

## Rother District Council

**Report to:** Cabinet

**Date:** 7 February 2022

**Title:** Electric Vehicle Charging in Car Parks owned by Rother District Council

**Report of:** Deborah Kenneally, Head of Neighbourhood Services

**Cabinet Member:** Councillor Field

**Ward(s):** All

**Purpose of Report:** To seek approval to procure an appropriate Provider to install electric vehicle charging infrastructure in selected Rother District Council car parks and to consider the comments arising from the Climate Change Steering Group meeting held on 13 January 2022. The Minutes of that meeting (Appendix A) should be read in conjunction with this report.

**Decision Type:** Key

### Officer

**Recommendation(s):** It be **RESOLVED**: That:

- 1) delegated authority be granted to the Director – Place and Climate Change in consultation with the Cabinet Portfolio Holder for Environmental Management to procure and appoint an appropriate Provider to install electric vehicle charging infrastructure in some Council owned car parks at nil capital investment cost (i.e. a ‘concession agreement’) to the Council, thus enabling some or all risks to be transferred to the Provider, and to take any necessary decisions in relation to this matter to ensure delivery of the project;
- 2) it be noted that significant work has already been completed in gaining an understanding of the electric vehicle charging market provision and learning from other local authority experience, and that it is recognised that more detailed background work will be required prior to the procurement and delivery of the project; and
- 3) the Government be lobbied for further financial support to broaden electric vehicle charging across the district and East Sussex for the future.

### Reasons for

**Recommendations:** To deliver electric vehicle charging points in Rother District Council owned car parks for public use that will support the increased use of electric vehicles in the district and wider community, thereby reducing carbon emissions.

## Introduction

1. On 16 September 2019, Full Council passed a motion declaring a 'Climate Emergency' and made a carbon neutrality commitment for Rother District with a target date of 2030. The Rother Environment Strategy was subsequently developed and adopted on 21 September 2020: it has amongst its priorities air quality and sustainable transport and sustainable energy. This is in recognition that in Rother District, transport is the largest source of carbon dioxide emissions, accounting for 37% of total emissions by sectors.
2. The Corporate Plan 2020-2027 indicates that installation of Electric Vehicle (EV) charging points is to begin in appropriate Rother District Council owned car parks by 31 December 2021.
3. Sales of EVs in the UK have risen sharply in recent years. Even within the context of recent economic events, the market share of ultra-low emission vehicles has continued to grow year-on-year. In August 2020, new (fully electric) vehicle sales showed a 77.6% increase on the same month last year, while registrations of plug-in hybrid models showed an increase of 221%. According to the Ultra-Low Emission Vehicles (ULEV) registrations in East Sussex for Q3 2020, there have been 454 new (ULEV) registrations in Rother and 2,264 in East Sussex overall. As shown in Figure 1, there has been a 54.4% increase in the vehicle registration of electric vehicles within a short time span.

Year to date					
	YTD 2021	YTD 2020	% change	Mkt share -21	Mkt share -20
Diesel	11,083	29,278	-62.1%	12.3%	19.6%
Petrol	44,903	90,974	-50.6%	49.8%	60.9%
BEV	6,260	4,054	54.4%	6.9%	2.7%
PHEV	6,124	4,786	28.0%	6.8%	3.2%
HEV	6,826	8,971	-23.9%	7.6%	6.0%
MHEV diesel	6,221	4,918	26.5%	6.9%	3.3%
MHEV petrol	8,832	6,298	40.2%	9.8%	4.2%
<b>TOTAL</b>	<b>90,249</b>	<b>149,279</b>	<b>-39.5%</b>		

BEV - Battery Electric Vehicle; PHEV - Plug-in Hybrid Electric Vehicle; HEV - Hybrid Electric Vehicle, MHEV - Mild Hybrid Electric Vehicle

Figure 1 Car vehicle registration 2020, 2021.  
Source: The Society of Motor Manufacturers and Traders (SMMT)

4. The Government has also continued to introduce policy, investment and fiscal measures to promote the development of the market, most notably with the recent announcement of plans to bring forward the ban on sales of petrol and diesel vehicles from 2040 to 2030.
5. However, the poor provision of public charging infrastructure and the associated 'range anxiety' remains one of the most significant barriers to the adoption of EVs. Furthermore, for those households that do not have off-street parking (and therefore cannot install a home charger), provision of a reliable public network is crucial to ensure that growth in this sector continues at pace.

