Notice of:	**EXECUTIVE**
Decision Number:	EX44/2023
Relevant Officer:	Scott Butterfield, Strategy Policy and Research Manager
Relevant Cabinet Member:	Councillor Jane Hugo, Cabinet Member for Climate Change
Date of Meeting:	6 November 2023

ELECTRIC VEHICLE CHARGING IN BLACKPOOL – FUNDING SUBMISSION

1.0 Purpose of the report

1.1 To present a potential submission for Local Electric Vehicle Infrastructure funding for approval.

2.0 Recommendation(s)

2.1 To approve the proposed delivery model and hierarchy of sites outlined in 6.9 and 6.10.

2.2 To submit a funding bid of up £1.708m to the Local Electric Vehicle Infrastructure support body by 30 November 2023.

3.0 Reason for recommendation(s)

3.1 To ensure the continued rollout of Electric Vehicle (EV) chargepoints in support of the UK government's policy ambitions on increasing Electric Vehicle uptake.

3.2 Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.3 Is the recommendation in accordance with the Council's approved budget? Yes

4.0 Other alternative options to be considered:

4.1 Not to submit a bid. The Local Electric Vehicle Infrastructure Support Body, acting on behalf of the Office of Zero Emission Vehicles, has advised that it is highly unlikely further funding would be made available should the council choose not to proceed with a funding bid at this time. The proposed approach balances the low uptake of Electric Vehicles in Blackpool with a general requirement to support people who do not have access to off-street parking with charging facilities.

To submit a bid based on an alternative delivery model, for example by using on-street

charging as the primary delivery mechanism for Electric Vehicle charging. This would cause substantial disruption to resident parking in high-demand areas such as those covered by parking permits.

To submit a bid around an alternative financial model, for example "own and operate" rather than a concession. Analysis suggests that a model where the Chargepoint Operator would manage and operate the network in exchange for a greater share of the reward would be the most advantageous in terms of leveraging in private sector investment, and lowest financial risk option for the Council.

5.0 Council priority

5.1 The work is relevant to both Council priorities and delivery of the Climate Emergency declared in 2019:

- 'The economy: Maximising growth and opportunity across Blackpool'
- 'Communities: Creating stronger communities and increasing resilience'

The work supports both of the Council's priorities.

6.0 Background and key information

6.1 In November 2020, the UK government announced a halt to sales of new petrol and diesel cars by 2030 (subsequently amended to 2035), and of new hybrid cars by 2035. The government's Zero Emission Vehicle mandate sets minimum annual targets for manufacturers to deliver an increasing market share of zero emission cars and vans, rising from 22% of new cars sold in 2024, to 80% of new cars and 70% of new vans by 2030. Sales of Battery Electric Vehicles (BEVs) have already grown from 12.5% at the start of 2022 to 32.9% in December that year, with increased confidence in used car battery capacity also leading to record used Battery Electric Vehicles sales in Quarter 2 of 2023 of 30,500 cars; 1.7% of the used car market.

6.2 Whilst the cost of new and used Battery Electric Vehicles is starting to become more affordable, and the average distance new electric cars can travel on a single charge continues to increase, substantial barriers to increased take-up remain. These include confidence in the public charging infrastructure, the higher cost of public charging compared to domestic overnight tariffs, the inconvenience of charging compared to traditional fuels, and user perception or preference.

6.3 The distribution of charging infrastructure across the country skews towards more affluent areas with higher numbers of Battery Electric Vehicles, with Chargepoint Operators favouring more lucrative rapid charging and higher demand sites. According to government statistics at 1 July 2023, Blackpool has 22 devices per 100,000 people, which is in the bottom 20% of all Local Authority areas in Great Britain. A substantial proportion of these were provided by the Council via Local Transport Plan funding. There are currently only three rapid chargers in Blackpool, one of which was installed by the

Council.

6.4 The Council's Electric Vehicle Strategy adopted in February 2023 set a target of providing 210 additional sockets across the town by 2028. This is in contrast to the NEVIS model promoted by the Local Electric Vehicle Infrastructure Support Body which suggests numbers of between 478 and 616 based on their preferred scenario, although these are potentially subject to revision due to the impact of the change in the phase-out date. These figures exclude provision of further workplace charging or facilities associated with planning requirements around provision of Electric Vehicle infrastructure in new developments. Historically, nationally-modelled data tends to substantially over- or under-estimate Blackpool's needs, depending on the topic at hand.

