

London Councils' Transport and Environment Committee

Delivery "Partnership" for residential and car club electric charge points

Item No: 06

Report by: Katharina Winbeck **Job titles:** Head of Transport, Environment & Infrastructure
Date: 8 December 2016
Contact Officer: Louise Clancy
Telephone: 020 7934 9820 **Email:** Louise.clancy@londoncouncils.gov.uk

Summary: To be completed

Recommendations: Members are asked to:

1. Note the update on the Go Ultra Low City Scheme – Delivery "Partnership" for Residential and Car Club Electric Charge Points;
2. Engage with relevant officers in their appointing authorities to seek prompt, constructive local authority engagement with the consultation which is planned (see paragraph 12).

Go Ultra Low City Scheme – Delivery “Partnership” for Residential and Car Club Electric Charge Points

Overview

1. TEC discussed electric vehicles and car clubs at its last meeting. This included progress on the four elements of the Go Ultra Low City Scheme (GULCS) – (a) installing residential charge points on street, (b) installing car club charge points, (c) installing rapid charge points and (d) developing Neighbourhood of the Future Schemes in boroughs. This report is concerned with matters relating to the strategic oversight and operational implementation of elements (a) and (b).
2. TEC was presented with the discussions and recommendations of the GULCS Steering Group comprising Cllrs Bell, Coleridge, Demirci as well as officers representing London Councils, GLA and TfL and took an in principle decision that TEC would take on the Delivery Partner Strategy role for the residential and car club elements with the understanding that further information would be presented at the next TEC meeting subject to the legal and constitutional implications for the joint committee being addressed. Further, it was also noted that further analysis would be required to assess the feasibility for London Councils' involvement in operational management and delivery of the project.
3. This paper updates Members on the further work that has been undertaken to date. Positive work is being progressed towards the aspirations previously expressed about London Councils' role in strategic oversight going forward. This work is also relevant to the second element of the proposal relating to operational delivery and management (see paragraph 7). The nature of the project raises significant legal and financial issues which must be worked through before final decisions can be taken. Work is continuing on the analysis of the legal and financial framework for any implementation, the business case, and relevant documentation which would be required (such as that relating to procurement of a private sector delivery agent).

Delivery “Partnership” for the Residential and Car Club Electric Vehicle Charge Points

4. Establishing a London-wide delivery “partnership” for deploying, managing and maintaining both residential and car club charge points is desirable in London for the following reasons;
 - Speed up the deployment of Electric Vehicle Charge Points (EVCPs);
 - Provide a single point of contact for, and to improve the provision of, maintenance and management of EVCPs;
 - Provide better economies of scale for the provision, maintenance and management of EVCPs;
 - Provide both strategic and demand led deployment of EVCPs (provide EVCPs to encourage uptake of EVs as well as providing EVCPs where there is existing demand);
 - Greater levels of interoperability of EVCPs (so users can access different EVCPs across boroughs).
5. There are a number of crucial drivers which support the involvement of London Councils TEC in the proposals, and which align with existing aspects of London Councils' work (in the joint exercise of functions for the 33 participating London local authorities);
 - Improving air quality - recent research has found that poor air quality causes 9,400 deaths a year in London, as well as contributing to poor environmental health,

increased pressure on the health service, which translates to increased costs for businesses and local authorities.

- Policy drivers, such as the Mayor's Air Quality Strategy; the incoming Ultra Low Emission Zone (ULEZ); the EU Air Quality directive and the ULEV Delivery Plan.
- Current market failure - although there is a strong interest in EVCPs amongst EVCP manufacturers and operators, none of them have developed a pan-London scheme that targets residential and car club demand and strategic deployment of EVCPs due to the high upfront costs and long payback periods.
- There is significant complexity involved in establishing the scheme, which will only achieve the efficiencies required for financial viability if the scheme has a pan-London remit and enough local authorities across London participate.

