ENVIRONMENT OVERVIEW AND SCRUTINY PANEL – 19 SEPTEMBER 2019
ELECTRIC VEHICLE CHARGING POINTS

1. INTRODUCTION – FRAMEWORK AGREEMENT

1.1 Hampshire County Council began to progress developing a framework agreement for installation of electric vehicle charging points for car parks and on-street in mid-2017. Officers from New Forest District Council attended the initial presentations and expressed support for the initiative. In late November 2017 the tender process was opened as follows:

"Hampshire County Council (HCC) wishes to establish a Single Supplier Framework Agreement from a suitably experienced and qualified organisation for the Deployment of Electric Vehicle Charging Points, from which any public sector organisation…..can order feasibility assessments, installation & deployment works and charging point management services. The Framework Agreement also provides the opportunity to adopt existing charging point assets to offer consistent service and management activity for all charging points."

1.2 On 6th April 2018 HCC awarded a single provider Framework Agreement for the provision of services associated with the installation and maintenance of electric vehicle Charging points to the Authority and other public bodies within Hampshire to a company called 'JoJu'. They are experts in solar energy, battery storage and electric car charging points.

2. FEASABILITY STUDY

2.1 NFDC signed up to access the Framework agreement and in August 2018 JoJu were added to our list of approved contractors and under the framework agreement they were tasked with carrying out a feasibility study in relation to installation of electric vehicle charging points (EVCP's) in our car parks. The feasibility study cost to NFDC was £1.00 as per the framework terms and conditions.

2.2 The Task and Finish Group received a presentation on the feasibility study undertaken by JoJu in respect of the installation of electric charging points in Council owned public car parks. JoJu were proposing that charging points could be introduced on a phased basis across the District. Their analysis of use levels in each car park had established that 34 of the Council's car parks were suitable for the installation of electric charging points, 10 had potential, while 3 were not feasible (size/capacity/technical issues). They proposed that 2 standardised fast charging points should be installed at each site and use levels monitored to ensure that demand was growing as awareness of the availability of the service increased. If demand grew sufficiently then further charging points could be installed. JoJu proposed 3 phases, with the first suggested group of 13 car parks selected on the basis of potential use levels and the availability of other charging points in the vicinity. JoJu offered two basic funding models. Either the Council own the equipment, in which case there was no follow on updating as the technology evolved; or JoJu retained ownership until the end of the order term whereupon the assets become NFDC property

2.3 The Task and Finish Group considered that additional factors, not necessarily known to the contractor, should be taken into account, and that the list of preferred sites for Phase1 may need to be adjusted. The question of potential loss of parking revenue by re-designating spaces was addressed and unless the occupancy level of a car

park is 100% all the time the likelihood of a loss of parking revenue is minimal. Moreover, the charging bays produce a small income for NFDC when in use.

2.4 The list produced by JoJu was then reviewed and amended by Vattenfall, the financial backers for the scheme. Vattenfall are a 130 year old Swedish utility company who over the last 10 years have supported projects to allow people to live without fossil fuels. Within the UK Vattenfall now generates enough electricity to power 3.5 million households. In Europe they operated an extensive network of electric charging points for vehicles, whenever possible, powered by solar or wind generation. Vattenfall reduced the number of potential sites suitable for funding (based on predicted cost of installation against predicted return on investment (ROI) and eventually a final list of sites suitable to NFDC, JoJu and Vattenfall was produced.

2.5 The car parks suggested as suitable for installation of EVCP's are detailed below:
Barfields (Lymington)
Bath Road (Lymington)
St Thomas Street (Lymington)
Brookley Road (Brockenhurst)
Elm Avenue(New Milton)
Roundhill (Fordingbridge)
Furlong(Ringwood)
Jones Lane (Hythe)
New Road (Hythe)
Lyndhurst

And, if agreement can be reached with JoJu on installation in a free car park:
Westfield (Totton)

3. FORDINGBRIDGE PILOT SCHEME

3.1 We are currently progressing a 'pilot' scheme with JoJu under the framework agreement to install 3 EVCP's in Fordingbridge car park using the supplier funded model. Once the complexities of the order form and lease terms are agreed by our legal team, the EVCP's will be installed and completion is anticipated by the end of September this year. The aim of the pilot will be to assess usage and get feedback but, as importantly, if the decision is to use the supplier funded model for installing EVCP's in other car parks we know what to do, the legal documentation is already verified and scaling up the project to complete Phase 1 should be relatively easy.

