residents and the geographical circumstances of the rural and suburban areas that the services will operate in. We have provided an indication of identified need for support in the section on "Eligibility".

This should also include an estimate of the potential demand for the services, and thus the size of the fleet and the type of vehicles to meet that demand.

Evidence should also be provided as to how the service (or its benefits) might be maintained, and become sustainable in the long-term.

c. Explain the maturity of the solution. This should include a summary of previous work which has been completed, and identified barriers that might need to be removed before the project can start.

d. Provide the amount of funding needed, and indicate how it will be used (i.e. buying solutions, or resources need). This should include an estimate, if relevant, of other funding provided by the local authority, other bodies such as NHS Clinical Commissioning Groups, and from private investment.

**Setting out the delivery plan and timescale**

a. Demonstrate that your plans are credible and deliverable in the time proposed, and that any risks are understood and mitigated. This should also show how the scheme will be marketed to attract passengers. A detailed project plan is not required at this stage.

b. Set out the timescale for implementation. This should include key milestones such as recruiting staff, vehicles on the road, marketing of the services, and the initial take-up of new or expanded services.

c. Provide a list of partners involved in the projects, and briefly explain how they will contribute to the success of the project. For example, through specific expertise, reduced duplication of services, enhancing opportunities for operators of any size to trial the demand responsive transport solution and make efficiencies by pooling resources (e.g. back-office/administration of demand responsive transport services, marketing, fleet, etc).

d. Describe how monitoring and evaluation will be used to ensure learning about the project to inform future schemes. A detailed monitoring and evaluation plan is not required at this stage but we expect applications to include information on how the evaluation could identify learnings about the implementation of the services, including the approach to communicating with service users, which can be used to improve the design of services in future. Bidders should explain how the approach to delivering the services will ensure that future learning is maximised.
Applications will be sifted on the basis of the responses to the four themes above. We will decide on the relative merits of each bid and shortlist solutions for the next phase of the competition.

We have provided links to data sources from government bodies in Annex 2 to help bidders compile their bids.

The Secretary of State for Transport will make the final decision on who will progress to Phase 2.

Phase 2: development of final proposals

Shortlisted local authorities will be invited to co-develop final proposals for their solution. They will receive some funding at this stage to help them with this phase and support from Departmental officials.

Local authorities will then be asked to submit their final proposals, which will then be assessed against Government appraisal methodologies.
5. Application Process

Application form

Eligible areas will be expected to apply using the separate application form attached as an annex to this document. Applications to the fund will be assessed against the criteria set out in this document and the application form.

A panel will moderate the final score of each bid to ensure consistency. The solutions taken forward to Phase 2 will be agreed by the Secretary of State after the proposals have been fully scrutinised.

Funding for any bid(s) will only be approved and granted once any state aid requirements have been agreed and met.

When filling out the application form, please adhere strictly to the content and supporting information requested in this document. You may include additional information in individual sections that you believe are relevant – but please keep strictly to the word limit.

Submission of bids

All bids should be submitted electronically to betterdeal4buses@dft.gov.uk no later than 5pm on 4 June 2020, with "Rural Mobility Fund" in the subject line. You will receive an acknowledgment the next working day; if you do not receive an acknowledgment, then the bid has not been received.

We may wish to discuss the content of bids with local authorities and operators to seek clarity on any aspects following the deadline.

When authorities submit a bid for funding, as part of the Government’s commitment to greater openness in the public sector under the Freedom of Information Act 2000 and the Environmental Information Regulations 2004, we encourage them to also publish a version or summary excluding any commercially sensitive information on their own website after submitting the final bid to the Department.

As well as increasing transparency, publishing bids will also help create a network of partners engaged in the process and support those local authorities looking to bid for the second round of funding.

State Aid

It is important that applicants thoroughly consider the relevant EU rules on state aid before submitting an application. As part of the application process, all applicants must confirm that they have received legal advice on the state aid implications of their proposal and provide a short summary of that advice in the proforma to demonstrate why the proposal would not constitute state aid within the meaning of
the Treaty; or show why the proposal would be classed as compatible aid which is exempt from the requirement to notify the European Commission.

Further advice on state aid is available at www.gov.uk/state-aid.

Enquiries

Enquiries about the fund may be directed to betterdeal4buses@dft.gov.uk.

