
Cabinet

12 July 2022

Name of Cabinet Member:

Cabinet Member for City Services- Councillor P Hetherton

Cabinet Members for Jobs, Regeneration and Climate Change - Councillor J O'Boyle

Director approving submission of the report:

Director of Transportation and Highways

Ward(s) affected:

City-wide

Title:

Electric Vehicle Charging Infrastructure - Procurement

Is this a key decision?

Yes - the proposals within the report have financial implications in excess of £1m and significantly impacts on all wards in the city

Executive summary:

This report seeks approval to make three separate bid submissions to the Office for Zero Emission Vehicles (OZEV) for up to £5.5m from the Local Electric Vehicle Infrastructure (LEVI) fund and the Onstreet Residential Chargepoint Scheme (ORCS). If successful, these bids could deliver a further 500 on street residential chargepoints along with 2 charging hubs that will include rapid chargers, solar panels and battery storage. The LEVI Pilot project proposals are shown in Appendix 1.

This investment will enable the city to significantly enhance charging facilities in the city and maintain our position as the best city in the UK in which to own an electric vehicle. The Council has already successfully received £2.8 million funding from the Office for Zero Emission Vehicles (OZEV) between 2019 and 2022 under the Onstreet Residential Chargepoint Scheme title leading to a network of 403 chargers, operational to date with 308 being operational by December 2022, which will take the total to 711 chargers with 949 charging bays, the largest of any city outside of London.

The promotion of electric vehicles is a key element of our strategy to decarbonise transport to tackle the causes of climate change and to improve air quality. The city is also home to many cutting-edge automotive companies and innovative organisations like the UK Battery Industrialisation Centre; therefore, the promotion of electrification of transport will support economic growth.

Approval is also sought to procure a further electric vehicle charge point supplier who will provide higher rated charge points, solar panels, and battery storage services as well as additional on street chargers given the council's current contracts have reached their maximum expenditure.

Recommendations:

Cabinet is recommended to:

- 1) Delegate authority to the Director of Transportation and Highways, following consultation with the Cabinet Member for City Services and the Cabinet Member for Jobs, Regeneration and Climate Change, to submit a bid to OZEV for up to £2m LEVI Pilot funding and if successful become the accountable body and enter into relevant funding and legal agreements;
- 2) Delegate authority to the Director of Transportation and Highways, following consultation with the Cabinet Member for City Services and the Cabinet Member for Jobs, Regeneration and Climate Change, to submit a bid to OZEV for up to £2m LEVI full funding and if successful become the accountable body and enter into relevant funding and legal agreements;
- 3) Delegate authority to the Director of Transportation and Highways and Director of Law and Governance, following consultation with the Cabinet Member for City Services and the Cabinet Member for Jobs, Regeneration and Climate Change, to submit a bid to OZEV for up to £1.5m ORCS funding and if successful become the accountable body and enter into relevant funding and legal agreements;
- 4) Delegate authority to the Director Transport and Highways, following consultation with the Cabinet Member for City Services and the Cabinet Member for Jobs, Regeneration and Climate Change to approve charging point locations across the City;
- 5) Delegate authority to the Director of Transportation and Highways, following consultation with the Cabinet Member for City Services and the Cabinet Member for Jobs, Regeneration and Climate Change, to procure a contract over a potential contract term of up to 25 year period, which includes mechanism regarding revenue sharing between the two parties;
- 6) Authorise the City Solicitor to undertake the necessary due diligence and entry into the contract(s) with the successful service provider/private consortium;
- 7) If the Bids are successful, agree that the schemes are added into the 5-year capital programme through the quarterly financial monitoring cycle;

List of Appendices included:

Appendix 1 - LEVI Pilot Scheme

Background papers:

None

Other useful documents

Taking charge: the electric vehicle infrastructure strategy - [Click Here](#)

Has it or will it be considered by scrutiny?

No

Has it or will it be considered by any other council committee, advisory panel or other body?

