

Chichester District Council

CABINET

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WSSC's Concession Contract for the Provision of Electric Vehicle Charge Points and Related Services

1. Contacts

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2. Executive Summary

WSSC has entered into a concession contract with Connected Kerb for the planning, installation, operation and management of electric vehicle charge points (EVCPs). The contract is for 15 years plus an optional further five years but with a zero-cost landlord's break clause in the lease agreements at ten years. All other West Sussex Councils have joined the contract and the emphasis is on the provision of EVCPs for households without access to off-street parking. The Council can join the contract at zero-cost subject to committing land assets on which Connected Kerb will consider installing EVCPs subject to a lease, although the Council retains the right to decide whether proposed installations can proceed. The Council would continue to take revenue from parking tariffs and some monies from EVCP revenues. WSSC has committed almost all its highway land to the contract and will install EVCPs on highway land in Chichester District whether the Council joins the contract or not. The Council's land assets which it is proposed to commit to the contract is at Appendix 1, 2 & 3.

3. Recommendation

- 3.1. That Cabinet resolves that the Council joins the West Sussex County Council Concession Contract for the planning, installation, operation and maintenance of an electric vehicle charging network.**
- 3.2. That Cabinet resolves that Parking Services retains the remaining £36,700 electric vehicle charging points budget to enable the installation of EVCPs in new locations and/or the expansion of provision in existing locations whether the Council joins the WSSC contract or not and potentially in locations rejected by CK but where the Council wishes to see EVCP provision.**

4. Background

- 4.1. In early 2022 WSCC and all other West Sussex district and borough councils (DnBs) signed a contract with Connected Kerb (CK) as their supplier for the planning, installing, operation and maintenance of electric vehicle charge points (EVCP). There is no statutory obligation on the District Council to install EVCPs but electric vehicles (EVs) are likely to be the dominant powertrain for cars and vans and the Council has land (predominantly car-parks) on which it can foster and encourage EV ownership and use in the district.
- 4.2. An earlier (now aborted) WSCC contract was considered by Cabinet at its meetings on 3 November and 8 December 2020. Cabinet resolved that the Council should not join the concession contract and:

‘That the Cabinet gives delegated authority to the Director for Planning and the Environment in collaboration with the Cabinet Member for Environment and Chichester Contract Services to consider the content of the West Sussex County Council Electrical Vehicle Charging Infrastructure contract once it has been received and to decide whether it would be appropriate at that stage to bring a further report back to Cabinet’.

- 4.3. The contract is a concession contract with a related lease period of 15 years, an option to extend for a further five years and a zero-cost landlord’s break clause in the lease at ten years. Other than the surrender of land assets to the provider, the contract is zero-cost to participating authorities and other eligible organisations. The land subject to the lease is only for the footprint of the EV charge point. This enables Local Authorities to continue to take car-parking revenue in full where EVCP’s are located in Council car parks¹. The contract’s focus is the provision of 7 – 22kW EVCP’s for residential properties that do not have the benefit of off-street parking. The contract also seeks to provide approximately 5% - 10% of the total provision as ‘rapid’ (50kW+) EVCPs and ‘destination’ (7kW) charging.
- 4.4. The contract has a portfolio approach to profit share. For every kWh sold on the network £0.01 will be put into a central fund. The fund will be distributed to all participating parties in ratio to the number of EVCPs that they each host. WSCC will top-slice the fund for the cost of an officer who manages and administers the contract before the remaining monies are shared. CK pay for all of the electricity consumed under the contract (electricity will be at zero-cost to participating organisations) and all electricity will be from 100% renewable sources.
- 4.5. The other DnBs have predominantly offered their car parks, Council housing stock and associated land holdings. The District Council previously installed 18 EVCPs in eight car parks using Office for Zero Emission Vehicles’ Grant support (see Appendix 1). The Council currently fully owns its EVCP provision, sets its own tariffs, receives the full income

¹ And maintain control over parking tariff setting.

generated by the provision and the parking income for EVCP spaces. It is proposed that the Council commits car parks and land assets as indicated in Appendix 2 and 3.