6.5 The primary aim of the Local Electric Vehicle Infrastructure fund criteria is to provide low powered sockets for residential areas, aimed at households without access to off-street parking. To facilitate this, on 4 September 2023, the Council was notified that it had been placed into Tranche 1 for capital funding worth up to £1.708m, subject to agreeing a delivery plan with the Local Electric Vehicle Infrastructure Support Body. An initial application for the funding is due for submission on 30 November 2023, after which the Support Body will work with the Council to ensure the project meets Local Electric Vehicle Infrastructure conditions. On approval, 90% of the funding is released, with the final 10% subject to the selection of a provider through the procurement process, and further discussion between the Support Body, Council and Supplier. The deadline for Tranche 1 authorities awarding a contract is September 2024.

6.6 One of the funding requirements is to leverage a substantial amount of private sector funding from the successful Chargepoint Operator following a tender process. Whilst the process to be followed is still under discussion with the Local Electric Vehicle Infrastructure Support Body, our preferred approach is to include discussions around concession terms as part of the procurement exercise, via a Competitive Procedure with Negotiation (CPN) process. The tender exercise will seek a provider for a "concession" arrangement where the Local Electric Vehicle Infrastructure funding ensures the delivery of all necessary infrastructure, and the Chargepoint Operator will be granted a site lease to provide charging services. Sites where the Council has already installed chargers would transfer to the Chargepoint Operator winning the tender exercise once existing contracts expire, with the expectation that existing chargers can be re-used wherever possible.

6.7 Local Electric Vehicle Infrastructure "capability" (revenue) funding has already been paid to the Council to ensure sufficient staffing resource is available for the project up until financial year 2024/25. Beyond this date, staffing costs associated with contract management and delivery would need to be covered through an arrangement with the Chargepoint Operator.

6.8 In awarding the contract to the successful Chargepoint Operator, the procurement exercise will prioritise the following key areas:

- Minimising the cost of charging to users, as prioritised to respondents of the consultation on the Electric Vehicle Strategy and in consultation with the Cabinet Member for Climate Change;
- Maximising the use of the Residential Charging Sites (RCS) model (see 6.9);
- The extent to which a Chargepoint Operator can meet the Council's ambition of having all households in Blackpool which are without a driveway within five minutes' walk of a chargepoint;
- The total value for money represented by the contract i.e. the total number of chargepoints being delivered and the rationale for this number.

Other considerations include that carbon emissions are considered at all points of the lifecycle of the installed chargepoint (design, manufacture, transport, installation, operation and decommissioning); that the Council has final say on the selection of chargepoint locations; the length of the contract and associated leases; retention of influence over the price of the tariff and potential to use "smart tariffs" offering cheaper rates at off-peak times; and access to usage data.

6.9 The proposed delivery model is to use Residential Charging Sites (RCS). These would provide low-power charging on existing car parks, including those associated with sites providing specific services. Rolled out initially on Council carparks and parking associated with Council properties, arrangements would be made for 24 hour charging to be accessible with additional provision for adequate lighting and security measures such as CCTV. Where the charging site is located on a car park which charges for parking, arrangements will be put in place to ensure that the total cost to residents using the facilities is limited to the cost of the charging and not the parking. Discussions have taken place with Electricity North West regarding the model, which they have indicated provides lower demands on the electrical infrastructure than some alternatives and is therefore less likely to incur significant supply upgrades. Any upgrades needed would be funded via the Local Electric Vehicle Infrastructure grant.

6.10 A data analysis is underway to determine the availability of Council and other sites which could deliver against an objective of all households without off-street parking being within 5 minutes' walk time of a Residential Charging Sites. This would use Council-owned car parks in the first instance, followed by use of parking at other facilities where space allows. As additional sites will also be needed, the following hierarchy of alternative options will be explored to deliver the coverage needed:

- Use of other community facilities, such as health facilities, schools, church and private car parks delivered via associated leasing arrangements made between

the Chargepoint Operator and the relevant organisation, to facilitate a Residential Charging Site with 24-hour access;

- Access to rapid chargers with minimal drive times at a preferential rate;
- Delivery of on-street charging facilities which do not impinge on existing parking habitually used by residents of nearby properties (e.g. wide roads with properties on one side).

A communication and engagement process is being developed which will encourage organisations to come forward with sites, and pro-active engagement with organisations which have suitable space on site.

6.11 Another option for users without off-street parking, which would not be included in the arrangement with the Chargepoint Operator, would be to promote the adoption of a domestic charger-sharing scheme such as those offered by Co-charger and similar apps. In addition, Lancashire County Council are currently trialling measures to enable the safe provision of charging from a domestic property over a footway, which involves the installation of a gully system in pavements. The Council will liaise with the relevant officers to follow this trial as it continues, and assess its suitability for Blackpool.

6.12 The Residential Charging Site model contrasts with other localities that have chosen to provide extensive on-street charging facilities as a primary option. Guidance suggests that the government is expecting to fund and deliver an on-street model. However, the Residential Charging Site model currently represents the best balance between supporting the agenda and pragmatism that balances Blackpool residents' needs, including non- Battery Electric Vehicle car and van drivers.