6. London Councils TEC has already agreed in principle that TEC should take on the strategic oversight role in respect of the proposals (subject to the legal and constitutional implications for the joint committee being addressed), which would include;

- Validating and testing strategic decisions
- Agreeing funding policy and apportionment of costs/revenue to boroughs
- Overseeing delivery performance
- Agreeing and setting supply charges

7. The GULCS Steering Group, after considering a number of different options, has expressed the preference for London Councils to undertake the operational management role in addition to having a strategic oversight role. The Steering Group felt that London Councils would be well placed to undertake operational management and oversight given its expertise for delivering services on behalf of boroughs, it being a trusted organisation by boroughs as well as the other project partners, and it having a pan-London remit and therefore having well-established links with officers and members across all boroughs. The operational management function would include;

- Analysing and reporting on Key Performance Indicators
- Providing the principal interface with boroughs, regarding for example providing updates to officers, gauging feedback from officers and managing implementation on-street
- Procurement and contract management of operators
- Facilitating user interface, such as a Website and central database

8. London Councils is very clear that any role for the TEC joint committee in respect of the proposals will be subject to it being legally possible having particular regard to TEC's constitution as a joint local authority committee, and further subject to the financial risks to all the authorities being effectively managed (including any risks to the joint exercise of all other functions already delegated to TEC). Officers are therefore working to explore these matters in more detail, taking appropriate professional advice. London Councils has asked the project partners, using the governance arrangements set up, that some of the revenue funding from the GULCS can be used to support this work.

9. As well as working on a detailed business case, London Councils officers in conjunction with the GULCS Senior Lead seconded to the project are starting to put together a potential team structure which would be required to both oversee and operationally manage the scheme at London Councils (within TEC's remit) subject to earlier comments about legal and financial feasibility being addressed and relevant decisions being taken in due course. This is important information to feed into the business plan to ensure that any costs will be met by the project over its lifetime.

10. The emerging business case is based on some of the established principles agreed over the past few months to inform the scope of any pan-London scheme, such as the technology which it is recommended should be deployed, evidence of demand for the charging infrastructure which has been identified, the estimated costs involved in implementation, while allowing sufficient scope for innovation.
11. The potential team structure considers the skills required, the number of boroughs that may be engaged at any one time, and the responsibilities and activities that would need to be undertaken by the officers within that team.
12. Officers would, to inform the development of the proposals and to inform consideration of the legal and financial implications of any implementation, now wish to undertake detailed engagement and consultation with the London local authorities based on the assumptions noted above. This will help ensure the business case is based on robust information. TEC Members are asked to engage with their appointing authority to assist in London Councils securing timely and constructive responses to inform the proposals going forward. The engagement will be led by the GULCS Senior Lead.
13. Officers will continue to explore, as detailed above, the feasibility of London Councils taking on the strategic as well as operational management role for the Electric Vehicle Charging Infrastructure Delivery “Partnership”. The outcome of this work on feasibility – as well as on the emerging business case – will be reported back to TEC. London Councils will not be able to enter into any formal agreements until it is satisfied that it has appropriate legal powers to jointly exercise the required functions on behalf of the London local authorities, and these matters will, as noted above, therefore be reported again to TEC in due course.

Recommendations: The Committee is asked to:

- Note the update on the Go Ultra Low City Scheme – Delivery “Partnership” for Residential and Car Club Electric Charge Points
- Engage with relevant officers in their appointing authorities to seek prompt constructive local authority engagement with the consultation which is planned (see paragraph 12)

Financial Implications

The Director of Corporate Resources reports that there are no specific financial implications at this stage for London Councils. The cost of the GULCS Senior Lead Officer seconded to the project is being met from GULCS grants funding.

As detailed in the body of the report, there are significant legal and financial issues that require clarification before a final decision can be taken on the feasibility of London Councils, through TEC, undertaking the operational management role for the GULCS project.

Legal Implications

The addition of both the strategic delivery and operational management role for London Councils TEC could require each of the 33 London local authorities participating in the TEC joint committee arrangements to delegate the exercise of additional functions to the joint committee, which would require the TEC constitution (Governing Agreement, dated 13 December 2001 (as amended)) to be varied. Further work is being undertaken to explore the legal implications of the proposal which will be reported back in due course.

Equalities Implications

There are no equalities implications of the recommendations.