- 4.6. The contract is run by two management boards (broadly 'operational' and 'strategic'). The boards are populated by officers from the Key Delivery Authorities (KDAs) and CK. The KDAs are WSCC and all other West Sussex district and borough local authorities. All subsequent signatories to the contract, including the Council, will be Collaborating Organisations (CO's). CO's will have the same contract terms as KDAs but will not be able to sit on the management boards. Other organisations such as not-for-profit organisations, community groups and facilities can also join the WSCC contract at any time as COs.
- 4.7. Under the contract, EVCPs will be installed on WSCC's highways land within Chichester District, whether the Council joins the contract or not. WSCC asked residents and relevant organisations to indicate where they would like to see EVCPs installed and the Council promoted the WSCC eform link via social media, to all community asset register listed persons, via residents' associations and Registered Social Landlords. The Council has also provided WSCC with data on extant planning permissions, private-hire vehicle data and taxi rank locations.
- 4.8. Officers from Environmental Protection, Parking Services and Estates have identified a schedule of land assets and car parks that it may be appropriate to offer to the contract in the event that the Council resolves to join. The suggested assets are indicated at Appendices 1 - 3. Assets committed to the contract will be considered by CK who will then either propose install locations on those assets or not. The Council can negotiate and/or refuse CK's proposals. Entering the contract does not guarantee CK will install on any asset or adopt any existing EVCP but gives CK the first right of refusal to install on all committed assets or to adopt any existing EVCP. If CK refuse a location then the Council would be free to appoint a different supplier to install EVCPs there. There are financial penalties for organisations that sign-up to the contract if they subsequently wish to have EVCPs removed and/or relocated (capped at £35K for fast EVCPs and £50K for rapid EVCPs tapered over the contract period, plus £5K cable re-routeing (see Appendix 5)). CK has installed fast chargers thus far in banks of six such that the penalty for removing/relocating a number of EVCPs could be significant.
- 4.9. In the event that the council decides not to join the contract it could determine its own strategy and bid for two existing Government grant pots to install EVCPs. There is no guarantee of success in applying for grants (though the Council has successfully accessed the On Street Residential Chargepoint Scheme (ORCS) grant previously) and the work would require additional staff resource (see 8.2). The two grant pots are offered by the Office for Zero-Emission Vehicles (OZEV). Both grants enable EVCP provision in locations where properties do not have the benefit of off-street parking:

- ORCS: This is the grant that the Council accessed previously. It requires a 25% funding match for the Council to access it.
 - Local Electric Vehicle Infrastructure (LEVI) Fund: This grant was available as a pilot earlier in the year and will be open for bids later in the year. Authorities can apply individually or in partnership with a private sector partner. The grant is intended to encourage large-scale, ambitious and commercially sustainable projects that lever considerable private sector investment and minimise the spend from the public purse. OZEV are particularly interested in new business models where local authorities work together. The Council has limited assets with which it can make a transformative change for properties across the district without access to off-street parking and in any case this is WSCC's intention using their highway land through the contract.
- 4.10. WSCC recently produced a Members' Briefing note which the Council circulated by email to all members. This reports positively on CK's progress in developing a West Sussex EVCP network that in car parks 60 EVCPs are publicly available with a further 90 EVCPs planned at 15 sites where construction will commence from September 2022. For on-street provision phase-1 roll-out aims to deliver 400 EVCPs subject to resident engagement and the Traffic Regulation Order process, with Chichester District hosting 15 such sites.
- 4.11. The existing EVCPs assets, with the exception of the EVCP assets at East Pallant House car park, Chichester (two 7kW EVCP's) and Northgate car park, Chichester (two 7kW EVCP's), are proposed to be offered to the contract (see Appendix 1).
- 4.12. Aside from the land indicated in Appendices 1 – 3 that it is proposed is offered into the contract, the Council does have other land holdings where it could in theory install EVCPs. However, these assets have been considered by the Council's Estates team and for various reasons it is not considered appropriate to install in those locations.
- 4.13. Parking Services has a residual budget of £36,700 from the original EV Charge Points budget which was used as a match fund against the Office for Low Emissions Vehicles grant to install the existing 18 public facing EVCPs.
- 4.14. Usage statistics for the existing EVCPs are at Appendix 4.

5. Outcomes to be achieved

- 5.1. To support transformative provision of EVCP's across the District to support the take-up and ownership of EV's especially for households who would otherwise be unable to own an EV due to the lack of off-street parking. This in turn should support the Council's adopted Air Quality Action Plan to improve air quality through encouraging the growth in EV's with zero tail-pipe emissions and further assist in decarbonising transport in line with the Council's Climate Change Action Plan.

- 5.2. Joining the concession contract should enable timely installs of EVCPs in relevant locations on Council land across the district and enable the Council to have more influence in the delivery of the concession contract in the district and West Sussex.
- 5.3. Joining the contract would also fit with the Corporate Plan policy to 'protect our environment as we move towards a low carbon future'.