No

Will this report go to Council?

No

Report title: Electric Vehicle Charging Infrastructure - Procurement

1. Context (or background)

- 1.1. On 25th March 2022, the Government published their Electric Vehicle Infrastructure strategy with a backing of £450M funding. This included:
 - 1.1.1. The local electric vehicle infrastructure (LEVI) scheme: this is intended to encourage large scale, ambitious and commercially sustainable projects that leverage significant private sector investment. It is the intention that the LEVI will support a transition towards local chargepoint provision secured on a commercial basis without public funding. To test the design of the new scheme, OZEV have launched a £10 million pilot competition which they anticipate will fund between 3 and 8 projects. Following the pilot, the scheme will be shaped based upon this for funding applications for a later increased funding pot. The Council intends to apply for both the pilot and follow up LEVI funding.
 - 1.1.2. OZEV have also confirmed another round Onstreet Residential Charging Scheme (ORCS) funding of £20M presenting the Council with an opportunity to submit new applications for the supply, install and maintenance of residential charge points in Coventry City. The Council has already successfully benefitted from ORCS funding.
- 1.2. The Council fully intends to make separate bids for each of the 3 funding streams: LEVI pilot; full LEVI and ORCS. Applications for the pilot can be made in June 2022 with the ORCS and full LEVI due to open over the 2023/4 and 2024/5 financial years.
- 1.3. The Council has spent up to the financial limit of its current chargepoint contracts and therefore needs to re-procure a new contract/s to enable the delivery of all 3 funding streams (if successful).

2. Options considered and recommended proposal

- 2.1 In terms of bidding, the options considered are:
 - a) to do nothing
 - b) submit applications to OZEV for further funding to increase the Local Electric Vehicle Infrastructure and Onstreet Residential Chargepoint Schemes network in the city.
- 2.2 The recommended option is to bid for the maximum amount available in order to maintain the city's status as the best city in which to own an electric car. This is important to ensure we tackle the causes of climate change as well as improving air quality in Coventry and supporting local manufacturers and innovators.
- 2.3 The proposals will see chargepoints installed on highway and on Council land including solar panels, battery storage facility and provisions for multi modal services.
- 2.4 It is expected that the private sector (the supplier) will be investing a large percentage of the project costs. Therefore, the contract would be with a single supplier whom the client could build a relationship with, which would allow the supplier to build a greater understanding of the Council and City. Through this delivery, the supplier would have the opportunity to give a greater input into potential future initiatives including the Council's main LEVI funding bid. It would also support the Council's funding bid by having a procured supplier and contract in place, giving confidence in the Council's ability to deliver its bids.
- 2.5 The funding will require the awarded supplier to make a part funded investment into each of the schemes, with each potentially differing in their percentages. The amount to be invested

will depend upon the scheme and amount of funding the Council can secure from its bids. It is anticipated that the supplier will require and expect a reasonable contract term under the contract that allows them to re-coup their investment and enable a return for that investment.

- 2.6 All 3 schemes will not start simultaneously due to different windows for the funding bids. It is anticipated they will be delivered:

Year 1 of contract – LEVI pilot
Year 2-3 of contract – ORCS
Year 3-4 of contract – LEVI full fund

- 2.7 Due to the potential size of the LEVI funding (both pilot and follow up), the funded expenditure through this contract if successfully obtained would be the largest the Council has made to date. As the funding is part funded by the supplier, the size of the project from the expenditure will require a larger commitment from the suppliers in term of investment, increasing the need for a longer term to allow for the return of the investment and a reasonable return to justify the supplier's significant investment.

3. Results of consultation undertaken

- 3.1. The LEVI proposals have been developed in consultation with internal stakeholders. See Appendix 1 for details.
- 3.2. It is proposed to carry out consultation with external stakeholders in the coming months once we are successful in securing the funding from OZEV for LEVI and ORCS.

