

Brighton & Hove City Council

Environment, Transport & Sustainability Committee

Agenda Item 68

Subject: Electric Vehicle Charge Point Update

Date of meeting: 17 January 2023

Report of: Executive Director Economy, Environment & Culture

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Ward(s) affected: All

For general release

1. Purpose of the report and policy context

1.1 This report updates Committee on progress in expanding the electric vehicle charging infrastructure, and successful new bids for funding. It also seeks permission to procure additional electric vehicle charge points under a non-exclusive concession contract, divided into three lots in line with the recommended option agreed at the Procurement Advisory Board.

2. Recommendations

2.1 That Committee notes the submission of further successful bids for funding for electric vehicle charge points from central government and progress in expanding the charging network as well as the growth in demand and charging activity.

2.2 That Committee delegates authority to the Executive Director for Economy Environment and Culture to take all steps necessary to procure and award a new concession contract subdivided into three lots for the supply, installation, maintenance and operation of electric vehicle charge points for a term of ten years.

2.3 That Committee delegates authority to the Executive Director for Economy Environment and Culture to approve an extension to the contract referred to in 2.2 above for a period of up to five years following the initial ten-year term, subject to satisfactory performance by the concessionaire (s).

3. Context and background information

3.1 In October 2019 ETS Committee noted the award of a non-exclusive five-year concession contract with the option to extend by a further 2 years to EB Charging Ltd for the provision, operation, and maintenance of charge points in the city. Since the start of this contract in November 2019 over 353 public chargers have been installed and are operational.

- 3.2 EB Charging now have only 2 years remaining on the initial term of the contract with insufficient time to recover the cost of further capital investment in the charging infrastructure. Demand and use of the public charging network continues to increase (see appendix 1) and as such this second phase of procurement is required to continue to grow the public charging network.
- 3.3 According to Department for Transport figures there are currently 2,000 electric vehicles registered in Brighton & Hove. Independent forecasts of Electric Vehicle uptake growth have been made by UK Power Networks and central government which both indicate that by 2028 this could increase to up to 27,000 electric vehicles registered in Brighton & Hove. In addition to residential charging the charging infrastructure in the city will also need to cater for increasing numbers of visitors requiring public charging as part of their stay.
- 3.4 Overall, the minimum required installations proposed in this report would result in over a three-fold increase in slow chargers (up to 12 hours to fully charge a vehicle) to over 900 slow chargers. A five-fold increase in fast chargers (3 to 5 hours to fully charge a vehicle) to over 300 fast chargers and an increase in public rapid chargers (up to 1 hour to fully charge a vehicle) from 6 public rapids to 100. This would increase the current weekly charging capacity on the public network from 4,000 vehicles to 32,000 vehicles.
- 3.5 According to independent analysis by ComparetheMarket, Brighton & Hove is one of the best prepared areas for electric vehicle uptake in the UK based on the number of chargers per resident. In 2022 the city passed the milestone of having delivered 1million kWh through the public charging network. Independent research by Field Dynamics and Zap Map shows that 77% of residents with no off-street parking, now live within 5 minutes' walk of a public charger, one of the best rates in the country.
- 3.6 The Concessionaire(s) would need to fully fund the entire contract provision (including all operating costs assuming no other funding is available) and pay the Council a set amount from each charge made during the contract. For the first two years of the contract this is proposed to be set at a 4p per kWh revenue share with the council. After the first two years at 4p per kWh it is proposed that the revenue share amount is then to be reviewed as part of the council's annual review of all fees and charges. Through using a fully funded model charge point installations would be less reliant on central government funding.
- 3.7 The proposed route to market could result in the award of contracts to up to three new charge point operators in the city in the form of three separate lots. This would foster healthy competition between charge point operators in the city and add to the resilience of the network and is the approach recommended by Central Government which advises against exclusive contracts.

- 3.8 Although this could mean that there would be up to four apps available for the various types of charge points in the city, customers would also have the option of paying using a contactless card instead of an app on all fast and rapid chargers in the city. This is required under new legislation. Work is also underway at a national level on improving the interoperability of apps.
- 3.9 Under the current charge point operator contract the council has continued to submit successful bids for Central Government funding for additional charge points through the Office for Zero Emission Vehicles. Although the funding subsidy recently reduced from 75% to 60% of costs and only areas of the city with no off-street parking are eligible. Under the new proposed contracts there are plans to continue to bid for funding, including research funding such as from Innovate UK.

4. Analysis and consideration of alternative options

- 4.1 The option of providing this service in house was considered however, the council does not have any expertise in respect of installing, operating, or maintaining a charge point network, nor does it have the necessary IT&D technologies, and it would be unable to implement or manage these services without the benefit of a company which has experience in this sector.
- 4.2 Several procurement routes to market were assessed. The recommended option of procuring a non-exclusive concession contract subdivided into three separate lots; one for slow chargers, one for fast chargers and one for rapid chargers was agreed at the Procurement Advisory Board as the option providing the best value for money through a fair and transparent process.
- 4.3 The option of not procuring additional charge points was considered. Independent forecasts of Electric Vehicle uptake indicate that the current charging network would be unable to cope with this increase demand, potentially resulting in queues for chargers and a poor customer experience for residents and visitors.
- 4.4 The option of procuring the concession contract for a shorter term was considered. However, we estimate that it will take several years for the charge point operator to recoup the capital cost of installing the chargers. This is based on the forecasts of Electric Vehicle uptake and the cost of installing, maintaining the charge points and operating the app.

