



Cabinet
11 April 2016

**Report from the Strategic Director
Regeneration and Environment**

For Action

Wards Affected: ALL

Source London

1. SUMMARY

- 1.1. Brent Council is starting to receive requests from residents to provide the charging infrastructure that will enable them to charge their electric vehicles or enable them to consider purchasing one.
- 1.2. Charging infrastructure in Brent is currently insufficient to enable proper expansion of the electric vehicle charging point (EVCP) network or uptake of electric vehicles. This has been recognised and reflected as a commitment in the Long Term Transport Strategy in working towards reducing the negative effects of vehicle use and reducing the overall production of and exposure to all pollutants from Transport at every opportunity.
- 1.3. This report sets out a proposal to enable an increase in uptake of electric vehicles by Brent residents by entering into contract with BluePointLondon Ltd in respect of the Source London EVCP Scheme.

2. RECOMMENDATIONS

- 2.1. That Cabinet approves entering into contract in respect of the Source London EVCP Scheme with BluePointLondon Ltd on such terms as the Strategic Director Regeneration and Environment in consultation with the Chief Legal Officer may agree at the earliest possible date.
- 2.2. That Cabinet approves an exemption from the usual tendering requirements of Contract Standing Orders in respect of the direct award of the contract detailed in Recommendations 2.1 for the good financial and/or operational reasons set out in paragraph 3.6 of the report.

- 2.3. That Cabinet authorises the granting by the Council of leases and/or licences with mutual break clauses for current and future charging sites for a term of up to 99 years to BluePointLondon Ltd or their successors on Council owned land and public highway and otherwise on such terms as the Strategic Director Regeneration and Environment in consultation with the Chief Legal may agree.
- 2.4. That Cabinet endorses officer's work with BluePointLondon Ltd to identify suitable sites for on-street EVCP's with each site to be approved by Head of Transportation following public consultation.

3. BACKGROUND

- 3.1. Source London is a pan-London EVCP network which was started by the Mayor of London and Transport for London (TfL) to increase the uptake and usage of electric vehicles in London and contribute to improving the air quality as part of the Mayors Transport Strategy.
- 3.2. Brent Council currently has 57 EVCPs throughout the borough, of which 9 were included in the original TfL Source London contract. These 9 EVCPs are located within Brent owned car parks with the exception of one being on street, see Appendix A. The remaining 48 were not included in the original contract and are located in the Brent Civic Centre car park.
- 3.3. Under the original Agreement maintenance for the EVCPs was retained by Brent Council. The outcome from this is very little maintenance if any has been provided and as a result only 3 of the 9 EVCPs are operational (audited completed in June 2015).
- 3.4. To date, Officers have found it very difficult to provide a cost effective offer to electric vehicle users in maintaining the EVCP's we have already and installing new ones. The biggest barrier has been securing the electrical connection and funding to pay for electricity consumed.
- 3.5. TfL tendered out the Source London EVCP Scheme for a new supplier. On 1 July 2014, Brent Council received from TfL a novation agreement as well as proposed variations or amendments to the original Scheme Agreement. Seeking legal advice, the Council's view was that the proposed variations and amendments materially changed the existing agreements which could not be resolved within the timeframes given and as such exercised its right to withdraw.
- 3.6. Since 1 September 2014, BluePointLondon Ltd (part of the Bolloré Group) has taken over operations of Source London EVCP Scheme from TfL. The Source London EVCP Scheme is the only comprehensive EVCP scheme across London and the only scheme that offers operation, management and maintenance. As BluePointLondon Ltd have taken over operation of the

Source London EVCP Scheme, it is necessary to contract with BluePointLondon Ltd if the Council wishes to take advantage of the Source London EVCP Scheme.

- 3.7. Discussions have continued with BluePointLondon Ltd on a without prejudice basis as it was felt our objectives surrounding a network of EVCPs in the borough to improve air quality and reduce the number of cars in Brent are the same. It is also BluePointLondon's intention to introduce an electric vehicle car club which would also utilise the EVCP network.
- 3.8. Since taking over operations 10 London Boroughs have entered into the Agreement. These include Bromley, Camden, Greenwich, Hackney, Hammersmith and Fulham, Hounslow, Kensington and Chelsea, Lewisham, Southwark and Sutton.