6. Depending on the amount of infrastructure delivered, the power rating of units and the potential need for electrical upgrades, the capital costs of delivering infrastructure can be high. In the absence of subsidies, investment across the district's car parks is, in the short term, unlikely to be profit generating. The challenge for the Council, therefore, pivots around a 'chicken and egg' style dilemma: how to increase the number of electric vehicles whilst simultaneously developing a charging network, given that the investment case for both depends on the pre-existence of the other.
7. With the growth in the EV charging market, collaborations and partnerships with the private sector have become common and there is now a diverse range of ownership and funding models potentially available to procure infrastructure, including some companies offering to provide and install infrastructure at no capital investment cost to the Council.
8. EV infrastructure market is becoming ever more complex and technology continues to develop at pace with the introduction of new products and providers into the marketplace. This raises the risk that technology installed now may quickly become outdated. The installation of public charging points involves consideration of multiple factors, including site selection (power availability and capacity, mobile phone connectivity, proximity to amenities, current and anticipated levels of usage etc.) The type, charging speed, and operation of charging points (including customer access methods and tariffs) are crucial elements. All of these factors will contribute to the commercial viability of a charging point at any one location.
9. In order to provide the facility at nil capital investment cost to the Council and transfer many of the risks from the Council to the private sector would mean amongst several items, the Council accepting that it has less control over the location of the charging points, the rates that the driver is charged and the amount of revenue the Council would collect from each location.
10. The Council has expressed a requirement to deliver EV charging infrastructure at nil capital investment cost and so this report solely focuses on private sector business models that reflect this requirement.

### **Current EV provision in Rother District**

11. According to data provided by [Zap-Map](#), the District of Rother has EV charging infrastructure installed at nine locations being Cooden Beach Hotel, Yeomans Hyundai Bexhill, Aldi Bexhill; Flimwell Park, Battle Brewery, The Bell in Iden, Flackley Ash Hill Hotel in Peasmarsh, The Gallivant in Camber and Route 1066 Café, Johns Cross. At the time of writing, eight of these locations were showing as working but not all are considered to be freely accessible to the public as some are restricted for use by customers and staff and others by type of charger.
12. There is now a perceived increasing need to expand the number of publicly available points to help meet existing and near-future demand, provide an alternative to home charging, and ensure that the Rother District (and its commerce) is equitable in its EV provision and accessible to EV motorists from elsewhere.

13. East Sussex County Council is responsible for the provision of on-street EV charging installation and so the focus of this proposal is limited to off-street EV charging in car parks owned by Rother District Council.

### **The operation of Council owned car parks**

14. Of the 44 car parks the Council owns, 16 are free of charge, mostly rural car parks, and 28 are Pay and Display more urban car parks.
15. The Council operates its designated car parks under the District of Rother (Off-Street) Parking Places Order 2020 (PPO) which provides a legal framework under which the Council can manage and enforce parking regulations to ensure proper use. The current PPO and associated schedules can be found at the following link: [Car parks – Rother District Council](#). The PPO includes clause 32 relating to the use of EV charging points in Council car parks.

### **RDC EV charging proposal**

16. With reference to paragraph 7 above, and for the purposes of this report, research has been solely focused on companies who can provide equipment and install EV charging at nil capital investment cost to the Council in a number of car parks across the district. Neither the Council nor the Providers are able to know in advance in which car parks it is realistically possible to install EV charging points until a Provider has completed a feasibility study. However the Council will seek to have one charging facility (which may service several charging bays) in one car park in Rye, one in Battle and one in Bexhill. The charging point equipment may be a dual point that would serve two bays or a single charge point serving just one bay.
17. The Providers will complete feasibility studies to identify suitable car parks in which to supply and install the charging infrastructure, including all equipment, installation and commissioning, and would then be liable for all the ongoing operational, maintenance and technology requirements.
18. Generally, the selected sites would be in a prime location that offer straightforward grid connection, 24/7 access and facilities onsite or nearby, mobile phone connectivity, and current and anticipated levels of usage. The Provider would most likely own the units, would set the pricing charged to the consumer and would retain all or most of the revenue generated.
19. Some Providers will wish to lease the nominated parking bays from the Council for the length of the term of the contract, which typically may last from between 15 to 20 years.
20. The type of technology installed i.e. fast (two to three hours plus) or rapid chargers (60 minutes plus), would be dictated by the available power supplied by the local grid and the type of equipment installed. It would be usual for fast chargers (rated between 7kw to 22kw using alternating current (AC)) to be installed in locations where consumers would normally expect to stay parked for longer periods of time. Rapid chargers (rated at 43kw using AC or direct current (DC)) are often located in motorway service stations and near A roads.

