

OPEN

BRIEFING REPORT

Highways and Transport Committee

21 September 2023

EV Infrastructure Programme – Update

Report of: Tom Moody, Director of Infrastructure and Highways

Report Reference No: HTC/14/23-24

Ward(s) Affected: All Wards

Purpose of Report

- 1 This report provides an update to the Committee regarding Electric Vehicle Infrastructure (EVI) in the borough, particularly regarding the use of funding secured from the Office for Zero Emission Vehicles (OZEV). This funding will lead to the delivery of additional EV chargepoints across the borough.
- 2 The report contributes to the following priority outcomes identified in the Corporate Plan:
 - (a) **GREEN** –through its proposals to improve EV charging provision across the Borough, the Council will encourage earlier adoption of electric vehicles, which will positively contribute to our response to the climate emergency and to reducing local air quality problems in urban areas.
 - (b) **FAIR** – the proposals are intended to create greater consistency and availability of EV chargepoints, removing some of the long-standing barriers to the use of electric vehicles within the Borough.
- 3 This report summarises progress against measures set in the Cheshire East Electric Vehicle Infrastructure Strategy, approved by the Highways and Transport Committee on 20 July 2023.

Executive Summary

- 4 The Council has already invested to provide several electric vehicle chargepoints through several actions. Past demonstration projects have provided a small number of legacy sites for public chargepoints. More recently, programmes to install EV chargepoints at council offices, depots and leisure centres have increased scope for public access to EV charging. However, there remain significant gaps in the provision across Cheshire East; notably, a lack of public chargepoints in Macclesfield town centre, Congleton, Poynton and many rural areas.
- 5 Under the On Street Residential Chargepoint Scheme (ORCS), OZEV awarded the Council £151,100 towards investment in chargepoints across the Borough. Match-funding (circa £50k) to be provided by the contracted chargepoint operator (CPO). This funding will provide 28 chargepoints across 15 locations. Recent discussions with OZEV have indicated that this funding will be extended to enable completion of the programme.
- 6 The Council has also received an indicative Local Electric Vehicle Infrastructure (LEVI) funding allocation of £2.172 million. This will need to be supplemented by substantial private sector funding under the terms of the grant. It is expected that this funding will be provided by the appointed CPO, following a competitive tendering process. To secure this funding allocation, the Council must submit a business case and complete a process of technical approvals.
- 7 Further funding is provided through the LEVI capability fund. The allocation to the Council is £389,000, made available to increase officer resources for EVI delivery including recruitment / redeployment of staff.

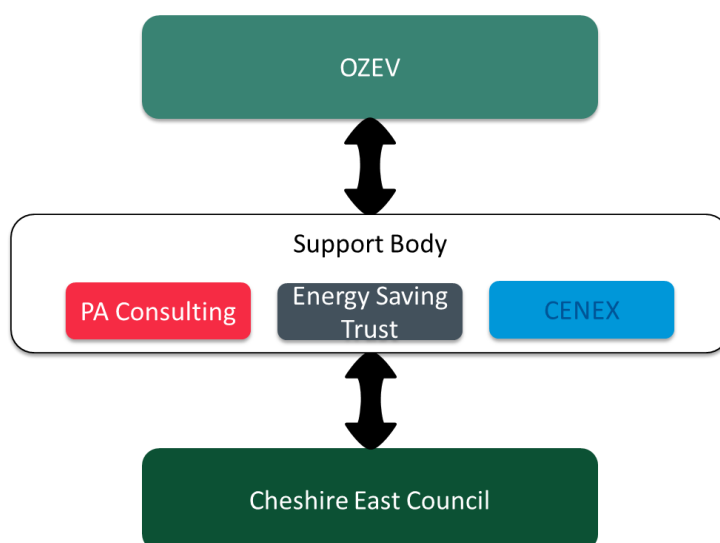
RECOMMENDATIONS

The Highways and Transport Committee is recommended to:

1. Note the update provided in this report.
2. Note that the Director of Infrastructure and Highways will take actions to increase staff resources to support EVI expansion, utilising the LEVI Capability Fund grant received by Cheshire East Council.
3. Agree that the Director of Infrastructure and Highways, in consultation with the Chair of Highways and Transport Committee, finalise and submit a business case to Government to secure the Council's LEVI Fund grant.