6. Proposal

- 6.1. The proposal is to join the WSCC concession contract and offer the assets indicated at Appendices 1 – 3 for potential EVCP provision and to maintain ownership and operational control of four EVCPs at the Northgate and East Pallant House car parks, Chichester.
- 6.2. To maintain a Parking Services' EV charging points budget of £36,700. The budget would enable the installation of EVCPs in new, or the expansion of provision in existing locations whether the Council joins the WSCC contract or not and potentially in locations rejected by CK but where the Council wishes to see EVCP provision. The Council would not seek to install EVCP in locations where CK wish to install and the Council agrees.

7. Alternatives considered

- 7.1. To not join the WSCC contract and to continue to develop the Council's own network. This would require determining a Council strategy for the delivery of EVCP's, bidding for one of two government grants and forming a relationship with a provider. This would require additional staffing resource and for which success is uncertain (see 4.9 above).
- 7.2. To consider other delivery models available to the Council and their relative benefits and disbenefits compared to those of joining the contract: For similar reasons to those given in 7.1 above this option is not considered appropriate.
- 7.3. To watch the WSCC concession contract develop further before joining it: WSCC has recently reported positive progress (see 4.10) in the implementation of the contract and so it is not thought that there will be significant knowledge gains through observing progress further. As such it is now considered appropriate to join the contract in order to contribute to it and maximise its possibility of success. As such this option is not thought appropriate.

8. Resource and legal implications

- 8.1. The further work involved to join the contract can be carried out within current resources and Legal Services' audit of the contract (including the lease document) indicates that there are no legal constraints to not join the contract. Should the Council join the contract then an in-house working group would be set up to manage the process whereby the Council would

have EVCP's installed on its land, again this is within the existing resources of Legal Services, Estates, Car Parks and Environmental Protection.

- 8.2. The alternative of further delivery of EVCP's in-house is likely to require additional staff resources, which might amount up to 1 FTE for a minimum of eight months at an approximate cost of up to £50k together with new District Network Operator (DNO) connections which will further add to the cost to the Council (the current EVCP service offering by the Council is, as per a previous Cabinet resolution, designed to be revenue neutral).

9. Consultation

- 9.1. Adoption of the WSCC concession contract was considered by Environment Panel at its meeting on 5 September 2022. The Panel resolved:

That the Environment Panel recommends to Cabinet that the Council joins the West Sussex County Council Concession Contract for the planning, installation, operation and maintenance of an electric vehicle charging network.

That the Environment Panel recommends to Cabinet that Parking Services retains the remaining £36,700 electric vehicle charging points budget to enable the installation of electric vehicle charge points.

- 9.2. No formal consultation has been undertaken by the Council, nevertheless, the WSCC eform link has been promoted to relevant organisations in Chichester District as described in paragraph 4.7 above. This exercise will be repeated to encourage residents and businesses to engage in the process and to suggest locations for EVCP installs. As a form of informal consultation WSCC has leaflet dropped to properties on roads where there is on-street provision proposed. The TRO process, intended to start in September/October 2022, will also be subject to a full public consultation.

10. Community impact and corporate risks

- 10.1. The WSCC contract is not yet proven and there is risk that it may not deliver (see 7.3 above).
- 10.2. Should the Council agree to installations of EVCPs in locations where they subsequently need to be moved or removed then the Council will be exposed to the financial penalty associated with the 'lift and shift' clause of the contract (see 4.8 above and Appendix 5). Relocation and/or relocation compensation is only payable after leases are signed and is tapered across the life of the contract.
- 10.3. As the proposal is to continue to wholly own and host four of the Council's 18 EVCPs (at East Pallant and Northgate carpark) and to offer the balance of existing EVCPs into the contract and to allow installs by CK on Council land then there is a risk that the Council's offer will be confusing to

customers. However, the EVCP market already has many providers and EV drivers are well used to using different forms of payment, apps to access and pay at EVCP's from different providers.

- 10.4. The Council is likely to receive only a small income from the CK EVCPs whereas it receives all of the income from its current EVCPs which is set against the costs of service provision and is designed to be revenue neutral. Nevertheless most of the risks and liabilities, aside from the lift and shift clause, from the provision of EVCPs under the concession contract is borne by CK and the provision will be at zero-direct-cost to the Council.

11. Other Implications

	Yes	No
Crime and Disorder		✓
Biodiversity and Climate Change Mitigation Enabling a greater number of journeys to be made by EVs and the related reduction use of liquid fuelled vehicles both reduce carbon emissions especially where the electricity of from renewable sources.	✓	
Human Rights and Equality Impact The WSCC contract is designed to provide on-street EVCP to support households who do not have access to off-street parking to buy EVs.	✓	
Safeguarding and Early Help		✓
General Data Protection Regulations (GDPR)		✓
Health and Wellbeing		✓