4. DETAIL

- 4.1. The proposed agreement contains a number of changes to the original PanLondon Scheme (PLS) Agreement. These changes relate to terms which BluePointLondon believes are critical to the success of the scheme. In the main they are elements required to provide a quality service by being user-friendly and instils confidence to the customer that it will be operational for use at all times. The main changes are summarised as:

4.2. Maintenance

- 4.2.1. The aim of the changes is to implement a more robust maintenance regime which ensure faults can be identified, tracked and resolved in a timely manner. The proposed agreement sets out several maintenance scenarios that the Scheme Partner can choose, to include:
- BluePointLondon assumes responsibility for maintenance of all charge points (Scheme Partners charge points in addition to any new they personally install in agreement with the Scheme Partner); or
 - Scheme Partner retains responsibility for managing a maintenance contract for their existing charge points.
- 4.2.2. If Brent Council was to maintain the EVCPs we would need to procure a separate maintenance contract to meet Source London requirements. At present Brent Council does not have a maintenance contract in place, or is funded to maintain EVCPs in the borough (the exception being for the EVCP's in the Civic Centre car park, which are not currently included in the Agreement). BluePointLondon would reimburse the cost of that maintenance subject to a costs cap of £500 per charge point per year. It is unlikely that this will be sufficient to cover the overall costs of work required and the maintenance contract costs. In addition there are contractual penalties in not meeting BluePoint London's requirements.

- 4.2.3. In view of the above, Officers favour the first of the options listed at paragraph 4.2.1 above, namely BluePointLondon assumes responsibility for maintenance of all charging points. Entering into a contract whereby the operation, management, maintenance and expansion of the EVCP network is the most cost effective as BluePointLondon will directly meet the entire costs for maintenance of the EVCP's.

4.3. Management

- 4.3.1. Under the agreement, BluePointLondon would take over the responsibility for collecting payments from scheme users for the use of the scheme. Where charge points are located in car parks where access is closed by a barrier and subject to an entry fee the Scheme Partner (Brent Council) will continue to charge scheme users.
- 4.3.2. BluePointLondon will assume responsibility for electrical supply contracts, including payment for electricity consumed. At present this is forming the biggest barrier to Brent expanding the EVCP network on its own, and considered a key benefit should approval be given to enter into contract with BluePointLondon.
- 4.3.3. Scheme Partners are required to keep their own charge points into the scheme for a minimum of 4 years. Following the expiry of this date, participation will be reviewed on an annual basis.
- 4.3.4. Where a charge point is proposed to be located in a Controlled Parking Zone (CPZ) where the Council charges for residential parking permits, the Council and BluePointLondon would need to discuss and agree separately the inclusion of such charge point into the Source London EVCP Scheme.

4.4. Technical

- 4.4.1. The proposed contract updates the original specification to enable BluePointLondon to have visibility of the data collected from each charge point through a monitoring system.
- 4.4.2. The monitoring system will enable BluePointLondon to identify and react to charge point faults in real-time and offer an improved customer service by enabling customers to reserve charge points and to use on a pay-as-you-go basis.
- 4.5. There is no term set for the contract, however, Brent Council can give 12 months written notice to withdraw at any time although there would be financial implications for withdrawal within the first 8 years of the contract.

