

ARUN DISTRICT COUNCIL

REPORT TO AND DECISION OF CABINET ON 29 APRIL 2020

SUBJECT: Electric Vehicle Strategy and Charge Point Installation

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EXTN: 37683

PORTFOLIO AREA: Technical Services & Neighbourhoods

EXECUTIVE SUMMARY:

This report seeks approval for an Electric Vehicle (EV) Strategy developed by West Sussex County Council. The Government has made it clear that a transition to EV's forms part of its approach to achieving net zero carbon by 2050. Sales of petrol and diesel engine cars have been banned from 2040 and there is a government consultation on bringing that date forward to 2035 or 2032. One of the barriers to this transition is the availability of charge points. The proposed Strategy suggests that the Council support the take up of EVs by installing charge points on suitable Council owned car parks.

The County Council wants to work in collaboration with District and Borough Councils, as well as Parish Councils to deliver a county wide network of charge points. To reduce the complexity of accessing the charge points the network would be run by one supplier. The charge points would be powered by renewable energy. The collaboration with the County Council would be via an Inter Authority Agreement. This would commit Arun District Council to add its suitable car parks to a county wide portfolio of sites within a procurement process to select a supplier to install electric vehicle charge points on its land.

RECOMMENDATIONS:

Cabinet is asked to:

- Approve the Electric Vehicle Strategy 2019-2030;
- Agree to participate in the partnership approach to installing electric vehicle charge points on Arun District Council owned land; and
- Delegate Authority to the Group Head of Technical Services, in consultation with the Cabinet Members for Technical Services and Neighbourhoods, to enter into the Inter Authority Agreement, and contract with a supplier following satisfactory completion of a West Sussex County Council led procurement process, and to agree other matters in concluding the process of installing electric vehicle charge points on Arun District Council owned land.

1. BACKGROUND:

- 1.1 The Government has committed the UK to becoming net zero carbon by 2050. A transition to electric vehicles will be required to achieve this target. The Government reinforced this in the Road to Zero Strategy (July 2018). This states that a minimum of 50%, and as many as 70% of new cars, should be ultra-low emission. Ultra-low includes pure electric vehicles, electric range extended vehicles and plug-in hybrids. Nationally there will be a move to electric powered cars and vans over the next decade. This will require the implementation of new charging infrastructure.
- 1.2 Some private sector organisations are commencing this process, in petrol stations for example. However, parts of the District are less likely to be commercially attractive to charge point installers, particularly in the short term. The lack of infrastructure will hold back some residents from using electric vehicles (EV) and this might also be a barrier for visitors to the District. The Council can, therefore, play a part in providing charge points in its car parks, which are situated throughout the District.
- 1.3 The main focus of the Strategy is to provide a network of EV charge points across the County for those residents who do not have the ability to charge their vehicles at home, as they are without access to off-street parking. These would be provided via hubs of charge points in Council car parks. The points could then be used for destination charge points during the day. Rapid charge points (that can fully charge a vehicle within 30 minutes) will also be required adjacent to the strategic road network and some destination car parking. The location of these will be confirmed after further analysis.
- 1.4 An important part of the overall vision for charge points in the District is that they are part of a cohesive network using the same network provider. Ideally this network should also form part of wider network beyond the District. This will make accessing charge points more straight-forward for users until the market has found a solution to the current issue of incompatibility between different network providers. The latter can be a barrier to EV take up as there are currently several providers in the market and users are faced with different methods for accessing the charge points.
- 1.5 The Strategy uses data from modelling completed by a consultant working for West Sussex County Council. It indicates the number of charge points that will be required in the County with 70% of new vehicles being EV by 2030. The installation targets are ambitious given how few charge points currently exist. In the Arun District there are approximately 21 EV charge points which are to some extent publicly available, 4 of which are on Council owned land. However, not all of the charge points that need to be provided will be installed on District Council owned land. Some will be installed on Highway land, and there is the potential to collaborate with other organisation that want to install charge points on their land. For example, several Parish Councils across West Sussex have shown an interest in installing charge points on their land. Private landowners such as petrol stations and supermarkets will also continue to play a role.
- 1.6 As well as the direct installation of charge points the Strategy includes actions the Council can take to influence this. Arun District Council adopted Parking Standards Supplementary Planning Document in January 2020 which requires a proportion of new homes to be provided with EV charge points. The proportion increases every five years to 2033.

