

Bath & North East Somerset Council		
DECISION MAKER:	Cllr Joanna Wright, Cabinet Member for Transport	
DECISION DATE:	On or after 24 <sup>th</sup> March 2020 (for single Member decision)	
		E 3202
TITLE:	Electric Vehicle Charging Network Inter-Authority Agreement	
WARD:	All	
AN OPEN PUBLIC ITEM		
<b>List of attachments to this report:</b> Appendix A: EV Inter-Authority Agreement GULW Appendix B: Schedule 1 Governance Appendix C: Schedule 2 Scoped Objectives Appendix D: Schedule 3 Finance Appendix E: Finance case EVCP network		

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## **1 THE ISSUE**

**1.1 The 4 West of England authorities are creating a network of public charging points for Electric Vehicles. An Inter-Authority Agreement (IAA) has being drawn up to set out the terms by which the network shall be owned, managed, maintained and funded. This report seeks approval and sign off for this legal document on behalf of Bath and North East Somerset Council.**

## **2 RECOMMENDATION**

**The Cabinet Member is asked to;**

**2.1 Delegate approval to the Director of Environment to sign the Inter-Authority Agreement for the public electric vehicle charging network, on behalf of Bath and North East Somerset.**

### 3 THE REPORT

3.1 The Office of Low Emission Vehicles has provided 100% grant funding for projects in the capital programmes of 4 West of England Authorities under the Go Ultra Low West scheme (GULW). GULW runs until 31<sup>st</sup> March 2021. It commits to double the number of electric vehicle charging points publicly available across the West of England, and to stimulate uptake of electric vehicles (EV) by a number of other projects, including grants to businesses for charge point installation, match funding for converting council fleet to EV, and electric cargo bike last mile delivery scheme.

3.2 An Inter-Authority Agreement (IAA) has been drafted to outline the arrangement for the operation and maintenance of electric charge points across the 4 West of England Authorities.

3.3 The agreement will last until 31<sup>st</sup> May 2029, if not terminated earlier. Any party can withdraw from the agreement with 6 months' notice, or at break points (year 3 and year 7) with 3 months' notice.

3.4 The network consists of the charge points and associated infrastructure required for the operation of the charging points. Associated infrastructure will need to be approved by the parties.

3.5 After the agreement ends, or a party leaves, the charge points and network assets will be owned by the UA that they are installed in, unless otherwise agreed.

3.6 Any cost deficit associated with the network at the end of the agreement that cannot be covered by network funds will be split between the parties.

3.7 The key objectives the network aims to achieve will be listed in a separate schedule accompanying the agreement. In summary they are:

- Creating a financially viable network
- Ensuring that lack of electric charging infrastructure is not a barrier to electric vehicle uptake anywhere in the area
- Providing a positive user experience for users of the network
- Enabling improvements to air quality, CO<sub>2</sub> and economic growth

3.8 Activities the operational team will complete to achieve these objectives includes:

- Contracting a supplier for any new charge points.
- Managing the maintenance and back office contract for the network
- Managing the fees, income and finances of the network.
- Managing, or supporting the installation of any new charge points
- Choosing or recommending new sites for charge points

- Managing the brand of the network

3.9 A Network Board with representatives from all the councils will determine strategic direction and set tolerances for Operational Team. These are not defined in the agreement and will need to be discussed by the Network Board but should include what level of oversight is required for costs and reinvestment. Network Board will be able to adjust the scoped objectives.

3.10 All authorities are responsible for putting a network board representative in place, covering any network deficit, and providing support to the Operational Team where necessary. The Lead authority (Bristol City Council) is also responsible for making sure the Operational Team is in place.

3.11 Any issues with the agreement will be raised through the Network Board, followed by Heads of Transport if not resolved. Highest level of governance is Chief Executives of each party.

3.12 The first new points will be installed through GULW funding; no additional points will be installed over the GULW allocations without prior network board approval.

3.13 The Network Board will operate in consultation with the appropriate cabinet member/s from each of the partnering authorities.

#### **4 STATUTORY CONSIDERATIONS**

4.1 If the recommended option is accepted, the Council will be continuing to deliver to policy GABP4 under the Getting Around Bath Transport Strategy. GABP4 commits the council to reducing traffic impact and emissions. It would also support GABA10: Develop options for a Low Emission Zone, by providing greater facilities for charging low emission vehicles.

#### **5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)**

5.1 Any cost deficit associated with the network at the end of the agreement that cannot be covered by network funds will be split between the parties.

