



Guidance for Local Authorities on congestion TIF partnership

1. The January 2006 Transport Innovation Fund guidance ¹ set out the concept of TIF Partnership. This guidance supplements that guidance, and explains in more detail what Partnership means and how local authorities go about securing TIF Partnership status. It is specifically targeted at Local Authority officials overseeing the development of TIF proposals, but will also be useful for those councillors, local transport officials, analysts and consultants involved.

What is TIF Partnership?

2. TIF Partnership is an optional stage of the overall TIF process (see Annex A). It enables closer working between the Department for Transport and local authorities developing demand management proposals for an application to the congestion element of the Transport Innovation Fund. It is *not* a precondition for the Programme Entry phase and no legal partnership, or any other legal relationship, is intended or will be created.

It will allow authorities and the Department to work together to develop business cases. However, TIF partnership will offer no guarantee of success in securing funds from the substantive TIF - all bids will be assessed against the criteria set out in the business case guidance and the road pricing guidance due to be published in December 2006. ²

3. The overall process for TIF is set out in guidance published in January 06 ³.

Who can apply for TIF partnership?

4. A local authority (or group of authorities) may apply for Partnership irrespective of whether they are in receipt of pump priming funding. For authorities this will follow feasibility work and options appraisal, which for many will have been supported by TIF pump prime funding ⁴. However, pump priming support is *not* a prerequisite for application to TIF Partnership, nor does it guarantee TIF Partnership status.
5. In terms of the overall process, TIF Partnership exists alongside the development of the proposition or 'package'. By granting TIF Partnership status, the Department is making a statement that the demand management proposition is worthy of further development.
6. For those successfully applying for TIF Partnership, a Partnership Protocol will be drawn up between local authorities and the Department on how DfT will support and advise the authority as it develops

its business case. This will set out the path to submission of a bid for programme entry.

7. It will not commit the LA to submit a programme entry bid, nor the Department to funding it, but will help to ensure both sides do certain things by certain times.

Each partnership Protocol will be different - we recognise that each LA has its own needs and ways of working, and are keen to ensure partnership is flexible enough to respond to the needs of each.

What are the benefits of TIF Partnership?

8. Partnership allows the Department to give bidders an early signal that it sees a *prima facie* case for their demand management proposals, and that they are worthy of further development. It will also allow the Department and the bidder to agree a protocol for the development and handling of the bid, including timetables and milestones. It will also allow DfT to offer assistance over and above what would otherwise be the case. For instance, we will endeavour to agree the modelling and analytical assumptions with bidders during Partnership and in advance of Programme Entry bid submission.
9. Being a TIF Partner does not guarantee Programme Entry or substantive TIF funding.

What are the requirements for TIF Partnership?

10. Partnership can be sought only when an authority has a clear idea of their preferred package - they will need to set out their chosen package, including the preferred demand management options and complementary transport measures. As stated in the TIF Guidance of Jan 2006, we are most likely to support applications that include road pricing, although we may, by exception, consider bids involving a workplace parking levy.
11. We do not expect everything to be fully worked up to the level expected in a programme entry business case, but we do need to know the preferred options, and the broad levels of expenditure involved: the bid will need to contain the bidder's best estimates of the timing and phasing of costs and works. We do need to have a very clear understanding of the path to business case submission.
12. The partnership bid - which needs to be signed off on behalf of the authority (or authorities) by the Transport Lead Member(s) - should take the form of an initial proposition which will subsequently form the basis of the programme entry business case. We would expect this to include:
13.
 - high level package description: demand management scheme and supporting complementary measures
 - aims and objectives of the package, including wider benefits and a high level implementation plan (through to implementation of the pricing scheme)
 - assessment of main options considered for the package, with a detailed look at the preferred option (see below) and why it was selected over the others
 - broad overview of package costs and consideration of funding sources - breakdown of capital/resource funding and the proposed central/local contribution
 - initial assessment of the costs and benefits (monetised and non-monetised) of the preferred option
 - description of proposed project management arrangements; how the bidder will ensure their proposals are managed and delivered on time and to budget
 - analysis of principal risks