6.13 Given the potential level of public and private funding, the Local Electric Vehicle Infrastructure Support Body expects the Council to exceed the target stated in the Electric Vehicle Strategy. The exact number of chargers and sockets which can be delivered subject to the procurement process is not currently known. Based on financial modelling using reference data from previous chargepoint installations, the level of government funding available would be likely to meet the target in the strategy without a private sector contribution. As a result, the expectation is that a significantly higher number of sockets than anticipated by the strategy will be delivered through this arrangement, although this will also be subject to the commercial model used by the successful supplier.

Does the information submitted include any exempt information? No

7.0 List of appendices

7.1 None.

8.0 Financial considerations

8.1 Under the Council's current model of charger installation, there is currently no funding available for equipment replacement and maintenance beyond the installation warranty, with fast charging being priced on the basis of recovering the cost of energy used. Other associated costs such as staff time and bay marking have not been incorporated into cost calculations. To resolve this, the finance team has assessed the costs of the current "own and operate" model where the Council would continue to provide, own and pay for maintenance of the chargers and electrical infrastructure, with a Chargepoint Operator providing maintenance and retail support. However, based on current use and modelling undertaken by the Finance team, the cost that the council would need to charge the consumer would be prohibitively high, leading to the selection of the concession model as the preferred option.

8.2 The intention is to use the Local Electric Vehicle Infrastructure funds and the existing Local Transport Plan allocation for Electric Vehicle infrastructure without further calls to Council funding. As noted in 6.7, future staffing costs will be funded by an arrangement with the successful Chargepoint Operator. If the procurement process does not result in an offer which covers these costs, the Council may need to withdraw from the funding application process. An additional £150,000 of Local Transport Plan capital funding is available for 2024/25, with some existing funding still to be spent, and further funding from this source remaining a possibility. Pending the new arrangement with the Chargepoint Operator, the Council will continue to install chargepoints using this funding.

9.0 Legal considerations

9.1 The funding from Local Electric Vehicle Infrastructure Support Body referred to in the body of the report will contain provisions around what the money is to be spent on and when it is to be spent. These conditions will be complied with in respect of the project.

9.2 The procurement undertaken in respect of the project will be compliant with procurement legislation.

9.1 The Local Electric Vehicle Infrastructure Support Body has issued standard Heads of Terms for the procurement process, which the team are currently localising in line with the requirements of our delivery model. Legal Services have been engaged by using some Local Electric Vehicle Infrastructure Capability Funding to provide support and advice.

10.0 Risk management considerations

10.1 *Risk of insufficient provision leading to lower than expected take-up of Electric Vehicles, or residents using dangerous charging solutions.* At this stage of the Electric Vehicle adoption process in Blackpool, with some narrow thoroughfares and permit parking on many streets, delivering substantial on-street charging facilities would be difficult to implement consistently. It would also displace other motorists or risk "bay blocking" where non-electric cars park in

electric-only spaces. However, there is a risk that the performance target of all properties being within 5 minutes' walk of a charger will not be met. This would reduce charging convenience and incentives to switch to Electric Vehicle. There is a further risk of people trailing cables out of windows and over footways creating a trip hazard, which has been witnessed locally. Using extension cables to supplement car charging cables also creates a fire risk.

10.2 *Risks associated with batteries.* In contrast to smaller battery-based transportation, data analysis from the USA shows that the risk of fires in electric vehicles is substantially lower per 100,000 vehicles than in petrol and diesel cars. However, the nature of the fires means they take longer to burn themselves out, contain more toxins, and are more difficult to extinguish with current fire-fighting equipment. Careful consideration therefore needs to be given to siting chargers appropriately to minimise risks. A risk assessment process has been established which considers mitigation measures as part of the installation of new devices.

11.0 Equalities considerations and the impact of this decision for our children and young people:

11.1 An Equality Analysis was undertaken within the strategy development process. This particularly notes the importance of well-lit, secure charging facilities for vulnerable motorists charging at night, and the role of the new Accessible Chargepoint standard PAS1899 in ensuring that motorists with disabilities are able to charge their vehicles. Whilst our aim should be to ensure sites are accessible to PAS1899 wherever possible, sites would require more space and potentially manual support for users.

11.2 There are no direct equalities implications arising for children and young people. Provision of charging facilities supports the transition to a low carbon economy, and contributes towards a more sustainable future for future generations.

11.3 The existing Equality Analysis undertaken on the Electric Vehicle strategy is being reviewed and updated to explore the Residential Charging Sites model in more detail, and actions identified will be included in the Delivery Plan.