21. Fast EV charging points draw AC from the grid and rely on the cars converter to change it to DC to charge the battery. Rapid charging points can either use the cars converter or supplies DC straight to the car by-passing the convertor, hence speeding up the charging process.
22. Fast chargers are usually less expensive to install and cheaper for the consumer to use. The ability for a consumer to use a particular charging point depends on their vehicle and type of connector. Most electric cars purchased currently have Type 2 connectors and so providers cater more for this type rather than the older Type 1 connector.
23. Different Providers offer consumers a variety of ways to access and pay for the service, including the use of a mobile phone App, setting up a personal account with the provider, and 'contactless' payments. Prices vary between 16p to 42p per kwh depending on a variety of criteria including the speed of charger used, the service provider, if you are a 'member', 'subscriber' or a 'pay as you go' customer. The above will be determined by the Provider.
24. Once appointed the chosen Provider would complete a feasibility study to determine which car parks would be most suitable for their product. This can take some months whilst they work with the local and national power networks to identify the most appropriate infrastructure, and up to 12 months or longer to complete the installation.
25. The Providers spoken to state the charging points are 100% powered by renewable energy.
26. Further issues to consider include potential devolvement of car parks to town or parish councils and how a 15 to 20-year contract may impact this; the need to consider any pre-existing restrictive covenants on a proposed car park; any planning implications,- all of which will need to be investigated and discussed with the portfolio holder once due diligence on the sites has been completed. It is important that time is allowed to gain as much detailed information as possible on the car parks in advance of starting a procurement process in order to ensure the tender engenders as much interest as possible from potential Providers.

## **Conclusion**

27. There are numerous companies on the market who would be able to provide EV charging points in Council car parks at nil capital investment cost. In return for transferring all set up, equipment, installation and maintenance costs to the provider the Council would mitigate much of the risks associated with operating the EV charging service but would have a reduced or nil revenue stream from the charging bays and may be tied into a contract with the Provider for perhaps 15 to 20 years.

## **Human Resources**

28. Procurement would be completed using the East Sussex Procurement Hub shared service. Officer resource from the Special Projects Team will be required to be the main point of contact to coordinate with the infrastructure provider and lead on the review and initial stages of the project. Development of any bespoke procurement model may require additional resource and or

expertise. Should infrastructure delivery proceed, additional staffing resources will be required from a number of departments including legal, finance, planning, estates and communications team.

### **Financial Implications**

29. As alluded to in paragraph 15, PPO 2020 includes clauses relating to EV charging requirements, and confirms that users of the EV charging bay will be required to pay the standard charge parking fee for that car park as well as for the EV charge meaning there is no loss of car park income.
30. Although the proposal is to provide the service at nil capital investment cost to the Council, consideration should be given to the potential loss of revenue to the Council generated by each EV charging bay, which would either be all paid to the service provider or a share paid to both parties. Any contract will therefore need to be treated as a concession agreement.

### **Legal Implications**

31. Legal consideration would need to include planning implications and covenants on individual car parks; if bays are leased the process of 'disposal of open space' would need to be followed; consideration should be given to the impact of 15 to 20 year contracts on the potential devolvement of car parks to town and parish councils in the future. Procurement will take place either through an 'open tender process' or via a 'framework agreement' according to the frameworks available once due diligence of car parks is completed.

### **Environmental**

32. Environment Strategy comments: As outlined in the Introduction section, the EV charging is a decarbonisation project that fits within the organisation's objectives set out within the Rother Environment Strategy, RDC Corporate Plan 2014-2021 and the draft Corporate Plan 2020-2027. It aligns with the organisation's 'Climate Emergency' commitment and its air quality mitigation objective. The development of publicly available charging infrastructure in the Rother district will positively contribute to climate change mitigation by stimulating behavioural change through the adoption of electric vehicles and decreasing the number of petrol and diesel vehicles. The Council would look to appoint a company that would be using green energy where possible.

### **Equalities and Diversity**

33. The requirements are set out within the Council's Corporate Equality Objectives.
34. In siting EV charging points in Council owned car parks, the Council will ensure that the appointed provider considers how these points will be accessible to disabled users.

## Risk Management

35. The key feature of the concession agreement is that the operational costs and risk liabilities are transferred, either in part or completely, to the provider. The main advantages and disadvantages are summarised in the table below.

Advantages	Disadvantages
Nil capital investment costs.	Loss of potential revenue.
All technology and operational risks transferred to the provider.	Reduced influence on type of technology installed, location of chargers and pricing.
Operator is incentivised to deliver high level of equipment and maintenance resulting in better service to the customer.	Provider likely to be interested in most profitable sites that are easy to install and operate.
Reduced reputational risk of faulty equipment, and ongoing maintenance and operational costs not covered by revenue stream.	Providers likely to require long term contract of 15 to 20 years.