5. Community engagement and consultation

- 5.1 Informal consultation letters are sent out to residents within the immediate vicinity of proposed fast and rapid electric vehicle infrastructure installations to ask for their comments in response to proposed Traffic Regulation Orders. Where six or more objections are received against the proposals these would be presented in a report to this committee for a decision as to whether permission is to be granted to proceed with the proposal.

5.2 Residents can email the service with a request to install a charge point nearby if they have bought or are thinking of buying an Electric Vehicle.

5.3 A regular e-taxi newsletter is being produced for the taxi trade with information on grants and licensed e taxis.

6. Conclusion

6.1 Without this new contracted service in place the Electric Vehicle Charging Point Network in the city would not be able to expand at a rate sufficient to meet increasing demand with a potential negative impact on the tourist economy if insufficient chargers are available. There also wouldn't been sufficient provision of different types of chargers to support and encourage increasing residential electric vehicle uptake.

6.2 It is therefore recommended that Committee agrees to the recommendations outlined in this report.

7. Financial implications

7.1 There are no direct financial implications. The contracts awarded are anticipated to be fully funded by the concessionaire, with a revenue share element payable to the council for every kWh sold. As the contract progresses, further chargers would be installed, and the assumption of increased usage will result in increased revenue share to the authority. At the end on the contract the ownership of all on street hardware will revert to BHCC to either manage internally or outsource with a future tender

Name of finance officer consulted: John Lack Date consulted :15/12/2022

8. Legal implications

8.1 Under the Concession Contracts Regulations 2016 concession contracts must not exceed 5 years unless a longer period is justified by the time it will take the concessionaire to recoup the investments it has made together with a return on that investment. For the reasons outlined in this report a 15 year concession contract is justified.

Name of lawyer consulted: Alice Rowland Date consulted 12/12/2022

9. Equalities implications

9.1 The location of new charge points will have wide coverage in both city centre and residential locations of the city including areas with off street parking as the new procurement will be less reliant on central government funding for areas with no off-street parking.

9.2 The new procurement will require the customer experience to be as accessible as possible following the latest standards and will accept the Concessionaire permitting Electric Vehicle Charging through the following methods of payment:

- Contactless Card (for fast and rapid chargers)
- App
- Telephone
- RFID card for regular users

- 9.3 Due to the comparatively high purchase cost of electric vehicles, the direct benefits of electric vehicle driving in terms of cheaper fuel and running costs may tend to favour more affluent residents and visitors. The purchase cost of electric vehicles is however falling, particularly as the second-hand electric vehicle market grows, spreading the direct benefits more evenly.
- 9.4 The British Standards Institute has recently published guidance on providing accessible charge points for example for wheelchair users (PAS1899) and charge point operators will be required to have due regard to the objectives of this guidance.
- 9.5 We will be working within the emerging 'Accessible City Strategy' to ensure that charge point locations do not cause obstructions to pedestrians or disabled pavement users.

10. Sustainability implications

- 10.1 The Concessionaire is to supply energy (electricity) for the charging points from a renewable electricity tariff (a renewable source meaning they're naturally replenished, such as sunlight, wind, rain, tides, plants, algae and geothermal heat)
- 10.2 To date the public charging network has provided electricity sufficient for an electric vehicle to drive the equivalent of 4.3 million zero tail pipe emission miles.

11. Social Value and procurement implications

- 11.1 Lot 2 of this procurement includes provision for fast chargers in car club bays as they switch to electric vehicles. Each charger serves two bays, and half the cost would be met by the car club with a public charging bay next to the car club bay. Consideration is being given to formalising the council's relationship with its car clubs as part of a separate report
- 11.2 Bidders will be required to submit a scored Social Value and Community Wealth Building method statement with their bid submission detailing how it will deliver Social Value and Community Wealth Building outputs over the course of the contract. During the contract term, the BHCC Contract Manager will monitor progress and actual deliverables against targets detailed in the method statement.

Public health implications:

- 11.3 All electric vehicles, when operating in electric mode generate no tail pipe emissions of toxic, airborne pollution such as particulate matter and oxides

of nitrogen, which are serious health concerns, particularly in the city's Air Quality Management Areas. Electric vehicles do still generate some particulate matter from tyre and brake wear but are overall, less polluting than conventional vehicles.

Supporting Documentation

1. Appendices

1. Public Charge Point Statistics
2. Relevant minutes of the meeting of the Procurement Advisory Board (21 November 2022)