Work will also be required with the taxi trade and County Council to ascertain what charging infrastructure is required to support electric taxis and private hire vehicles. Finally, the Council will promote the charge point network as it develops, as well as the advantages of EV's.

- 1.7 The Strategy includes a no cost model for installing a coordinated network of EV charge points across the County.
- 1.8 West Sussex County Council will shortly commence inviting tenders in an OJEU compliant procurement process with a portfolio of land owned by the County and participating District and Borough Councils offering a concession contract to install, own, maintain and operate EV charge points at nil cost to the landowners.
- 1.9 The car parking spaces will be leased for nil consideration to the successful supplier for 7+1+1+1 years. The landowner maintains the ability to levy car parking charges on those spaces, and is obliged to undertake enforcement to minimise use by non-electric vehicles. EV charge point users would pay a fee for the use of the electricity which will be supplied with 100% renewable sourced electricity. This is most likely to be supplied via the electricity distribution network, but could include use of photovoltaics on site.
- 2.0 The proposal involves a profit share arrangement in order to motivate the supplier to keep the equipment updated and meet evolving consumer needs. The profit share is split equally between the supplier and the partnership. The portfolio approach means that the share of profit issued to the partnership is divided between the partners dependent on the number of EV charge points on each partner's land.
- 2.1 Adur & Worthing Councils, Horsham District Council and Crawley Borough Council all intend to participate in this partnership approach to procuring, installing and developing a EV charge point network. Mid Sussex District Council remain interested in joining. Chichester District Council already consider they have a sufficient number of EV charge points for current levels of demand and do not intend to participate at this stage.
- 2.2 The governance of the proposed partnership would be formalised by way of an Inter Authority Agreement, which is currently being drawn up. There will be two officer boards overseeing the partnership work; the first is a Strategic Board (Director/Senior Manager level) to agree the network plan including how many charge points will be provided in each district and their approximate locations. The second is a Delivery Board overseeing implementation. Each partner would have its own individual contract with the supplier.
- 2.3 In order for Arun to participate in the procurement process, which would assist in obtaining best terms from the market by increasing the certainty and size of the portfolio of sites, the Council will need to sign the Inter Authority Agreement.
- 2.4 A list of potential sites for EV charge points on Council land will need to be provided to the County to be included within its tender invitation. Not all of the car parks will be suitable for charge points. For example, with some car parks the cost of the grid connection will be prohibitive.

2.5 Once a commercial partner has been secured the first task will be to review the potential sites across the County. This will include County Council land and any public sector organisations that join the partnership. Much of the first year will focus on collating the sites into a network and to survey the sites to determine which ones can be connected to the electricity grid. The latter will be carried out by the commercial partner. There is also the potential for some District Council sites to have charged points in the early phases of the project. This work will be overseen by the two Boards.

2. PROPOSAL(S):

That Cabinet:

- 2.1 Approve the Electric Vehicle Strategy 2019-2030.
- 2.2 Agree to participate in the partnership approach to installing electric vehicle charge points on Arun District Council owned land.
- 2.3 Delegate Authority to the Group Head of Technical Services, in consultation with the Cabinet Members for Technical Services and Neighbourhoods, to enter into the Inter Authority Agreement, and contract with a supplier following satisfactory completion of a West Sussex County Council led procurement process, and to agree other matters in concluding the process of installing electric vehicle charge points on Arun District Council owned land.