Background

- 8 The Council has already invested to provide several electric vehicle chargepoints, however there are significant gaps in the current provision across Cheshire East. Notably, there is a lack of public chargepoints in Macclesfield town centre, Congleton, Poynton and many rural areas.
- 9 Cheshire East Council was awarded £151,100 from the ORCS fund towards £205,000 of EV chargepoints in August 2022. The balance of funding (circa £50,000) is to come from the private sector. The intended programme consists of 13 car parks and 2 on-street locations, delivering in total 28 chargepoints. The programme is expected to be completed in 2024.
- 10 The Council has also been allocated an indicative £2.172m of Local Electric Vehicle Infrastructure (LEVI) funding. This funding must be supplemented by private investment from CPOs. To draw down this funding, a Business Case and contract documents are to be agreed with OZEV, with a Business Case to be submitted during November 2023.
- 11 Alongside the capital funding for LEVI, Cheshire East Council has been allocated a total of £389,000 from a Capability Fund. This funding is available on the expectation that it will be used to increase officer resources for EVI delivery, for example through recruitment, internal transfers, or extension to the remit of existing staff.
- 12 To provide advice to local authorities, OZEV has appointed a Support Body which advises OZEV on the assessment of local authority submissions. Engagement with local authorities is almost exclusively via the Support Body, as shown in the diagram below.



Briefing Information

- 13 Key activities relating to the delivery of chargepoints to date are:
- ORCS tender process November to December 2022.
 - No supplier appointed because no compliant tender was received, and costs were too high.
 - Engagement with the Support Body to develop a way forward for delivery that might combine ORCS and LEVI.
 - Formal early market engagement with the CPOs to develop the attractiveness of future tender opportunities. Key lessons were:
 - Review/extend the contract term.
 - Comments on the technical specification, including positive feedback about emerging LEVI guidance.
 - Engagement with departments across the Council to revise the technical details of our specification for ORCS and align it with some of the LEVI guidance.
- 14 More recently, discussions with OZEV and the Support Body aimed to agree an approach to deliver ORCS and LEVI in Cheshire East. These meetings had two objectives:
- (a) To ensure ORCS chargepoints are delivered.
 - (b) To proceed in a way that did not compromise future LEVI funding.
- 15 Consequently, OZEV confirmed that they intend to extend the ORCS funding term beyond FY23/24, recognising the challenges that the Council has faced during procurement. This will ensure that the infrastructure delivered by ORCS delivers the best possible value for residents of Cheshire East and for Government, whilst minimising risk to the Council. This means that delivery of ORCS is not at risk because of funding timescales.
- 16 OZEVs preference is for procurement and delivery of ORCS and LEVI programmes to be separated. The key reasons are:
- The terms of ORCS and LEVI grants are different. ORCS funding must be spent in accordance with the funding submission and be able to demonstrate this to the National Audit Office.
 - Completing ORCS procurement and delivery separately is an opportunity to learn lessons on a relatively small procurement exercise in advance of the much higher value LEVI procurement.

- 17 The revised timescale for ORCS procurement is set out in Table 1. This work will involve several officer teams including highways, legal and procurement specialists.

Table 1: ORCS and LEVI Delivery Next Steps

Approximate timescale	Task
September	<ul style="list-style-type: none"> ▪ Finalise ORCS tender documents and specification and launch procurement. ▪ Prepare job description and person specification for the EVI officer role(s) recruitment.
October	<ul style="list-style-type: none"> ▪ Launch ORCS procurement late September / early October
September to November	<ul style="list-style-type: none"> ▪ Prepare the LEVI Business Case that is needed to formally secure the indicative allocation of £2.172m and submit in November.

Implications

Monitoring Officer/Legal

- 18 All activities summarised above fall under the resolutions of the Highways and Transport Committee on 20 July 2023 Item 10.
- 19 All decision makers need to ensure that they are not only empowered under the Constitution to make a decision but that they are also authorised under the Financial Procedure rules to incur the financial consequence of every decision that they make.
- 20 Under the Financial Procedure Rules chapter 3 part 4 section 4 of the Constitution dated July 2023 at paragraph 6.23 Directors may make applications for grants, where the application does not create a commitment, financial or otherwise, in consultation with the Chief Finance Officer, and, if grant funding is in excess of £1m then the Corporate Leadership Team must be consulted in advance.
- 20 Successful grant applications require a supplementary estimate to incur spending, in line with the approval limits set out in the Constitution (Chapter 3 Part 3). Receipt of grant funding over £1m requires Council approval. Delegation of acceptance of the funding to the Chief Executive will facilitate timely dissemination of grant funding to meet need. When utilising any grant funding the Council must ensure that it complies with any grant funding terms and conditions

