

TRANSFORMING CITIES FUND

2022/23 Workplace Travel Grants

Guidance for applicants



1. Introduction to the Workplace Travel Grants

£250,000 is being made available to local businesses to invest in capital schemes which help employees travel sustainably to, from and whilst at work.

As part of the Council's Transforming Cities Fund programme, funded by the Department for Transport, the Council is providing workplace travel grants of up to £25,000 to local businesses to help them introduce measures to enable more trips to be made by sustainable transport. If a business has more than one site then applications can be submitted for funding up to £25,000 for each location.

The grants are match-funded grants with the Council investing up to £25,000, per site, in a scheme. The Council's contribution is a maximum of 75% of the non-VAT scheme cost.

Projects which could be funded through the grants include secure cycle parking, pool bikes, workplace shower facilities or electric vehicle charging points. However, bids aren't limited to these ideas and the Council is keen to hear innovative proposals to tackle issues specific to a company.

This document provides guidance for businesses seeking to apply for a grant and should be read alongside the application pack which includes the application form and the terms and conditions for the Workplace Travel Grants.

2. What can the grants available through the scheme be used for?

Grants awarded through the scheme **must be** used for investment in **capital** rather than **revenue** projects.

2.1. What is Capital Expenditure?

Capital expenditure is the **expense** incurred by an organisation for owning any longstanding capital asset or to augment the working capability of any prevailing capital asset, or to upturn its life cycle to generate additional cash flows or to reduce the production cost. Examples include: Cycle stands; an EV charge point etc.

2.2. What is Revenue Expenditure?

Revenue Expenditure is the amount spent or expense incurred, on a consistent basis, towards performing functional activities of the business such as cartage or freight paid, purchasing stock etc. Examples include: Subsidised bus passes.

3. Eligible grant funding via the Workplace Travel Grant

Support could include one, or more, of the following¹ improvements:-

- ❖ Site access improvements for walking and cycling
- ❖ Improved cycle parking
- ❖ Provision of shower / drying / changing facilities
- ❖ Electric vehicle (EV) charge points and associated signage

The cost of installation of the above can be capitalised.

The list above is not exhaustive and we encourage applicants to be innovative in their scheme proposals. If you are unsure whether your proposal would be suitable for funding under the scheme please contact us. However, any guidance provided will not indicate that your application will be successful.

4. The Workplace Travel Grant is not available to support the following items:

- Laptops, computers or electronic conferencing equipment
- Licence fees for online journey planners
- Maintenance of travel infrastructure purchased through the grant scheme
- Utilities packages associated with travel infrastructure purchased through the grant scheme e.g. line rental and data package for real-time, electricity bills
- Car share private network licence fees or renewals

5. Application Form

All applicants must complete in entirety the grant application form. Failure to do so may result in your application being unsuccessful.

The applicant must have the authority to apply for the Workplace Travel Grant on behalf of the organisation making the application.

If you would like to discuss your proposal with a member of the TCF Workplace Travel Grants team please contact Andrew Thomson on 01752 308914.

6. Grant Award

An application does not presume success and all applications will be evaluated against criteria detailed in **section 12** below. Completion of the application form does not constitute a financial agreement nor is it a guarantee that Plymouth City Council will award in whole or in part the amount applied for.

A grant of up to £25,000 can be awarded, per site, for the purpose of providing financial help towards provision of sustainable workplace travel projects.

¹ A package of improvements can be included in an application, so long as all the elements are capital expenditure

More than one grant allocation can be made per organisation in any financial year. However, the maximum amount awarded per site across all years that TCF Workplace Travel Grants are available is £25,000.

Priority may be given to organisations which have not received a grant in previous years.

Businesses are required to contribute a minimum of 25% match funding.

To benefit from financial support, businesses are required to undertake site wide staff travel surveys. The first survey will need to be undertaken after confirmation of the grant being awarded and before the scheme is completed. A subsequent survey, one year after completion of the scheme, will be required to monitor changes in travel habits following the delivery of your scheme. The cost of the surveys cannot be included in the grant application.

The grant must be used for sustainable workplace transport projects that help to improve accessibility to workplaces while also reducing congestion, improving air quality and reducing carbon emissions.

By accepting the grant, the organisation will thereby certify that to the best of their knowledge, the information given to Plymouth City Council relating to themselves, the company and its business is true and accurate and that all relevant material, facts and information have been disclosed.

7. Quotes

Applicants are required to provide quotes when submitting their application to demonstrate value for money to the Council.

The quotes must be for the costs of the facilities you are looking to deliver using the funding. These must be written itemised quotes for your site. We are unable to accept quotes direct from a catalogue.