3. OPTIONS:

- 3.1 The do-nothing option would leave the market to install charge points in the District. However, most areas of the District are not commercially attractive at present. Cities are attracting the most interest from private sector suppliers/installers. The latter are also less likely to provide charge points for residents in areas without the ability to charge at home. This is the main thrust of the proposed Strategy.
- 3.2 The Council could seek to both own and manage any new EV charge points. However, it does not have the resources, knowledge of skills for this. For example, a dedicated back office system is required to take payment from EV users charging at the points.
- 3.3 Another option is for the Council to own the charge points but pay a third party to install and manage the points via a procurement process exclusively for Arun District Council. The main disadvantage with this approach is that significant capital investment would be required by the Council, equivalent to £367k in year 1 to purchase and install EV charge points on each of the Councils' main car parks, though the Council may be able to access part funding from an Office of Low Emission Vehicles grant scheme. Some suppliers offer a model where they cover all of the capital costs. However, this would be limited to commercially attractive sites. An initial investigation confirmed that only eleven of Arun District Council owned car parks, are considered commercially attractive on this basis. If the Council owns the charge points it is responsible for paying for any faults that occur outside the maintenance contract. Experience with the existing charge points is that the income from the charge points is not, at present, high enough to offset these costs.

3.4 The Council could offer a concession contract for a contractor to install and manage the charge points without another public sector partner. However, advice from the Energy Saving Trust is that the number of sites that the Council is offering is unlikely to attract a commercial partner. Furthermore, this approach would not provide a cohesive charge point network across the county.

4. CONSULTATION:

Has consultation been undertaken with:	YES	NO
Relevant Town/Parish Council		N
Relevant District Ward Councillors		N
<p>Other groups/persons (please specify)</p> <p>4.1 At the end of 2018 the County Council ran an online residents survey to ascertain local views and opinions on EVs and EV charging.</p> <p>4.2 A consultation took place from 27 August to 02 October 2019 and primarily consisted of an online questionnaire. Arun residents well represented, providing the second largest number of responses. The responses are analysed in Appendix 2 (694 responses were submitted).</p> <p>4.3 The highlights are:</p> <ul style="list-style-type: none"> • 72% of respondents agree, or strongly agree with the general aims proposed in the strategy • 62% agree that the strategy should focus on people who will be reliant on public infrastructure • 61% think only renewable energy should be used to power the chargers, but 33% think renewable energy should only be used if it was not more expensive for users • 55% think they would be fairly or very likely to use chargers installed • 39% think the aims were just right; 37% think the aims are not ambitious enough; 23% think the aims are too ambitious • 40% think that the County Council should allow cables in cable protectors, to run across pavements for charging electric vehicles; 51% think this should not be allowed; 8% didn't know. <p>4.4 Two focus groups also took place for existing electric vehicle users to express their views.</p>	Y	

<p>4.5 The highlights are:</p> <ul style="list-style-type: none"> • Contactless payment is very important / essential, but membership schemes, where individuals register with a provider, and are issued with a payment card, are also useful and have a role to play. • EV drivers need clarity and transparency about the charging costs • 24 hour, 7 day a week troubleshooting support essential • The importance of enforcement to ensure charging bays are being used by charging cars. • Chargers have a role in helping making it attractive for visitors • Views on cables across pavements were generally negative, although they recognised that it would give people an option for charging when they currently can't they thought it would create issues both for pedestrians and people charging. It was suggested that in certain quiet areas it would be acceptable. <p>4.6 A soft market test has been undertaken by the County Council to engage possible EV charger suppliers for their views on elements of our strategy. Thirteen responses were received. There were no elements of the strategy that would prevent suppliers bidding to deliver a public land electric vehicle charger solution across West Sussex.</p>		
<p>5. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below)</p>	<p>YES</p>	<p>NO</p>
Financial	Y	
Legal	Y	
Human Rights/Equality Impact Assessment	Y	
Community Safety including Section 17 of Crime & Disorder Act		N
Sustainability	Y	
Asset Management/Property/Land	Y	
Technology		N
Other (please explain)		
<p>6. IMPLICATIONS:</p>		
<p>6.1 <u>Financial</u>: The approach suggested in the Strategy is that the installation of charge points should be via a no net cost solution to the Council, and soft market testing suggests that this should be possible. The main mechanism to achieve this would be</p>		

via a concession contract. The cost of the installation of the EV charge points will be borne by supplier who will retain own the equipment. The Council will not obtain rental income from leasing car parking spaces to the supplier of the EV charge points. The IAA sets out a profit share for electricity charges: 50% to the supplier, 50% to the participating landowning partners. The division of the partners profits will be based on the number of EV charge points on the landowners' land. Staff time will be needed to deliver this project. This can be met by reprioritising staff resources.

