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CITY OF
WOLVERHAMPTON
C O U N C I L

Cabinet Meeting

Wednesday, 13 September 2017

Dear Councillor

CABINET - WEDNESDAY, 13TH SEPTEMBER, 2017

I am now able to enclose, for consideration at next Wednesday, 13th September, 2017 meeting of the Cabinet, the following amended report.

Agenda No Item

8 **Electric Vehicle Infrastructure Scheme (Pages 3 - 8)**

If you have any queries about this meeting, please contact the democratic support team:

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Report title	Electric Vehicle Infrastructure Scheme	
Decision designation	RED	
Cabinet member with lead responsibility	Councillor Steve Evans City Environment	
Corporate Plan priority	Place - Stronger Economy	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All wards	
Accountable Director	Kevin O'Keefe, Director of Governance	
Originating service	Governance	
Accountable employee	Colin Parr Tel Email	Head of Governance 01902 550105 Colin.Parr@wolverhampton.gov.uk
Report to be/has been considered by	Strategic Executive Board	4 September 2017

Recommendations for action or decision:

That Cabinet recommends that Council:

1. Approve the receipt of grant for £478,000 awarded by the Office for Ultra Low Emissions to the Council to install 24 electric vehicle charge points in the City.
2. Delegate authority to the Cabinet Member for City Environment, in consultation with the Director of Finance, to transfer the full grant to the preferred private partner, once identified.
3. The approved Capital Programme budget for Smart and Accessible City, against which this programme is assigned, is reduced to £478,000 to reflect the grant allocation.

1.0 Purpose

- 1.1 The purpose of the report is to request that Cabinet recommend Council to approve the receipt of a grant from the Office of Low Emission Vehicles (OLEV) and for that grant to be transferred to a private delivery partner in due course.

2.0 Background

- 2.1 In April 2016, Cabinet (Resources) Panel approved the submission of a bid to the Ultra Low Emission Vehicle (ULEV) Taxi Scheme run by the Office of Low Emission Vehicles (OLEV). The bid was submitted in December 2016 following approval by Strategic Executive Board.
- 2.2 In March 2017, the Council was informed that it has been awarded £478,000 of funding to install a network of charging points for electric vehicles, over three years from 2017-18. OLEV have since confirmed that electric charge infrastructure funded by the ULEV Taxi grant can be made available for public use. Essentially this will allow for the £478,000 grant to be used for the development of a charge point network in Wolverhampton which is open to both the public and taxis.
- 2.3 The Council has undertaken significant background research to understand current and projected demand for electric vehicle infrastructure in Wolverhampton. This has included regional benchmarking, survey work and interviews with a number of the City's prominent employers.
- 2.4 In summary, Wolverhampton lags behind the Black Country in electric vehicle uptake and this in part can be attributed to a lack of infrastructure across in the City. Currently there are 77 charge point locations across the West Midlands Combined Authority area; only four of those are in Wolverhampton. Despite this, projections based on data from the Department for Transport on electric vehicle registrations show locally, regionally and nationally electric vehicle ownership will increase markedly in the coming years, with a 350% increase projected nationally by 2020.

3.0 Electric Vehicle Infrastructure Scheme Delivery Model

- 3.1 The conditions of the OLEV grant require additional capital funding to deliver the full scheme. Therefore, it is the Council's intention that the grant funding will be used to deliver a network of electric vehicle charge points through a private partner who would be responsible for the additional capital.
- 3.2 A partnership with a commercial operator would involve them taking on all the risk for operating the charging points thereby eliminating the revenue costs to the Council and presenting the potential for the Council to receive a modest revenue income from the operator.

