

Report to Eye Town Council – Finance & Governance Committee

Committee date: 4th April 2019

Proposal for electric vehicle charging in Eye

1. Purpose of the Report

In November 2017, Eye Goes Green submitted evidence to the Neighbourhood Plan consultation setting out the case for the development of an electric vehicle (EV) charging strategy for the town (Annex to the Neighbourhood Plan available via the Plan website). This is in support of Eye Town Council's vision, articulated within the Plan, that Eye should be "*a green town... with community projects to encourage green energy and conservation*". Key recommendations from our submission have been incorporated within the Plan and articulated through specific policies (Policies Eye 31 and 32).

This report sets out the proposed way forward for the development of the first part of the electric vehicle charging infrastructure in the public realm, specifically in Cross Street Car Park. The report sets out the need, project development, funding model and roles and responsibilities concluding a proposal to the Town Council requesting both its support and active participation in the project.

2. Background

There are a variety of different reasons for the growth of electric vehicles on a national scale which has been reflected by a variety of government policy (see our submission for policy drivers). However, what is clear is that electric vehicles have a role to play in reducing both the greenhouse gas emissions and the impact of poor air quality on the residents of the UK, which is thought to be contributing to 40,000 early deaths annually.

Currently electric vehicles make up 2.9% of the UK passenger vehicle market share and, although there is some disagreement as to how much of a market share of passenger vehicles electric vehicles will take, all scenarios are clear that they will command a significant market share. The question is no longer a question of 'if' electric vehicles will command the UK transport market but 'when', with both policy and technology advances leading towards a turning point when electric vehicles will become a commercially attractive and credible alternative to the internal combustion engine.

However, the network of charging infrastructure is still emerging with the effect that EV uptake, particularly by residents, could be held back. Although we are seeing commercial operators develop some of the network, local authorities and communities can and should play a part in developing the network to create a mixed ecosystem of locations accessible to future EV users with different charging needs.

3. Development of EV charging in Eye

The Eye Goes Green submission to the Neighbourhood Plan consultation (Annex 1) set out a strategy for future EV charging infrastructure which included placing appropriate charging points in the two public car parks at Buckshorn Lane and Cross Street. The latter has already been subject to previous initial study by Babergh Mid-Suffolk Councils (BMS) who considered

it the best location given the proximity of a UK Power Networks sub-station in the Queens Head car park adjacent to the car park.

BMS has indicated that they are prepared to oversee the installation and take ownership of the charging station; however, they are not prepared to manage the operation.

For those operating posts through a commercial EV charging platform, there are several types of charging station and administrative arrangements. Based on discussions with BMS and others in the sector, the most appropriate to Cross Street is a 22kW two vehicle charging station which will allow EV drivers to top up their batteries over a period of around 45-90 minutes at a charge depending on the platform adopted. Similar subscription-based schemes charge a tariff in the region of 30 pence per unit; assuming a one hour charge with typical charge in the mid range of 10kWh, the total cost per charge would be around £1.60 per customer (Year 1).

The target market will be either those living locally without access to a local charging station currently or a driver passing through the locality.

The charging station needs to be managed by an entity that can contract with the company administrating the charging service, in this case a local company called EV Driver which has been identified and selected through the BMS procurement process. EV Driver will be responsible for maintaining the functioning of the charging station, managing the process of monitoring and billing drivers using the charging station. This service comes at an annual cost of around £450 ex VAT.

In addition, it will be necessary for the party taking on the management of the charging station to pay for any electricity that is used.

Should use of the station increase as is predicted by most authoritative sources, expenditure is likely to be offset by income received from charging. It is difficult to predict whether, or when the income will fully offset the annual maintenance fee. Given this fact, potential sponsors have been approached to establish a no-cost position in the first three years for the party that takes on the maintenance contract. Based on two scenarios an indicative model of income versus expenditure is presented in Annex 1.

Consideration has been given to potential risks arising from the installation and operation and a risk register is being prepared. Included will be the risk of the post becoming redundant; at this time, this is considered a very low risk and the worst case would be that the contract with EV Driver is allowed to run out and the electrical supply to the charging station disconnected.

The wider environmental benefits of introducing EV charging have been outlined in Annex 1. In addition, the presence and availability of the charging station would be shown on the UK charging station website, www.zap-map.com. This will, quite literally, put Eye on the map, providing free advertising to the town to those who may be travelling through the region.

4. Work to date

Research has been undertaken to install rapid charging points in Cross Street with a capital funding bid submitted to Babergh-Mid Suffolk Councils (BMS) via the Community

Infrastructure Levy. The project has received support of the Environmental Protection and Public Realm (Car Parks) teams at BMS. BMS has provided technical and procurement expertise given their experience in installing charging points in Sudbury and Hadleigh.

Discussions have been held either directly, or via BMS, with the following key project elements:

- EV installer supply and groundworks contractor
- The power connections team at UK Power Networks
- The Queen's Head Pub in their role of landowner across whose land the connection cable will need to pass to access connection to the UKPN sub-station
- Potential sponsors to cover running costs in the initial years while charging demand develops.

Based on this work, the following has been achieved:

- Funding secured - Total £20,402 plus VAT to cover all connection and installation works along with a provision for legal advice
- Verbal approval of BMS Public Realm team to locate EV charging infrastructure in Cross Street car park
- Proposed Installer/operator identified through the BMS procurement route – EV Driver
- Civil engineering contractor identified through the BMS procurement route - AE White
- Initial legal discussion with BMS Legal Team regarding legal agreements – establishing a licence between the charge point administering party and BMS to operate the post
- Agreement that BMS will adopt the post into the public realm
- In-principal agreement with the owner and landlord of the Queen's Head regarding a wayleave or similar access agreement to the UKPN sub-station
- Interest for sponsorship to cover the first three years of operational costs – several potential sponsors have been approached and initial response has been positive with discussions ongoing.

5. Delivering the project

Set out below are the proposed work packages to deliver the project:

- Confirming arrangements for the grant of CIL funding to Eye Goes Green and onward transfer to pay for the capital work
- Completing negotiations with the Queen's Head regarding access to the UKPN sub-station
- Agreeing the form of the operating licence with BMS
- Securing sponsorship - Discussions with various potential sponsors are well advanced and it is hoped that a principal sponsor will be secured within the next two months
- Preparing a delivery plan with BMS who will take the lead in the installation and commissioning
- Subject to discussions with interested stakeholders developing a communications and marketing plan incorporating a media launch when the charging station becomes operational
- Securing a party to run the charging station.

This work is not constrained by any specific deadlines with a longstop date Spring 2021 which is deadline for spending the CIL grant. However, timetables will become clearer when contracts are agreed. On that basis, it is envisaged that this project could be delivered over the next six months.

6. Proposal to Eye Town Council

The Council is requested to consider supporting the proposal and in addition taking on the role of the managing part. This would be subject to sponsorship being secured to fully offset the administrative costs for a minimum three-year period from the installation and commissioning of the charging station.

In doing so, the Council would be taking on the following tasks as the managing party subject to agreement/contract with the relevant named parties:

- a. enter into an operating licence with BMS for a minimum period of three years
- b. enter into a contract with the charging service provider, EV Driver, for a minimum three-year period.

In so doing, the council would be fulfilling the first stage of its commitment through the Neighbourhood Plan to a greener town as well as promoting the town as an EV-friendly place to visit.

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