12.0 Sustainability, climate change and environmental considerations

12.1 The Council's Sustainability Impact Assessment process was used throughout the development of the Electric Vehicle Strategy. The scheme would potentially lead to an increase in electricity use locally, but this can be accommodated within the National Grid's transition from fossil fuel derived power. Focusing on providing slower speed low power devices minimises the impact on the Distributed Network Operator's (Electricity North West) infrastructure. The funding has the potential to positively impact on the number of journeys made to Blackpool by Electric Vehicles as chargepoint provision will be promoted and made available via Chargepoint Operator and third party apps e.g. Zap Map, Plugshare as well as the Council's website.

13.0 Internal/external consultation undertaken

13.1 Stakeholder events were held in March 2022 with key local businesses and organisations, which influenced the Electric Vehicle Infrastructure Strategy. Drop in sessions for Councillors were held in June 2022 to explain the planned strategy and take comments. A public engagement exercise on the draft strategy took place with the findings used to shape the document. Further public engagement will be undertaken where required in the selection and delivery of individual sites.

13.2 Internal consultation has been via the Electric Vehicle Steering Group, which is chaired by the Strategy and Climate Lead and includes representatives from Transport Policy, Procurement, Highways, Asset Management and Parking Services, with other services and Wholly-Owned Companies invited and represented as required. The Corporate Energy and Utilities Group agreed to act as Project Board for the Local Electric Vehicle Infrastructure funding at its meeting of 14 September 2023.

13.3 Details of the proposed model and its implications were reported to the Climate Change and Environment Scrutiny Committee meeting of 27 September 2023, with the Committee raising no fundamental concerns about the delivery model.

14.0 Background papers

14.1 None

15.0 Key decision information

15.1 Is this a key decision? No

15.2 If so, Forward Plan reference number:

15.3 If a key decision, is the decision required in less than five days? No

15.4 If **yes**, please describe the reason for urgency:

16.0 Call-in information

16.1 Are there any grounds for urgency, which would cause this decision to be exempt from the call-in process? No

16.2 If **yes**, please give reason:

TO BE COMPLETED BY THE HEAD OF DEMOCRATIC GOVERNANCE

17.0 Scrutiny Committee Chair consultation (where appropriate)

Date informed: Date approved:

18.0 Declarations of interest (if applicable)

18.1 None.

19.0 Summary of Discussion:

19.1 Mr Scott Butterfield, Strategy Policy and Research Manager, presented the proposal to the Executive. Mr Butterfield outlined the steps that had been undertaken to develop the methodology behind the hierarchy of sites and the intention to ensure that all residents would be no more than five minutes from a charging site. Mr Butterfield explained that the proposed delivery model would mostly be based around off-street charging points to provide a balance between supporting the agenda and pragmatism that balances Blackpool residents' needs. In response to questions, Mr Butterfield highlighted that the bid would represent the first step in the process and once a chargepoint operator had been appointed further community engagement would take place. Mr Butterfield also reminded members of the Executive that this funding would be used to facilitate full residential coverage and that it would be intended to compliment private sector investment in fast charging facilities.

20.0 Executive decision

20.1 The Executive agreed the recommendations as outlined above namely:

1. To approve the proposed delivery model and hierarchy of sites outlined in paragraphs 6.9 and 6.10 of the report.

2. To submit a funding bid of up £1.708m to the Local Electric Vehicle Infrastructure support body by 30 November 2023.

21.0 Date of decision

21.1 6 November 2023

22.0 Reason(s) for decision

22.1 To ensure the continued rollout of Electric Vehicle (EV) chargepoints in support of the UK government's policy ambitions on increasing Electric Vehicle uptake.

23.0 Date decision published

23.1 7 November 2023

24.0 Alternative Options Considered and Rejected:

The Executive rejected a range of alternative options. Not to submit a bid. The Local Electric Vehicle Infrastructure Support Body, acting on behalf of the Office of Zero Emission Vehicles, has advised that it is highly unlikely further funding would be made available should the council choose not to proceed with a funding bid at this time. The proposed approach balances the low uptake of Electric Vehicles in Blackpool with a general requirement to support people who do not have access to off-street parking with charging facilities.

To submit a bid based on an alternative delivery model, for example by using on-street charging as the primary delivery mechanism for Electric Vehicle charging. This would cause substantial disruption to resident parking in high-demand areas such as those covered by parking permits.

To submit a bid around an alternative financial model, for example "own and operate" rather than a concession. Analysis suggests that a model where the Chargepoint Operator would manage and operate the network in exchange for a greater share of the reward would be the most advantageous in terms of leveraging in private sector investment, and lowest financial risk option for the Council.

25.0 Executive Members in attendance

25.1 Councillor Williams, in the Chair

Councillors Benson, Burdess, Hobson, Hugo, M Smith and Taylor

26.0 Call-in information

26.1

27.0 Notes

27.1 The following Non-Executive Members were in attendance: Councillors Galley, Hunter and Marshall.