5. **FINANCIAL IMPLICATIONS**

- 5.1. The agreement will mean that all costs related to the installation and maintenance of the EVCP's will be managed by them, including electricity supply and consumption costs. There will be no cost to Brent Council.
- 5.2. The Transportation Service is responsible for undertaking the feasibility studies and consultations to recommend suitable sites, and for contributing time towards the design and implementation of the scheme. These costs will be delivered through funding from the Local Implementation Plan.
- 5.3. At present there is no loss of income as our current network does not use on-street parking bays which have an income attributed to them, for example pay and display or Controlled Parking Zone. Where EVCP's are currently located in car parks these are not oversubscribed in use and revenue is still collected on these spaces.
- 5.4. There could be potential to generate additional income through careful analysis of potential new locations as BluePointLondon are wanting to expand the network. Where new parking bays are sited on existing waiting restrictions this would be entirely new revenue.
- 5.5. Where new charging point locations are proposed in existing income generating parking bays we will carefully examine the likely loss of parking revenue and parking stress levels to ensure that there is still sufficient parking available for local residents, businesses and visitors. However, Source London will pay fees to compensate for any potential losses in revenues. The fee structure has been set for London and is tiered based on London's tube zones. Brent spans zones 3 and 4 and therefore for each EVCP per year the Council would receive £500 for those located in zone 3 and £300 for those in zone 4.
- 5.6. In addition, once BluePointLondon achieves a positive cumulated net profit it will share 20% (subject to a maximum cap) of its annual profit with all scheme partners depending on the number of points each scheme partner has.

6. LEGAL IMPLICATIONS

- 6.1. S149 Equality Act 2010 provides that the Council must have due regard to the need to eliminate discrimination, and advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 6.2. It is proposed to enter into agreement with BluePointLondon which would undertake responsibility for operating, maintaining and expanding the existing EVCP network in Brent in collaboration with Brent Council but would be able to charge users of the network. Such contract is regarded as service concession contract, the consideration given by the contracting authority

consisting of or including the right to exploit the service or services to be provided under the contract.

- 6.3. The proposed contract with BluePointLondon does not have an end date (being reliant on either party terminating the contract) and as a result is valued on the basis that it will run for a four year term. This means that the contract would be classified as a Medium Value Contract under the Council's Contract Standing Orders and Financial Regulations.
- 6.4. This report also requests approval for an exemption from the usual tendering requirements of Contract Standing Order 84 (f) for Medium Value Contracts, in order to allow a direct award of a contract to BluePointLondon. Cabinet has the power to do this by virtue of Contract Standing Order 84(a), provided that Members are satisfied that there are good operational and/or financial reasons for doing so. Members are referred to paragraph 3.6 and should be satisfied that these provide good operational and/or financial reasons.
- 6.5. In addition, Members may only grant an exemption from tendering where there is no breach of domestic or European legislation. Such contract does not fall within the Public Contracts Regulations 2015 but will fall under the draft Concession Regulations 2016 (the draft Regulations") which are not yet in force but must be implemented by the UK Government by mid April 2016. The threshold for application of the draft Regulations is £4,104,394 and therefore the proposed contract will not be subject to the full requirements of the draft Regulations. However award of service concession contracts is subject to over-riding obligations of non-discrimination, fairness and transparency and there is EU case law to suggest that service concessions should be subject to some form of advertised process. However this is subject to an analysis of the nature of the service and whether there is likely to be cross-border interest. Given that BluePointLondon has been appointed to operate the Source London EVCP Scheme and this is the only such scheme in London, it is considered that there is likely to be limited cross-border interest and so the risk of successful challenge to award is considered limited.
- 6.6. There will be no relevant service provision change and as such, the Transfer of Undertakings (Protection of Employment) Regulations 2006 ("TUPE") will not apply.

7. DIVERSITY IMPLICATIONS

- 7.1. There are no known negative diversity implications, in contrast it is positive as it enables all vehicles to be considered for those that require a vehicle as their mode of travel whilst mitigating against harmful emissions. All electric vehicles licensed for use on the road by the Driver and Vehicle Licensing Agency (DVLA), including vans, scooters and motorcycle, are able to use the Source London EVCP network. This report is accompanied by an Equality Impact Assessment, see Appendix B.

8. STAFFING / ACCOMMODATION IMPLICATIONS (IF APPROPRIATE)

- 8.1. There are no requirements for increased staffing levels or alteration of accommodation to implement this proposal.