Transparency and privacy

Local authorities will be expected to spend funds in an open and transparent way. We would expect plans relating to the project to be publicly available. In addition, we will expect details of the project and progress to be made available to other local authorities (except where this is commercially confidential) and the Department for Transport over the duration of the project including co-operating with any central monitoring and evaluation activity which the Department undertakes to ensure learning is drawn from projects to inform future policy development and scheme design.

Any personal data provided through the application will be processed in line with data protection legislation. The following is to explain your rights and give you the information you are entitled to under the Data Protection Act 2018. The Department for Transport is the data controller. The Data Protection Officer can be contacted at dataprotectionofficer@dft.gov.uk. Data protection legislation sets out when we are lawfully allowed to process your data. The lawful basis that applies to this processing is 6(1)(e) of the GDPR: the processing of personal data is necessary for the performance of a task carried out in the public interest or in the exercise of official authority.

Your personal data is being collected to identify solutions to receive support from the Rural Mobility Fund. We are processing your data as part of Phase 1 of the application phase before deciding which solutions will move forward to Phase 2. We may also use it to contact you about further opportunities to apply for this project if we expand the Fund in future.

We may share the information with external assessors as we assess the applications. Your personal data will only be shared with the assessor for that purpose and will only be retained by them for the duration of the assessment process. Your personal data will be held for the duration of the Fund, including monitoring and evaluation.

The data we are collecting is your personal data, and you have rights that affect what happens to it. You have the right to:

- know that we are using your personal data
- see what data we have about you
- ask to have your data corrected, and to ask how we check the information we hold is accurate
- ask to have your data deleted
- complain to the Information Commissioner's Office (see below)
In some circumstances you may also have the right to have all data about you deleted, or to object to particularly types of use of your data. We will tell you when these rights apply. Your personal data will not be sent overseas.

We will not use your data for any automated decision making. Your personal data will be stored in a secure government IT system.

When we ask you for information, we will keep to the law, including the Data Protection Act 2018 and General Data Protection Regulation.

If you are unhappy with the way the department has acted, you can make a complaint. If you are not happy with how we are using your personal data, you should first contact dataprotectionofficer@dft.gov.uk.

If you are still not happy, or for independent advice about data protection, privacy and data sharing, you can contact:

The Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow
Cheshire SK9 5AF

Telephone: 0303 123 1113 or 01625 545 745
https://ico.org.uk/

DfT’s privacy policy has more information about your rights in relation to your personal data, how to complain and how to contact the Data Protection Officer. You can view it at https://www.gov.uk/government/organisations/department-for-transport/about/personal-information-charter.
6. Annexes

Annex 1 - Future of Mobility Principles

The Urban Strategy, which was published in March 2019, sets out a number of Future of Mobility Principles. Many of these principles apply equally to rural areas. We encourage applicants to consider the principles in the design of their proposals, where relevant:

1. New modes of transport and new mobility services must be safe and secure by design.
2. The benefits of innovation in mobility must be available to all parts of the UK and all segments of society.
3. Walking, cycling and active travel must remain the best options for short urban journeys.
4. Mass transit must remain fundamental to an efficient transport system.
5. New mobility services must lead the transition to zero emissions.
6. Mobility innovation must help to reduce congestion through more efficient use of limited road space, for example through sharing rides, increasing occupancy or consolidating freight.
7. The marketplace for mobility must be open to stimulate innovation and give the best deal to consumers.
8. New mobility services must be designed to operate as part of an integrated transport system combining public, private and multiple modes for transport users.
9. Data from new mobility services must be shared where appropriate to improve choice and the operation of the transport system.

Future work will explore the specific challenges and opportunities for rural transport with a Future of Mobility Rural Strategy. Evaluation and monitoring of the projects of this fund will form part of the evidence base for the Strategy.
Annex 2 - Links to data sources

- Rural-Urban Classifications for:
  - Output Areas (OA)
  - Lower Layer Super Output Areas (LSOA)
  - Middle Layer Super Output Areas (MSOA)
  - Wards
  - Postcodes (ONS Postcode Directory)

are available via the Office for National Statistics Open Geography Portal (under Products) as are built-up area boundaries (under Boundaries) geoportal.statistics.gov.uk

- 2011 Rural-Urban Classification for Local Authority Districts (user guide, methodology, lookup table, list of hub towns and leaflet)

- Office for National Statistics 2011 Census data (available on NOMIS with the Rural-Urban Classification) www.nomisweb.co.uk


- Statistical Digest of Rural England


- https://www.gov.uk/government/collections/bus-statistics