- 6.2 Legal:** Participation in the joint procurement of a supplier and partnership approach to installing electric vehicle charge points on Arun District Council owned land will involve entering into an Inter Authority Agreement with the County Council and other participating District and Borough Councils. Following satisfactory outcome of the procurement process, the Council will enter a contract with the successful supplier. Legal Services will advice on these matters, provided capacity allows.
- 6.3 The Local Government Act 2000, supplemented by Local Government & Public Involvement in Health Act 2007 and Sustainable Communities Act 2007, provides the principal statutory powers by means of which local authorities are currently engaged directly in helping to tackle climate change.
- 6.4 The Council has a wide general power of competence under Section 1 of the Localism Act 2011 to do anything that individuals generally may do. The existence of the general power is not limited by the existence of any other power of the Council which (to any extent) overlaps the general power. The Council can therefore rely on this power, where appropriate, to undertake the proposals contained in the Electrical Vehicle Charge Point Strategy.
- 6.5 Section 1 of the Local Government (Contracts) Act 1997 confers power on the local authority to enter into a contract for the provision of making available assets or services for the purposes of, or in connection with, the discharge of the function by the local authority.
- 6.6 Under the Public Contract Regulations 2015 where a Public Authority is to enter into a contract for the supply of goods & services, and the value of those goods and services exceeds a financial limit of £181,302 any procurement exercise to contract for those goods and services must be conducted in accordance with the Regulations and any failure to do so may be declared as anti-competitive and in breach of the Regulations.
- 6.7 If the chosen contract arrangement falls under the definition of a 'concession' the Concession Contract Regulations 2016 will apply and be adhered to.
- 6.8 Equality Impact Assessment:** It will be important for charge points to be fully accessible. The approach in the Strategy seeks to ensure that all households can charge their vehicle at home, either via residential hubs or on-street charge points. At present those without off-street parking could need to use public charge points during the day which would be more expensive than an overnight domestic electricity tariff. The Strategy would, therefore, give equality of access to charge points and enable more households to own/lease an EV and to ensure that any on-street charge points do not create hazards for those with mobility issues using the adjacent pavements. Following consultation with groups representing those with protected characteristics, cables over pavements was removed from the strategy. The Strategy complies with the requirements of the Human Rights legislation.

6.9 Sustainability: The strategy and installation of electric vehicle charge points would directly contribute to reducing carbon emissions across the District and assist with reducing some air pollutants, principally Nitrogen Dioxide, that cause a reduction in air quality.

6.10 Asset Management: Those car parking spaces where EV charge points would be installed would be leased to the successful supplier following the procurement process, on a 7 +1+1+1 year lease, for nil consideration. The Council's Property, Estates and Facilities Team would oversee this work.

7. REASON FOR THE DECISION:

7.1 To provide a framework for installing Electric Vehicle charge points across the District to support the take up of Electric Vehicles which in turn will contribute to reduction in carbon emissions and improvement in local air quality.

7.2 Collaboration with West Sussex County Council will give access to a contract to install electric vehicle charge points on District Council owned land.

8. EFFECTIVE DATE OF THE DECISION: 11 May 2020

9. BACKGROUND PAPERS:

Appendix 1: Electric Vehicle Strategy 2019-2030

https://www.westsussex.gov.uk/media/13766/electric_vehicle_strategy.pdf

Appendix 2: Residents consultation responses

Appendix 3: Arun District Council Parking Standards Supplementary Planning Document

<https://www.arun.gov.uk/download.cfm?doc=docm93jjjm4n14832.pdf&ver=15210>

Appendix 4: Equality Impact Assessment