4. ORDER FORM AND LEASE

4.1 The proposed order form term as per the framework is 15 years or until the supplier notifies it has achieved its return on investment (currently estimated at 7 years), whichever is earliest. The lease would entail NFDC leasing the bays to be used for EVCP's to the supplier for the duration of the order. As such, they would be responsible for the operation and condition of the bays, including lining, signage and surfaces etc. On the expiry of the order period, the bays and charging equipment in its entirety will become NFDC property and the supplier will have no legal title or responsibility for our land.

5. CHANGE TO OFF STREET PARKING ORDER

5.1 The off-street parking order (which is the legal document that covers enforcement in our car parks) will need to be changed to allow for electric vehicle charging bays in

our car parks. Misuse of an electric vehicle parking bay by either a vehicle that is not an electric vehicle or by an electric vehicle using the bays but not charging their car can be dealt with by way of a Penalty Charge Notice (PCN). The Portfolio holder has given his consent for the order to be amended and a formal portfolio holder decision is pending. The proposed changes to the order are currently with NFDC legal department for approval.

6. FINANCIAL IMPLICATIONS

6.1 There are essentially 2 funding options available to NFDC under the framework agreement: either we fund the project and take the revenue or JoJu fund everything and we then receive a 10% usage rebate on the cost of the supplied electricity (12p/kWh) to the meters. The electricity supplied to the meter is paid for by the supplier who then takes the revenue from the charge the customer pays to charge their vehicles (30p/kWh). When the supplier assesses that it has made its return on investment (ROI) the ownership of the EVCP's is transferred to NFDC and we then receive all the revenue from the meters with the only costs being the back office and maintenance charges. A breakdown of both options is provided below for illustrative purposes and is an estimate based on the current market trends. With the predicted increase in ownership of electric vehicles, these figures for revenue are predicted to increase according to all models currently in circulation

Table 1: Predicted profit for NFDC if we use the supplier funded (JoJu) option (allowing for the supplier reaching its return on investment in Year 7) is £54,335.90 over the proposed 15 year order period.

Cost to NFDC for installation and operation of 30 EVCP's (1 double and 1 single)-10 car parks	**Supplier (JoJu) funded – cost to NFDC**
Cost of 30 x 22 kW EVCP	**£0**
Total installation costs	**£0**
Total Cost of District Network Operator (DNO) connections	**£0**
Total DNO management fee	**£0**
Annual back office costs	**£0**
Annual maintenance costs	**£0**
Total costs	**£0**
Predicted annual profit for NFDC before supplier notifies return on investment ROI) reached	**£432.90/year**
Estimated number of years before supplier estimates it will achieve its return on investment (ROI)	**7 years**
Predicted Annual profit for NFDC once ROI reached	**£6,413.20/year**
Predicted profit for NFDC over 15 years order period	**£54,335.90**

Table 2: Predicted loss for NFDC if we fund the project is-£60,381.40 over the proposed 15 year order period.

Cost to NFDC for installation and operation of 30 EVCP's (1 double and 1 single)-10 car parks	**Cost to NFDC if we fund project (under framework costings)**
Cost of 30 x 22 kW EVCP	**£36,450.00**
Total installation costs	**£86,177.30**

Total Cost of District Network Operator (DNO) connections	**£22,311.00**
Total DNO management fee	**£7,231.10**
Annual back office costs	**£2,160.00**
Annual maintenance costs	**£2,250.00**
Total start up project costs	**£156,579.40**
Predicted revenue from EVCP's for NFDC	**£10,823.20/year**
Back office/maintenance costs	**£4,410.00/year**
Predicted profit for NFDC	**£6,413.20/year**
Number of years before all start-up costs are recovered	**24.4 years**
Predicted loss for NFDC over 15 years order period	**£60,381.40**

7. CRIME AND DISORDER IMPLICATIONS

7.1 There are none.

8. ENVIRONMENTAL IMPLICATIONS

8.1 The installation and use of electric vehicle charging points supports NFDC's policies to improve the environment and reduce air pollution.

9. RECOMMENDATIONS

9.1 That the Panel note that the Portfolio Holder for Planning and Infrastructure has formally approved that the off-street parking places order will be amended to allow for the use and, where necessary, enforcement of electric vehicle charging places and charging points.

9.2 That the Panel recommend to the Portfolio Holder for Planning and Infrastructure:-

(a) that the Council should proceed with Phase 1 of the installation of electric vehicle charging points at the car parks detailed in this report using the supplier funded option; and

(b) that a review of Phase 1 be undertaken prior to consideration of implementation of Phase 2 of the electric vehicle charging point project.

Cllr Sue Bennison
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