- engagement with local stakeholders to date and future plans: who has been engaged with during the development of the proposition, what the main issues are, and what plans the bidder has to continue to work with key stakeholders through to the submission of a programme entry bid
 - initial communications strategy: what steps have been taken formally to involve the media and communicate with the public and other stakeholders
 - discussion of commercial considerations (i.e. early thoughts on how the package will be procured)
 - detailed project plan through to programme entry (including Gateway Reviews)
 - an indication of which package elements the bidder proposes submitting full business cases for when the Programme Entry bid is submitted
13. The assessment of the preferred option should include the initial results of modelling and supporting analysis. Authorities should make clear how they have taken regard of the webtag guidance.
 14. The information submitted on the road pricing scheme must include:
 15.
 - the area(s) to be covered by the overall package
 - geographically, where road pricing (or workplace parking levy) is to be applied (e.g. the likely cordon or boundary)
 - a best-estimate breakdown of the capital and operating costs of the road pricing scheme, or if not known, then the elements that constitute this cost
 - an indication of the how the scheme will work - who will be charged, when and - if possible - how much. We will need to understand the assumptions the bidder has made in developing their ideas
 - discussion of early thoughts on the favoured solution to the road pricing element (e.g. personal declaration, detection via ANPR, detection with tag & beacon etc). If the bidder is considering time, distance, place charging, they should discuss this with the Department at the earliest opportunity
 15. We will also be looking for evidence that there is a strong strategic fit with the criteria in Chapter 2 of the TIF Guidance. ⁵
 16. As bidders conduct increasingly detailed analysis of their proposition and modelling work develops, it is quite possible that they will wish to refine their proposals. If these revisions end up resulting in a significantly different proposal, we may need to reassess the case for Partnership.

How will Partnership bids be assessed?

17. As for pump priming bids, we will want assurance that the proposals are both deliverable and are likely to be value for money. Bids will therefore be assessed in a similar way to pump priming bids. We want to be satisfied that proposals are convincing as to how congestion will be tackled with a clear proposition for hard demand management and supporting public transport measures that has developed beyond the 'options' stage. The technical feasibility of the proposals will also be considered in Partnership proposals.
18. We will only offer Partnership where there is a realistic chance of TIF funding being awarded. Therefore we will consider, amongst other things, the ability of the TIF programme to accommodate the indicative costs outlined in the application. Moreover, we will be looking for proposals that are sufficiently advanced for Programme Entry to be realistic within 6-12 months.

TIF Partnership Protocol

19. The document, effectively a memorandum of understanding, will set out how the Department will work with the successful authority or group of authorities as they develop the proposition into a business case. It will not form a legal relationship of any kind between the Department and bidding authority.
20. It will set out a timetable for work agreed by both sides and detail the expectations on both sides in terms of information exchange and response times to queries. The document will vary in content depending on the specific needs of the authority but *will* include the following elements (all of which will be contained in draft form within the Partnership bid):
21.
 - an agreed timetable for business case development (this does not compel the authority to actually submit the business case)
 - agreement on the authority's part to submit information to the Department at requested times
 - agreement on the Department's part to provide certain kinds of support and input, and to specified timescales
 - reference to the level of detail and form of the business case as set out in the business case guidance
 - an understanding that the Partnership Protocol will end once a TIF authority has either applied for Programme Entry or has failed to meet the timescales for submission of the business case agreed between bidder and the Department

Submitting a Partnership bid

21. Authorities should submit bids for Partnership when they are ready to do so; we are not setting a deadline for submission. Decisions will be taken on a case by case basis.
22. Authorities should email copies of their Partnership application to DfT (congestion.tif@dft.gsi.gov.uk) and to their regular Government Office transport contact. We will secure Partnership Protocols with successful authorities within six weeks of their being notified of their success.
23. Questions relating to this guidance should be directed to congestion.tif@dft.gsi.gov.uk or to Rupert Seebohm (020 7944 4793).

¹ www.dft.gov.uk/stellent/groups/dft_about/documents/page/dft_about_611056.hcsp

² The guidance will be published on www.dft.gov.uk

³ www.dft.gov.uk/stellent/groups/dft_about/documents/page/dft_about_611056.hcsp

⁴ www.dft.gov.uk/stellent/groups/dft_about/documents/page/dft_about_611718.hcsp

⁵ www.dft.gov.uk/stellent/groups/dft_about/documents/page/dft_about_611056-03.hcsp#P60_6133