- 3.2 It is expected that the private partner will be responsible for building, marketing and operating the network, as well as providing an ongoing 24/7 service (including the management of payments and support), maintenance and repair.
- 3.3 To ensure that there is sufficient interest from the private sector to support the preferred approach a soft market warming exercise was undertaken between the 28 July 2017 and 23 August 2017. Several partners have expressed an interest in delivering the scheme including many of the current market leaders. Initial feedback has been that the providers would be willing to make the financial commitment required to satisfy the conditions of the OLEV grant.
- 3.4 It is therefore recommended that Cabinet recommend that Council approve the receipt of the grant funding from the Office of Low Emission Vehicles (OLEV). Cabinet approval is also sought to delegate authority to the Cabinet Member for City Environment, in consultation with the Director of Finance, to award the grant to the preferred private partner, once the evaluation process for the preferred partner has been undertaken.
- 3.5 Updates on initiatives to compliment the wider scheme and enhance uptake of electric vehicles will be reported through the Licensing Committee.

4.0 Evaluation of alternative options:

- 4.1 The alternative option would be to reject the OLEV grant and should the decision be taken to progress with developing an electric charge point network in the City, then funding would need to be found from an alternative source.

5.0 Reasons for decision:

- 5.1 The OLEV grant and preferred delivery model would allow the Council to develop a network of much needed charge points across the City centre with minimal financial risk to the Council. As outlined in section 2.4, there is convincing evidence to support the introduction of a charge point network in the City. There is a risk that there will not be sufficient infrastructure in the City to support the growing number of electric vehicle owners, and Wolverhampton will fall further behind its Black Country neighbours.

6.0 Financial implications

- 6.1 As stated in section 2.2 above, the Council has been successful in securing grant funding from the Office of Low Emission Vehicles (OLEV) totalling £478,000, to install 24 charging points for electric vehicles, over a three-year period from 2017-18.
- 6.2 Approval is sought through this report to delegate authority to the Cabinet Member for City Environment, in consultation with the Director of Finance, to award the grant to the preferred private partner to facilitate the delivery of this project, once the evaluation process for the preferred partner has been undertaken.
- 6.3 It is important to note that the Council will be the accountable body for the grant monies and in the event that the Council is unable to deliver its proposals, it would be

responsible for any claw back on the grant. However, a legal agreement with a private partner to facilitate the delivery of this project would include the requirement for sufficient monitoring of the scheme to mitigate against this financial risk.

- 6.4 The approved Capital Programme includes a budget of £1.0 million for a Smart and Accessible City. This budget is funded by £478,000 external funding in anticipation of the grant being available. The balance is funded by prudential borrowing which is no longer required for this programme. It is therefore proposed that the budget is reduced down to £478,000.

[MH/31082017/Q]

7.0 Legal implications

- 7.1 The introduction of electric vehicle charging points has legal implications with regard to procurement, entering into maintenance and service contracts, and implementation of traffic regulation orders for charging locations.
- 7.2 Proposals under the ULEV Taxi Infrastructure Scheme may also be subject to state aid requirements. It is the responsibility of the Council to ensure when using the funding that it is state aid compliant.
- 7.3 These issues will be addressed once formal approval is received, the procurement route is identified and the programme is developed.

[RB/30082017/K]

8.0 Equalities implications

- 8.1 Support for electric vehicles is contained within the Council's Sustainability Strategy and Implementation Plan 2013-18 on which an equalities analysis has previously been carried out and no negative impacts have been identified upon groups with protected characteristics. An additional equalities analysis for the electric vehicle infrastructure work has not raised any issues under the Council's equalities duties.

9.0 Environmental implications

- 9.1 The widespread introduction of electric vehicles has significant environmental benefits through a reduction in vehicles exhaust emissions with benefits for local air quality, reduced carbon emissions and a reduction in traffic noise.

10.0 Human resources implications

- 10.1 There are no direct human resources implications.

11.0 Corporate Landlord implications

11.1 There are no direct Corporate Landlord implications.

12.0 Schedule of background papers

12.1 Cabinet (Resources) Panel report on OLEV Taxi Scheme Bid, 26 April 2016

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