

Cabinet
Council

14th February 2023
21st March 2023

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:

All (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 bid submissions to the Office for Zero Emission Vehicles (OZEV) for up to £5m from the funding portfolio set aside to facilitate rollout of electric vehicle charging units and associated infrastructure.

This investment will enable the Council to further enhance charging facilities in Coventry and maintain our position as the best city in the UK in which to own an electric vehicle. The Council has already secured £2.8 million funding from OZEV between 2019 and 2022 under the Electric Vehicle Charging Infrastructure funding initiative ("EVCI"), leading to a network of 568 chargers, with a further 157 being operational by January 2023, taking the total to 721 chargers capable of charging 959 electric vehicles at any one time. This represents the largest network of any city outside London.

To deliver this network, Coventry City Council has so far entered into two Contracts to provide, install, maintain, and operate charge points under the EVCI scheme. However, we have now reached the maximum expenditure permitted under the current contracts, meaning it is necessary to procure another electric vehicle charge point supplier.

The Council published a tender on 22 November 2022 to procure a charge point operator to deliver further residential charge points across the city via a concession contract to ensure readiness where the Council is successful in securing further funding from OZEV.

Recommendations:

Cabinet is requested to recommend that Council:

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 bids to OZEV for up to £5m EVCI funding and, if successful, to finalise the terms of, and enter into, the relevant legal agreements (including the procured concession agreement) as well as any associated documents deemed necessary.
2. Delegate authority to the Director of Transportation and Highways, following consultation with the Ward Members and Cabinet Member for City Services and the Cabinet Member for Jobs, Regeneration and Climate Change, to approve charging point locations across the City.
3. Agree to add any successful funding bids up to £5million to the Council's capital programme.

Council is asked 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 bids to OZEV for up to £5m EVCI funding and if successful to finalise the terms of, and enter into, the relevant legal agreements (including the procured concession agreement) as well as any associated documents deemed necessary.
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 approve charging point locations across the City.
3. Agree to add any successful funding bids up to £5million to the Council's capital programme.

List of Appendices included:

N/A

Background papers:

None

Other useful documents

Taking charge: the electric vehicle infrastructure strategy - [Click Here](#)
Coventry Transport Strategy
Equality Impact Assessment 1

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?

Yes – 21st March 2023

Report title: Electric Vehicle Charging Infrastructure - Procurement

1. Context (or background)

- 1.1. The Office for Zero Emission Vehicles (OZEV) have confirmed another round of On-street Residential Charging Scheme (ORCS) funding of £20M as part of the Electric Vehicle Charging Infrastructure (EVCI) programme presenting the Council with an opportunity to submit new applications for the supply, installation, and maintenance of on-street residential charge points in Coventry.
- 1.2. At present the Office for Zero Emission Vehicles have two funding sources to deliver electric vehicle charging infrastructure; ORCS and LEVI (Local Electric Vehicle Infrastructure), as part of the EVCI strategy, published in March 2022.
- 1.3. The Council has been successful in previous applications to OZEV. The Council's success in bidding for funding for on street charge points has meant that the Council have spent up to the limit permitted under the current Contracts with two charging point operators. This has led to 721 residential charge points successfully being installed under the two Contracts using £2.8m of external funding.
- 1.4. The Council fully intends to make multiple bids for the new OZEV announced funding to build upon the successful programme completed to date. The first of the Council bids will be to facilitate an additional 450 charge points installed in residential streets where off-street parking is not available. The Council therefore needs to procure a charge point operator to enable the delivery of such charge points (if the Council is successful with its funding bids) with such concession contract also containing flexibility to allow for future charge point installations (if the Council is successful with its further funding bids).
- 1.5. Electric car charging infrastructure can also help support future development opportunities in Coventry. This could include provision of charging points at park and ride sites to provide a more convenient way of travelling into the city centre and to key employment sites, allowing drivers to park their vehicle on charge and finish their journey by foot, cycle, bus, or potentially in the future Very Light Rail. Electric charging points are also required to be installed in at least 5% of all new car parking spaces in Coventry, as set out in the Local Plan.
- 1.6. This work will also form an important element of the City Council's desire to improve air quality in the city. Coventry City Council is preparing bids to OZEV for EVCI projects.

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 On-street Residential Chargepoint Schemes network in the city.
- 2.2 The recommended option is to bid for the maximum amount available in order to Coventry'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 the public highway and on Council land.

- 2.4 It is expected that the private sector (the successful supplier) will invest 40 percent 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 on-street residential chargepoint design initiatives. It could 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 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. Therefore, it is proposed that the Contract length is 15+3+2 years (a core Contract length of 15 years, with potential for two extensions of 3 and 2 years). After the expiry of this contract, the ownership of these assets will transfer to the city council, at which point, the Council will either operate these charge points or procure an independent operator.

3. Results of consultation undertaken

- 3.1. It is proposed to carry out consultation with external stakeholders in the coming months

4. Timetable for implementing this decision

- 4.1. The proposal is to submit applications in 2022/2023 financial year, and if the funding is still available and the city's needs are still valid, then submit applications in 2023/2024 financial year.

4.1.1. The proposal is to deliver the ORCS project in 2023/2024 financial year

5. Comments from Chief Operating Officer (Section 151 Officer) and Chief Legal Officer

5.1. Financial Implications

- 5.1.1. Up to three bids are proposed for submission to OZEV over a three-year period to a maximum value of £5m from the current funding stream announced by OZEV. If the 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 Coventry City Council.
- 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, any additional signs plus road markings 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. The EVCI projects has no cost implications to the City Council including any on-going operating costs of the assets as the costs are covered by OZEV and the supplier. The supplier will be responsible for the running costs of the assets within the contract, which will include EV charge points.
- 5.1.4. There is potential for some revenue to be generated through the schemes, by entering into revenue-sharing agreements with the successful suppliers. It is intended that any resulting net benefit that the Council receives from revenue shares will be reinvested in EV charging schemes.

5.2. Legal Implications

- 5.2.1. Law and Governance will be fully involved at every stage of the tender submission, will be responsible for the drafting and approving of the charge point operators' terms and conditions and will be on hand and available to assist and advise 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 Concession Contract Regulations 2016.
- 5.2.3. Any funding agreement/s issued by OZEV (following any successful funding bid) will be reviewed and approved by legal services and legal services will ensure the charge point operator is contractually bound by the terms of the OZEV funding.
- 5.2.4. Any funding received will be compliant with applicable subsidy law including the UK-EU Trade and Cooperation Agreement and the Subsidy Control Act 2022.
- 5.2.3 On the adopted highway, Traffic Regulation Orders (TRO) will be required for the parking spaces for EV rapid chargers to make them enforceable. 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 for consideration and decision in regard to the way forward (whether to implement or not).

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?

Equality Impact Assessment has been carried out to assess the impact of change of services on Coventry residents. By undertaking the Equality Impact Assessment, Coventry City Council has ensured that 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 improved confidence to purchase or lease electric cars as they will be able to charge the vehicle at or near their homes even if they don't have a private driveway or parking. 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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Councillor P Hetherton	Cabinet Member for City Services	-	20.01.23	23.01.23

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