4. Timetable for implementing this decision

- 4.1. The proposal is to submit applications over the three financial years, 2022/2023, 2023/2024 and 2024/2025.
- 4.2. The proposal to deliver the three streams of works is as follows:
- 4.2.1. Year 1 of contract – LEVI pilot
 - 4.2.2. Year 2-3 of contract – ORCS project and
 - 4.2.3. Year 3-4 of contract – LEVI full fund

5. Comments from Chief Operating Officer (Section 151 Officer) and Director of Law and Governance

5.1. Financial Implications

- 5.1.1. A total of three to five bids are proposed for submission over a three-year period to the total value of circa £5.5m across the three funding streams. If these bids are successful, they will be added to the 5-year capital programme and delivered over the next 3 to 4 years using external funding (grant plus private sector funding) with no match funding required from CCC.
- 5.1.2. For charge points installed on the highway there are one-off costs to the Council related to advertising any traffic regulation orders and undertaking consultation with city constituents. It is proposed that these costs are funded from existing CRSTS Local

Network Improvement Plan grant budgets (formerly known as the Integrated Transport Programme).

5.1.3. There are no on-going cost implications for the Council with regards to the operating costs of the assets as the supplier will be responsible for the running costs of the assets within the contract, which will include EV charge points, solar panels, battery storage and provision of multi-modal services.

5.1.4. There are two on-going financial implications for the Council:

5.1.4.1. There is potentially a reduction in car park income due to the part closure of Warwick Street Car-park (page 4 in Appendix 1 to the report). This is expected to be less than £10k per year.

5.1.4.2. The Council could however benefit from income received through a revenue share arrangement or p/kWh tariff. The figures for this will become known once the contract is awarded to a supplier but are expected to exceed the above income loss

5.1.5. It is intended that any resulting net benefit that the Council receives from revenue shares is reinvested in EV charging schemes.

5.2. Legal Implications

5.2.1. Law and Governance should be fully involved at every stage of the tender submission, consultation and proposed tender exercise and will be on hand and available to assist and advice on any legal issues that may arise.

5.2.2. Furthermore, the procurement referred to in this report will be carried out pursuant to the Council's Contract Procedure Rules and the relevant requirements of the Procurement Regulations.

5.2.3 On the highway, Traffic Regulation Orders (TRO) will be required on the parking and spaces per EV rapid charger. Once the locations have been finalised, a TRO will be advertised in relation to these spaces. This will trigger a statutory 21-day objection period. If objections are received, they will be subject to a further report to the Cabinet Member for City Services.

5.2.4 Any EV charge units located on Council owned land will be subject to a lease agreement being drawn up by the Council's Property Management Services supported by Law and Governance.

6. Other implications

6.1. How will this contribute to the Council Plan (www.coventry.gov.uk/councilplan/)?

It is considered that the proposals support the Council Plan objective to create an attractive, greener city by making it easier for people to use electric vehicles within the city, thereby reducing vehicle emissions, improving the environment, and tackling climate change, and supporting the delivery of the Local Air Quality Action Plan for Coventry.

6.2. How is risk being managed?

Risk is being managed through the project governance.

6.3. What is the impact on the organisation?

None

6.4. Equalities / EIA?

At this stage a Equality Impact Assessment is not required to be completed. However, if the bid is successful a Equality Impact Assessment will undertake to assess the impact of change of services on Coventry Residents. By undertaking the Equality Impact Assessment, Coventry City Council will ensure the new service does not discriminate against any protected group, where possible and promotes quality of opportunity.

6.5. Implications for (or impact on) climate change and the environment?

The intention of implementing these chargepoints is that once they are installed and operational, residents will have confidence to purchase or lease electric cars as they will be able to charge near their homes. As electric vehicle uptake increases, the (anticipated) reduced levels of CO2 and NO2 emissions should result in improvements to local air quality. This would support the Coventry Local Air Quality Plan which was approved by the Council's Cabinet in July 2020.

6.6. Implications for partner organisations?

None

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