The number of quotes required will be determined by the amount the applicant is bidding for and are set as follows:

- For bids for match funding of up to £5000 an applicant is required to provide 1 (One) quote with their application
- For bids for match funding of over £5000 an applicant is required to provide 3 (Three) quotes with their application

When requesting quotes for charging points please use the Office of Low Emissions Vehicle (OLEV) approved supplier list available here: <https://www.gov.uk/government/publications/workplace-charging-scheme-approved-chargepoint-list>.

8. Infrastructure

The contract for the infrastructure work will be between your organisation and the company you commission to carry out that work. You will be able to claim back the net costs for the works from Plymouth City Council up to the amount awarded in your grant offer. Plymouth City Council is not able to repay any costs incurred due to VAT.

Installation of infrastructure must be completed, and invoices submitted to Plymouth City Council by 24 March 2023.

The infrastructure installed must be maintained in a serviceable condition and available for use for at least five years, from the point of first installation. Failure to maintain infrastructure in a serviceable condition may result in the grant being reclaimed.

9. Electric Vehicle charge points

Charge points must comply with the standards set out within the minimum technical specification for electric vehicle charging points. Guidance can be found here:

<https://www.gov.uk/government/publications/workplace-charging-scheme-minimum-technical-specification>

The business/ organisation is responsible for paying the costs associated with electricity usage for the charge point as well as any back office and maintenance costs associated with the charge point.

10. Evidence

Grants will be paid in arrears on production of the required invoice(s) and evidence of payment, unless otherwise agreed by the Council. In exceptional circumstances the Council can pay up to 50% of the grant, upfront. A request for funding upfront, along with justification for why this is sought, must be made at the same time as your application.

The applicant should invoice Plymouth City Council for payment up to the amount of grant awarded and send all invoices to Andrew Thomson at andrew.thomson@plymouth.gov.uk

The amount paid will be as shown in the funding agreement between the successful applicant and Plymouth City Council. Should there be a change in the cost of a scheme then:

- The applicant will be liable for any increase in costs above those indicated in the funding agreement.
- If the scheme cost is lower than shown in the funding agreement then PCC will reduce the amount of grant to be paid proportionately in line with the agreed percentage of funding.

Evidence of project completion should be submitted including photographs of before, during and after implementation.

Organisations are required to undertake a staff travel survey 12 months after scheme implementation to evaluate the use and effectiveness of the infrastructure.

Plymouth City Council reserves the right to undertake audit checks, including the right to inspect, of all schemes that receive funding and if any claim is found to be false, payment will be refused, or any amounts improperly claimed will have to be repaid.

Plymouth City Council reserves the right to seek further information or documentary evidence from relevant parties in support of any individual claim.

11. Your Business/Organisation

Each applicant must confirm that:

- All addresses/postcodes specified are commercial addresses/ postcodes;
- They own the property or have consent from the landlord for the delivery/ use of the initiative and;
- If requested they can provide evidence that the organisation has use of the facilities through a formal agreement with a third party.

Successful applicants must confirm that they will comply with all relevant statutory requirements (including but not limited to the Companies Acts, current Employment and Health and Safety legislation) at all times during the period that the Workplace Travel Grant funded infrastructure is in use.

Successful applicants are required to notify the Council within ten working days of any intended change of address of the company's business.

Successful applicants will retain full ownership of any equipment, and will:

- Maintain all goods purchased with the Grant for at least five (5) years from the date goods were purchased, and;
- Not sell or dispose of any equipment or other assets purchased with funding from the Grant within five (5) years from receiving the Grant.

12. Grant Evaluation

Grant awards will be evaluated by the Workplace Travel Grant Award Panel.

The Panel will assess each application against the following criteria:

- The facilities funded by the bid must be delivered and invoiced within the specified timescales.
- The proposed scheme must be deliverable without the need for planning consent (applicants are required to check with the relevant Local Planning Authority if they will need planning consent before submitting their bid). Should planning permission be required then, if the bid is otherwise eligible, the Council will make a provisional award,

subject to planning permission being secured within 3 months of the provisional grant award. The provisional award will be revoked should this requirement not be met and in this scenario the application would need to be re-submitted.