9. BACKGROUND PAPERS

- 9.1. None

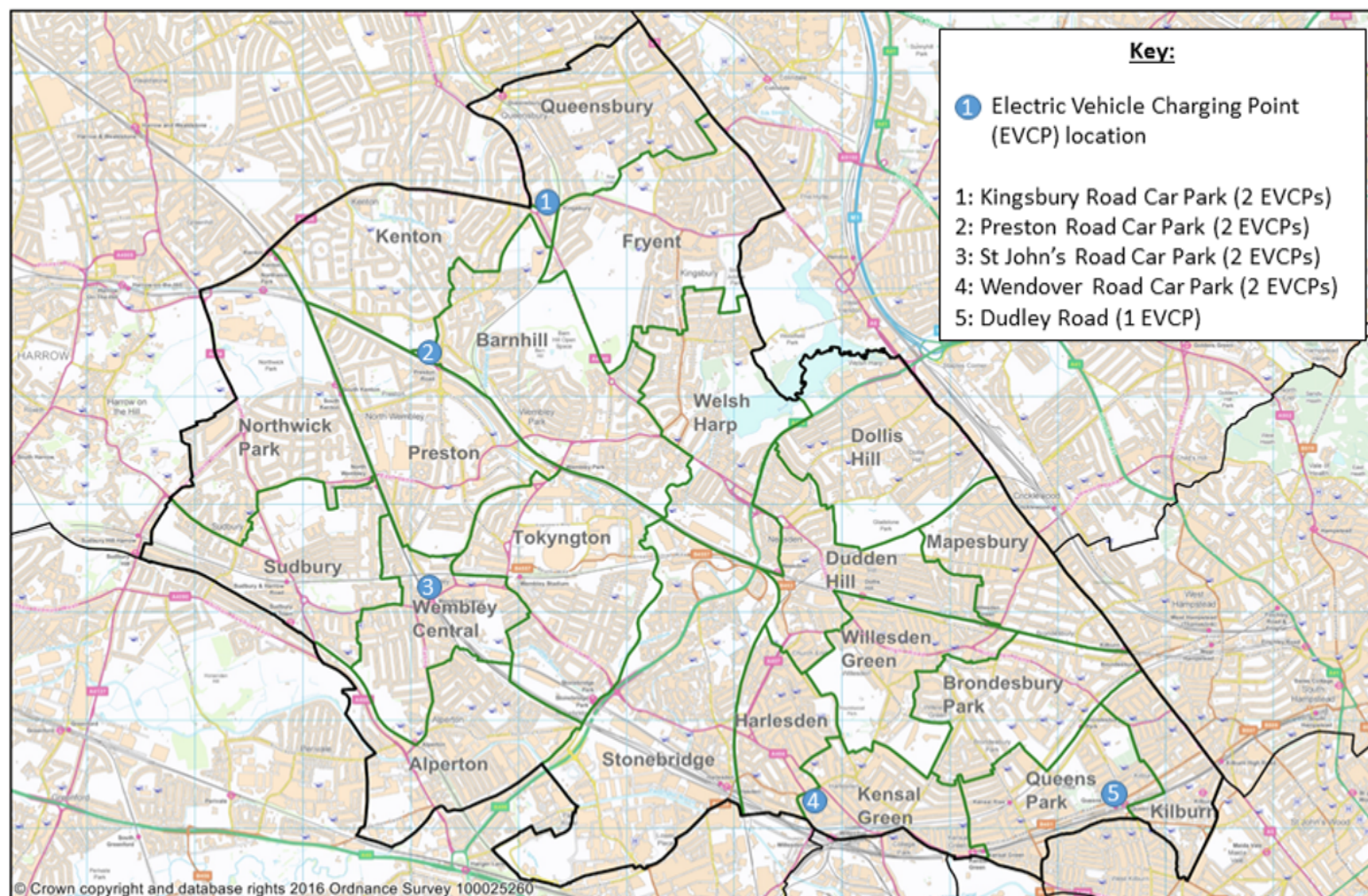
10. CONTACT OFFICERS

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Electric Vehicle Charging Point Locations



1:50000

17 March
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