Other Implications	Applies?	Other Implications	Applies?
Human Rights	Yes	Equalities and Diversity	Yes
Crime and Disorder	No	Consultation	Yes
Environmental	Yes	Access to Information	No
Planning	Yes	Exempt from publication	No
Risk Management	Yes	Legal	Yes

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Appendices:	Appendix A – Climate Change Steering Group Minutes – 13.01.22
Relevant Previous Minutes:	
Background Papers:	

**Minutes of the Climate Change Steering Group Meeting – 13 January 2022**

**CCSG21/04. ELECTRIC VEHICLE CHARGING IN CAR PARKS OWNED BY ROTHER DISTRICT COUNCIL**

In agreement with the Climate Change Steering Group (CCSG), the Chair changed the order of the Agenda to consider Agenda Item 6 next.

Consideration was given to the report of the Head of Neighbourhood Services which detailed the delivery of Electric Vehicle (EV) charging points in Council owned car parks across the district. A key priority in the Council's Rother Environment Strategy adopted in September 2020 was air quality, sustainable transport and energy. Government statistics detailed that transport was the largest source of carbon dioxide emissions (37%).

The Council's Corporate Plan 2020-2027 stated that installation of EV charging points would begin in appropriate Council owned car parks by 31 December 2021; it was noted that the target had been missed. Recently, sales of EVs had risen and the Government continued to introduce policy, investment and fiscal measures to promote the development of this market and ultimately ban sales of petrol and diesel vehicles by 2030. Therefore, provision of a reliable public network / infrastructure was essential.

It was noted that the capital costs of delivering infrastructure could be significant and generating profit was unlikely in the short term. Opportunities to collaborate with the private sector were increasing and there was the potential to install infrastructure at no capital investment cost to the Council. However, this meant that the Council would have limited control over the location of EV charging points, rates and revenue collected.

At present there were nine EV charging locations across the district namely Cooden Beach Hotel, Yeomans Hyundai Bexhill, Aldi Bexhill, Flimwell Park, Battle Brewery, The Bell in Iden, Flackley Ash Hill Hotel in Peasmarsh, The Gallivant in Camber and Route 1066 Café at Johns Cross. Unfortunately, not all were accessible to the public. It was noted that East Sussex County Council was responsible for the provision of on-street EV installations.

The Council owned 44 car parks, 16 were free of charge (predominantly rural) and 28 were pay and display (predominantly urban). Car parks were operated under the District of Rother (Off-Street) Parking Places Order 2020 which provided a legal framework for the Council to manage and enforce parking regulations.

It was proposed that a procurement exercise be commenced by the East Sussex Procurement Hub to source an appropriate Provider to provide equipment and install EV charging points (dual or single) at nil cost to the Council in several car parks across the district, ensuring



there was at least one in Battle, Bexhill and Rye. A feasibility study would be requested to identify suitable locations, equipment / technology required, as well as maintenance, pricing (payment methods) and costs. The type of technology installed would be dictated by the available power supplied at each location.

During discussion, the following salient points were noted:

- 100% renewable energy sources would be used.
- In the short-term, loss of revenue was expected (details were unknown at this stage). Revenue might not be realised until at least 2-3 years after contract commencement, possibly longer.
- Once procured, the project could take approximately 12 months to complete. 15 to 20 year contract anticipated.
- Advantages – all risks would be transferred to the Provider.
- Disadvantages – the Council would have less control.
- Providers would have the opportunity to apply for Government and specific funding sources.
- Two different types of charges: 'Fast' (2-3 hours plus) or 'Rapid' (60 minutes). It was anticipated that dual 'Fast' charging points would be installed. However, this would be dependent on the power supply available and type of technology / equipment installed.
- EV charging bays would be chargeable (they did not provide free parking).
- Planning Strategy included the provision of EV charging points within all new development.

The Director – Place and Climate Change advised that partnership discussions had commenced regarding the county's EV infrastructure requirements. In future, it was anticipated that there would be greater opportunities to work in partnership with other local authorities.

The CCSG recommended that Cabinet approve the procurement of a Provider to install EV charging infrastructure in selected Council owned car parks at nil capital investment to the Council. Members were keen to see the project commenced as soon as possible with the maximum number of charging points installed.

**RESOLVED:** That Cabinet approve the procurement of a Provider to install EV charging infrastructure in selected Council owned car parks at nil capital investment to the Council.

(Climate Change Steering Group Agenda Item 6).