- The proposed scheme will deliver on the objectives of the Transforming Cities Fund by enabling staff to get to work and/ or to make business travel whilst at work through sustainable travel modes (e.g. walking, cycling, public transport, EV).
- The organisation has undertaken to engage with the Plymotion at Your Workplace programme which includes, as a minimum, a personalised travel planning session. This involves a team of trained travel advisors meeting with employees to discuss their travel needs and investigating travel options for work and leisure, allowing people to consider all their available travel choices, and be better informed about the lowest cost, quickest or healthiest options. Remote sessions, via MS Teams or an alternative platform, are available during the pandemic. The Plymotion at Your Workplace team do not need to visit your business.
- The bid supports one or more sustainable modes of transport leading to reductions in the levels of carbon emissions.
- The level of match funding sought is appropriate to the scale of the proposed facilities / initiative.
- The bid represents good value for money; this will be assessed based on the information provided within the bid. Value-for-money is defined as being that the calculated benefits of the scheme exceed the costs of implementation by at least a ratio of 2:1. Further information and examples of how value-for-money is assessed are included within Appendix I.
- Applicants agree to participate in publicity for the scheme, to include supplying feedback on the grant, on request, to Plymouth City Council.

We may ask that your project is used as an exemplar for sustainable workplace travel projects and Plymouth City Council and/or the Department for Transport reserves the right to publicise and promote your project.

The Workplace Travel Grant assessment panel will meet once each month to consider applications which have been submitted to the Fund. You will be notified of the decision of the panel as soon as possible and will typically be notified of the outcome of your application within one month of receipt by the Council (whenever possible).

13. Award Conditions

To benefit from financial support, applicants are required to:

- Undertake site wide staff travel surveys. The first survey will need to be undertaken after confirmation of the grant being awarded and before the scheme is completed. A subsequent survey, one year after completion of the scheme, will be required to monitor the effectiveness of the funded scheme in influencing travel behaviour and should include

information on the usage of the funded initiative The cost of the surveys cannot be included in the grant application;

- Deliver, and invoice for, the facilities or initiatives funded by 25 March 2022. Proof of expenditure is required before funds can be released, unless otherwise agreed (see section 10);
- Agree for details of their bid to be included in the publicity for the scheme and to be mentioned on the Plymouth City Council website, and;
- Host a Plymotion at Your Workplace event between April 2022 and March 2023.

Successful applicants will be sent a Consent Form with confirmation of their grant which they will need to complete and return confirming they accept the terms and conditions of the award.

Appendix One: Worked example of a Benefit Cost Ratio Calculation

The value-for-money of scheme proposals is assessed through the production of a Benefit-Cost Ratio (BCR). This represents the ratio of the benefits of the scheme (translated into pounds), against the scheme costs. To represent good value-for-money (as required by this funding programme), proposals must have a BCR in excess of 2, meaning that the scheme benefits outweigh the costs of the scheme by at least 2:1.

Scheme Costs

The scheme costs used in the calculation are the Plymouth City Council contribution to the total scheme costs only. In accordance with Department for Transport guidance, scheme costs are then converted to 2010 prices.

For example, if the total costs of a proposal are £10,000 (in 2021 prices) and the applicant is to provide a 25% contribution, the costs to be used is therefore £7,500. This is then converted to 2010 prices; therefore, the cost for inclusion in the BCR calculation in this case would be £6,283.

Calculation of Scheme Benefits

Scheme benefits are calculated using one of the two following methodologies:

- For schemes that promote sustainable travel and reduce car use (such as cycle stands, improved walk or cycle access or improved shower or storage facilities), benefits are calculated based on the level of reduction in car use.
- For schemes that provide or encourage cleaner travel (such as electric vehicles or chargepoints), benefits are calculated based on the level of carbon reduction.

Examples of these calculations are provided below.

Proposals That Reduce Car Use

The value-for-money of these type of proposals is assessed by calculating the forecast level of car use reduction provided by the scheme, in terms of reduced car mileage.

This is based on the forecast level of switch to active travel modes (walking and cycling) from car trips. This is assessed by the scale of the facilities to be provided (e.g. the number of cycle stands), how often the facilities would be used, the average walk or cycle trip length and the likely level of usage of the facilities. Information on each of these is provided below:

- How often the facilities are used – this is used to calculate the number of days per year the facilities would be used, based on the times of operation of the business. For example, if businesses operate on weekdays only (Monday to Friday, excluding bank holidays), the facilities are assumed to be in use 253 days per year. If a business operates from Monday to Saturday (including bank holidays), then the facilities are assumed to be in use for 312 days per year. This is termed the *Annualisation Factor*.
- Level of usage of the facilities – the proposals are assigned a *utilisation rate* based on the evidence provided in the application form. The utilisation rates are either very high, high, medium, low or very low. The assessment of utilisation rate considers the number of staff or visitors that the proposals could be used by, the location of the business in terms of accessibility by sustainable modes, and evidence provided by staff surveys as to the level of usage that could be achieved.