Section 151 Officer/Finance

- 22 For existing officers, the staff resources for the delivery of this Cheshire East Electric Vehicles Charging Strategy and subsequent procurement will be funded from the established annual budget for the Strategic Transport & Parking Service.
- 23 Delivery of EV charging infrastructure within the ORCS and LEVI programmes is expected to be funded from a range of sources including:
- private sector investment;
 - external Government grant funding; and
 - potential for a small allocation from LTP (Local Transport Plan) Integrated Transport Block funding.
- 24 If the Council is successful in its bid for the £2,172,000 of Local Electric Vehicle Infrastructure (LEVI) funding, a supplementary capital estimate will be required to approve the new scheme/funding within the Council's capital programme.
- 25 The operation and maintenance of chargepoints will be funded by the private sector under a concession contract.
- 26 Recruitment of new staff is provided for through the LEVI Capability Fund. It is intended that the contracts for ORCS and LEVI will incorporate a concession fee that covers the cost to the Council of EVI, such as gritting and officer time. These costs will be apportioned on a pro rata basis across chargepoints across the borough. As such the revenue accrued through this process will increase over time and is unlikely to cover all officer costs in the first years of the contracts. The LEVI Capability Fund will cover these costs for three years and will therefore not impact on current budgets or the MTFs.

Policy

- 27 The Cheshire East Electric Vehicles Charging Strategy has been undertaken to ensure there is a consistent policy fit with all relevant adopted and emerging local policies including: the Environment Strategy, Local Transport Plan, Local Transport Development Plans, Corporate Plan 2021 – 2025; regeneration masterplans for Crewe and Macclesfield; Town Vitality Plans; and the Car Parking Strategy. Chargepoint delivery to achieve the objectives of the Electric Vehicle Charging Strategy is therefore consistent with the wider policy of the Council.

<p>An open and enabling organisation</p> <p>Chargepoint delivery will:</p> <ul style="list-style-type: none"> ▪ Support a sustainable financial future for the Council, through service development, improvement and transformation. 	<p>A council which empowers and cares about people</p> <p>Chargepoint delivery will support the priority to:</p> <ul style="list-style-type: none"> ▪ Work together with our residents and partners to support people and communities to be strong and resilient. 	<p>A thriving and sustainable place</p> <p>Chargepoint delivery will support the priorities:</p> <ul style="list-style-type: none"> ▪ A great place for people to live, work and visit. ▪ Welcoming, safe and clean neighbourhoods. ▪ To reduce the impact on our environment. ▪ Thriving urban and rural economies with opportunities for all. ▪ To be carbon neutral by 2025.
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Equality, Diversity and Inclusion

- 28 This update relates to activities to deliver the Cheshire East Electric Vehicle Infrastructure Strategy, which was approved alongside its Equality Impact Assessment (EqIA) on 20 July 2023. No update to that EqIA is required currently.

Human Resources

- 29 LEVI Capability Funding will provide for the recruitment of additional staff and training of both existing and additional staff.
- 30 It is recommended to delegate authority to the Director of Infrastructure and Highways to appoint EVI staff under the LEVI Capability Fund comprising up to 2 FTE (Full Time Equivalent) appointments.

Risk Management

- 31 Delivery of chargepoints funded by ORCS and LEVI are reported on in the EVI Project Board chaired by the Head of Strategic Transport & Parking Service. A project risk register is maintained detailing mitigation measures.

Rural Communities

- 32 As part of the strategy, public car parks operated by the Council in principal towns, key service centres and local services centres have been considered. These locations are anticipated to act as hubs for surrounding areas. Additionally, the strategy includes a specific measure for delivering chargepoints in rural locations. Delivery of

chargepoints through LEVI will seek to support the strategy in this way where this can be achieved in a viable way.

Children and Young People including Cared for Children, care leavers and Children with special educational needs and disabilities (SEND)

- 33 No direct implications for children and young people have been identified.

Public Health

- 34 Chargepoint delivery falls under the EV Charging Strategy, which has been aligned with the Council's stated policies and action plans relating to air quality management. This considers the impact of transport on issues affecting public health, most notably air quality and the contribution that electric vehicles can make to reducing tailpipe air pollutants.

Climate Change

- 35 EV chargepoint delivery will accelerate the transition from petrol and diesel Internal Combustion Engines, both for private vehicles and fleet (including Council) vehicles used by residents throughout the Borough. Therefore, these EV chargepoint programmes are an important element of the Council strategy for decarbonisation as a response to climate change.

Access to Information	
Contact Officer:	Richard Hibbert Head of Strategic Transport & Parking Service richard.hibbert@cheshireeast.gov.uk
Appendices:	None
Background Papers:	Cheshire East Electric Vehicle Infrastructure Strategy, approved by the Highways and Transport Committee on 20 July 2023.