5.2 If electric vehicle ownership trends continue at the present steady rate of increase based on Cenex assumptions, expected sales estimates show net network sales building from £5k p.a. in year 1 (2020/21) to over £430K by year 10, illustrated in supporting appendix E. These contribute toward fixed costs of staff and maintenance which increase by inflation only. There is an expected surplus from year 5 onwards.

5.3 The contract for managing the network on behalf of the 4 authorities; including installation of points, managing and maintaining the network, and providing back office software for monitoring, has now been let by Bristol County Council to Siemens.

5.4 The income generated by the network will first go to the running costs and maintenance of the network, and then be reinvested in expanding the network.

5.5 If the Income received does not cover the incurred Network cost then the Network Deficit shall be split based on the Network Assets which fall within each local authority. The exact method of determining any split will be defined by the

Network Board, but will aim to be reflective of the actual costs to the Network from the Network Assets in each party

- 5.6 The network costs for maintenance will include the costs for charge point maintenance and all associated infrastructure.
- 5.7 Once compatibility issues are addressed, existing assets (charge points) will be subsumed into the network, with maintenance of the assets forming part of the network costs.
- 5.8 There are 120 connections planned in total, which will be provided through 60 charge point units for the whole GULW region. Of the 120, 18 are for Bath and North East Somerset Council (9 Charge Point Units), giving rise to B&NES share of costs of 15%.
- 5.9 There is a deficit predicted for the first 4 years of the operation, (starting in 2020/21) which will be apportioned on a per point basis and payable on a quarterly basis. B&NES share is forecast to be a cumulative total of £15K and the annual deficits will be managed through re-allocated budget as part of Car Parking Service Plan
- 5.10 For risk management illustration, B&NES exposure is our share of fixed costs before sales are generated. In year 1 (2020/21) this is £1,800 p.a., increasing from year 2 onwards from £15,500 p.a., as staff costs are no longer met by grant. These figures indicate the scale of the operation and will get reduced by sales proceeds net of variable costs.
- 5.11 If the service is discontinued there would be a one-off charge of circa £25K payable by B&NES. This sum is based on estimates provided by South Gloucestershire Council (which all UA's have accepted) for associated costs including removal of mountings, reinstatement, making safe the electricity supply and transportation of removed devices, specific to the type (e.g, wall/floor mounted and fast/rapid) and multiplied by the number of planned points for B&NES.

## **6 RISK MANAGEMENT**

- 6.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision-making risk management guidance.
- 6.2 For risk management illustration, B&NES exposure is our share of fixed costs before sales are generated. In year 1 (2020/21) this is £1,800 p.a., increasing from year 2 onwards from £15,500 p.a., as staff costs are no longer met by grant. These figures indicate the scale of the operation and will get reduced by sales proceeds net of variable costs.

## **7 CLIMATE CHANGE**

- 7.1 A West of England network of charging points for electric vehicles with zero tailpipe emissions is direct action on reducing carbon emissions and supports the Government's Road to Zero strategy.
- 7.2 Supporting residents of Bath and North East Somerset in take up of zero emission, electric vehicles helps prepare us for the 2040 ban of petrol and diesel car and van sales, and the 2030 target of 50% of new car sales being zero emission.
- 7.3 Combined with a focus on greener electricity production, as is planned with solar panels on the proposed Charlotte Street EV hub, swapping internal combustion engine vehicles for battery powered electric vehicles will help make inroads in carbon reduction locally.

## **8 OTHER OPTIONS CONSIDERED**

- 8.1 Not installing any additional charge points in The Authority area and returning the funding to the other 3 West of England Authorities. This is not advised, as it would disadvantage Bath and North East Somerset residents who are considering purchasing an electric vehicle. It fails to realise the opportunity to support a shift towards cleaner vehicles in The Authority area, and thereby would fail to reduce harmful emissions which currently contribute towards the AQMA in Bath.
- 8.2 A private operating model was considered however at this stage of development the aim is to encourage greater use of electric vehicles. It was considered that EV is still in its infancy and needs to be developed. At this stage a single commercial company would not be able to provide a consistent, well maintained and managed network across the West of England that provided charging points at strategic locations to encourage use as opposed to maximise commercial gain.

## **9 CONSULTATION**

- 9.1 Consultation has been undertaken with Bath and North East Somerset sustainability team, parking team, and highways team, Bristol City Council, South Gloucestershire Council, and North Somerset Council.
- 9.2 Through the Getting Around Bath Transport Strategy, the public were consulted with around three quarters of respondents (74%) supporting proposals to increase facilities for electric vehicles within the city.
- 9.3 Legal, Procurement and Finance teams have been consulted in the preparation of this report.

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<b>Background papers</b>	
<b>Please contact the report author if you need to access this report in an alternative format</b>	