- Average walk or cycle trip length – this is taken from standard DfT values, unless evidence is provided in the application form to demonstrate that a different value should be used. Standard DfT values are that the average cycle trip length is 4.84km, and the average walk trip length is 1.33km.

The assessments above are used to multiply the benefits for a single walk or cycle trip; the benefits of a single trip have been calculated using the Marginal External Cost methodology set out in DfT guidance².

The benefit calculation is therefore as follows:

Benefit of single walk/cycle trip	x	Scale of facilities provided	x	Annualisation factor	x	Utilisation Rate	x	Proportional increase in average walk/cycle trip length
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Example

A proposal is submitted to provide 10 cycle stands, for a business that operates on a Monday to Friday basis. The business has a large number of staff and evidence is provided in the application form from a staff survey showing that the cycle stands are likely to be well used. No evidence is provided to suggest that the average cycle length would be greater than the standard DfT values. The total scheme cost is £5,000, with a 25% contribution from the application (therefore the PCC contribution would be £3,750).

The BCR calculation would therefore be as follows (using the above formula):

Benefit of single walk/cycle trip	x	Scale of facilities provided	x	Proportional increase in Annualisation factor (above Mon-Fri usage)	x	Utilisation Rate	x	Proportional increase in average walk/cycle trip length
£638 (benefits for 1 additional cycle trip)	x	10 cycle stands	x	1	x	Very High (50% increased use)	x	1

The total scheme benefits would therefore be £9,570.

² https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/712743/webtag-tag-unit-a5.4-marginal-external-costs-may-2018.pdf

The scheme cost would be the PCC contribution of £3,750 converted to 2010 prices; this equates to £3,141.

Therefore, the BCR calculation would be the total scheme benefits (£9,750) divided by the cost (£3,141), giving a BCR of 3.10.

Proposals for Electric Vehicles or Chargepoints

The value-for-money of these type of proposals is assessed by calculating the forecast level of car use reduction provided by the scheme, in terms of reduced car mileage, and the subsequent reduction in carbon emissions.

This assessment is based on the forecast level of switch to electric vehicles (in place of petrol or diesel vehicles) that would occur from the scheme proposals. This is assessed by the scale of the facilities to be provided (e.g. the number of electric vehicles or chargepoints), the likely level of usage of the facilities and the average mileage per vehicle. Information on each of these is provided below:

- How often the facilities are used – this is used to calculate the number of new electric vehicle registrations that would be likely to result from the proposals. For example, purchasing a new electric vehicle would result in one new EV, whereas a new EV chargepoint could result in more or fewer new EV registrations. The proposals are therefore assigned a *utilisation rate* based on the evidence provided in the application form; this ranges from very high (2 new EVs) to very low (0.25 new EVs). The assessment of utilisation rate considers the propensity of staff or visitors to purchase a new EV as a result of the proposals, based on evidence provided in the application form (such as staff surveys).
- Average mileage per vehicle – the standard assumption for this has been taken from the National Travel Survey, which details an average mileage per vehicle of 7,800 miles per year. Alternative values can be used where sufficient evidence is provided by the applicant.

The above assessments are used to multiply the benefits of a single EV or EV chargepoint. These benefits are calculated using the DfT’s Greenhouse Gas Workbook³ and equate to £487 per new EV over 10 years based on the average vehicle mileage stated above.

The benefit calculation is therefore as follows:

Benefit of single EV	x	Scale of facilities provided	X	Utilisation Rate	x	Proportional increase in average mileage
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Example

A proposal is submitted to provide 3 new EV chargepoints. The applicant is a medium-sized business; the application provides evidence from a staff survey that suggests that the chargepoints would be likely to be used by 1 new EV per chargepoint. The applicant has also demonstrated that due to their location and where staff live, the mileage per vehicle would be likely to be higher

³ <https://www.gov.uk/government/publications/tag-environmental-impacts-worksheets>

than average at 10,000 miles per year. The total scheme cost is £1,250, with the application providing a 25% contribution (£250).

The BCR calculation would therefore be as follows (using the above formula):

Benefit of single EV	x	Scale of facilities provided	x	Utilisation Rate	x	Proportional increase in average mileage
£487	x	3	x	Medium (1)	x	10000 / 7800

The total scheme benefits would therefore be £1,873.

The scheme cost would be the PCC contribution of £1,000 converted to 2010 prices; this equates to £838.

Therefore, the BCR calculation would be the total scheme benefits (£2,810) divided by the cost (£838), giving a BCR of 2.24.

Please note - Where the BCR is less than 2, but all other aspects of the bid meet the essential criteria, the Council will calculate the grant contribution which would achieve a BCR of 2. In this scenario, this is the grant contribution which would be offered to the applicant.