

Cabinet Member for Regeneration and Assets

Report of: Property Services Manager

Subject/Title: Electric Vehicle Charge Points, Wilmslow, Congleton, Nantwich.

Date of Meeting: 7th December 2015

Portfolio Holder: Cabinet Member for Regeneration and Assets.

1.0 Report Summary

- 1.1 Cheshire East Council Secured Government grant funding for the provision of six Rapid Electric Vehicle Charging Points (EVCP's), within the Borough. The grant funding covered 75% of the costs of procurement, installation and maintenance of the units.
- 1.2 ABB Ltd, was appointed via the Council's procurement process to provide and Install the units. As part of this contract the Council required ABB to provide 25% of the funding. The Electric Vehicle Charging Units have therefore been provided at zero cost to Cheshire East.
- 1.3 In order to secure this funding, ABB partnered with an operator of EVCP (Engenie Ltd, and they require an assurance from the Council that they will be able to Operate the units for a reasonable tenure to secure a return on their investment.
- 1.4 As such, Cheshire East Regulatory Services are seeking consent to allow Cheshire East Council to grant fifteen year leases and a sub-lease to Engenie, to allow them to Operate six EVCP's on three of Cheshire East's Car Parks.

2.0 Decision Requested

- 2.1 To grant Engenie fifteen year contracted out FRI leases and sub-lease in relation to the three EVCP's sites on terms and conditions to be agreed by the Executive Director of Economic Growth and Prosperity.

3.0 Reasons for Recommendations

- 3.1 To enable Engenie to bring into use the EVCP at the three sites, and to ensure they have sufficient longevity on the sites, or adequate security of tenure should the sites become unavailable.
- 3.2 The alternative option for Cheshire East to manage, and operate the EVCP units is not feasible due to a lack of sufficient expertise and internal resource.

4.0 Wards Affected

4.1 Congleton West, Nantwich & South Stapeley, Wilmslow East.

5.0 Local Ward Members

5.1 Cllr P Bates, Cllr G Baxendale, Cllr G Hayes, Cllr P Groves, Cllr A Martin, Cllr R Menlove.

6.0 Policy Implications Including Carbon Reduction – Health

6.1 The provision of EVCP within the Borough is one part of an overall drive to incentivise the growth of ultra-low emission vehicles (ULEV). By changing a proportion of the overall vehicle fleet to ULEV there will be a positive benefit for Local Air Quality, carbon emissions and also health.

7.0 Financial Implications

7.1 The EV units have replaced six parking bays at each of the sites. Parking will be free at the EV units (for the correct category of vehicle whilst charging). The proposal from the operator will be to limit waiting in the bays to sixty minutes, after which the driver will need to move to a regular bay (and pay as normal), or move on.

7.2 For there to be parking revenue losses, the car parks would need to be at 100% capacity and people unable to park as a direct result of the loss of the parking bays at each site. Capacity on these car parks means other bays will be available.

7.3 The Council will receive 10% of the gross profit from each charging session. Based on a conservative five charging sessions per day per site (electricity tariff will apply 24/7/365), the estimated income could be in the region of £1,075 per year per site.

8.0 Legal Implications (Authorised by the Borough Solicitor)

8.1 The leases will be of a small part of the ground area in each car park on which each plug in post to be erected will stand. There will need to be an easement for supply of electricity to each post to enable it to function. The Car Park Orders will have to be amended to reflect the specified 'post' area and adjoining car parking spaces are subject to different parking regulations to enable the use to stop abuse of the facility.

8.2 The Council has the power to grant a lease of the land pursuant to S123 of the Local Government Act 1972, subject to any disposal for seven years or more being at best consideration that can be reasonable achieved.

9.0 Risk Management

9.1 In accordance with the legal advice provided above we perceive there to be no legal risk.

10.0 Background

10.1 Cheshire East Council has received a grant from the Office for Low Emission Vehicles towards the provision of six EVCP's and has identified three suitable locations within Cheshire East's ownership capable of facilitating two Electric Vehicle Charge Points on each site. The sites are located on South Drive Car Park Wilmslow, Princess Street Car Park Congleton and Love Lane Car Park Nantwich. Plans attached appendices 1, 2 and 3, the car parks edged blue and the proposed electric vehicle Charge Points edged red. Part of the Princess Street, Congleton site is subject to a to a 125 year lease from 25th March 1990, part of the site is outside of the demise but owned by the same organisation that owns the freehold of the leased area. Negotiations therefore will therefore be required with the landlord to regularise the use of the site.

10.2 Cheshire East Council Regulatory Services and Health have contracted with ABB Ltd a multinational corporation headquartered in Zurich, Switzerland, operating mainly in robotics and the power and automation technology to permit the provision and installation of six EVCP's on three Council owned car parks.

10.3 ABB will be responsible for maintaining the equipment and have engaged with Engenie who are a British Company based in London who propose making clean transport an accessible reality within this decade. They propose that Engenie will operate and manage the EVCP's on a twenty-four hour, seven day a week basis. Engenie will pay ten percent of the pre-tax profit to CEC on a quarterly basis in arrears.

10.3 The scheme is seventy-five percent funded by the Government and twenty-five percent funded by Engenie. ABB will be responsible for maintaining the equipment.

10.4 In order to regularise Engenie's occupation and allow them a return on their investment Engenie have requested fifteen year leases in respect of the land on which the EVCP's are located.

- 10.5 As the proposed leases are for longer than seven years they will have to be registered at the Land Registry and will need to be S.123 Local Government Act compliant. We propose fifteen year leases contracted out of Section 24 to 28 inclusive of the Landlord & Tenant Act 1954, with Landlord and Tenant break options on every fifth anniversary of the lease. We would seek to impose provisions to break should the contract terms be breached or come to an end early and include lift and shift provisions so that CEC could relocate the EVCP's should the land be required for any reason. It may be necessary that CEC grants wayleaves to utility companies in connecting the EVCP's to the main electricity supply. We would also seek to include a clause in the lease whereby the tenant ensures that the maximum period that any vehicle could remain on the charge site is ninety minutes.
- 10.6 The EVCP's will be metered separately and the tenant will be responsible for all outgoings.
- 10.7 We propose that on day one the EVCP equipment will become tenant's fixtures and fittings, belong to the tenant and will be the tenant's responsibility to remove and reinstate upon expiry / termination of the lease.
- 10.8 CEC's Civil Enforcement team manage CEC car parks and have been consulted as the sites are within designated car parking spaces and subject to car parking orders. The car parking orders will subsequently be changed to reflect the new provision.
- 10.9 The provision of EVCP's provides residents and visitors to the Borough with an Opportunity to utilise ultra-low emission vehicles. Increasing uptake of such vehicles reduces carbon emissions and improves local air quality. This meets the Council's aims of reducing carbon emissions, promoting sustainable transport, Growing healthy and sustainable communities.

11.0 Access to Information

- 11.1 The background papers relating to this report can be inspected by contacting the report writer:
Name: Adrian Williams
Designation: Senior Valuer
Tel No: 01270 686134