

LONDON BOROUGH OF HAMMERSMITH & FULHAM

Report to: Councillor Sharon Holder, Cabinet Member for Public Realm

Date: 04/01/2024

Subject: Residential Electric Vehicle Charging Network Expansion - Concession Contract Award

Report author: Jordan Poole - Principal Traffic Officer

Responsible Director: Bram Kainth – Strategic Director of Environment

SUMMARY

With many properties in the London Borough of Hammersmith and Fulham (LBHF) not having access to private off-street parking, the expansion of the lamp column electric vehicle (EV) charge point network forms an important part of the borough-wide charging network. It supports the Council's announcement of a Climate Emergency, will be beneficial for local air quality by helping to reduce CO₂ emissions and supports the Council's Business Plan and commitment to become the greenest borough in Britain.

This report seeks to ratify the award of the concession contract to Joju Limited (Joju) for a period of five years that commenced on 1 July 2022, with the option for the Council to extend for a further two years. The Council has successfully secured £4.2 million of funding from the On-street Residential Charging Scheme (ORCS), administered by the Office for Zero Emission Vehicles, which will fully fund the proposed contract.

RECOMMENDATIONS

1. To note that Appendix 3 is not for publication on the basis that it contains information relating to the financial or business affairs of any particular person (including the authority holding that information) as set out in paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended).
 2. To ratify the award of a five year concession contract to Joju Limited (from 1 July 2022 to 30 June 2027, with the option to extend for a further two years) to supply, install, maintain and operate Electric Vehicle Charging points across the borough, with an estimated total contract value of £1,999,800. The contract will be awarded via a call-off from the Transport for London Electric Vehicle Charging Infrastructure Framework Agreement Lot 1 ("the Framework").
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Wards Affected: All

H&F Priorities	Summary of how this report aligns to the H&F Priorities
Building shared prosperity	Supporting the growth in EV ownership in H&F and London-wide to support cleaner air and reduced transport related noise.
Creating a compassionate council	Supporting cleaner air initiatives for our residents and visitors to enjoy. Installing charge points that will support residents and businesses to change to EV.
Doing things with local residents, not to them	Responding to the needs and requests from our residents for more local charge points. Communication and consultation is at the heart of developing these charge points.
Being ruthlessly financially efficient	Generating income for the Council whilst providing charge points that are protected overnight for residential use only.
Taking pride in H&F	Helping the Council to maintain its status as one the leading UK local authorities for charge point provision.
Rising to the challenge of the climate and ecological emergency	Developing the Council's charge point (CP) network will provide the foundation for supporting motorists who wish to switch to fully electric vehicles that have no tail pipe emissions, and thereby have a positive effect on local air quality and other sustainability initiatives.

Financial Impact

The proposed contract is for the supply, installation, maintenance and operation of electric vehicle charge point equipment across the borough. The estimated capital cost of works is £1,999,800 and is included in the Council's capital programme. The Council has successfully secured a grant of £4.2m from the Office for Zero Emission Vehicles (OZEV) that will be used in part to fund 75% (£1,499,400) of the proposed contract (the grant requires 25% match funding). The remaining 25% (£500,000) will be funded by Joju's commercial partner FM Conway. As such, the proposed contract can be provided at no cost to the Council. As the contractor is responsible for the maintenance and operation of the charge points, there are no ongoing revenue costs for the Council. Usage income generated from these charge points will be shared between the service provider (Joju) and investor (FM Conway) to meet all commercial investment, operational management and maintenance costs. The Council will receive a share of turnover, payable annually in arrears.

Kellie Gooch, Head of Finance (Environment), 24 October 2023

Verified by Andre Mark, Head of Finance (Strategic planning and investment), 07 December 2023

Legal Implications

This report seeks approval to ratify the award of a call-off service concession contract to Joju Limited for 5 years (with a potential extension of 2 years) for the provision of electric vehicle charging points on lamp columns in the borough. The Council carried out a mini-competition under the London Electric Vehicle Charging Infrastructure Framework Agreement Lot 1 in accordance with the procurement strategy approved by the Cabinet Member in March 2021. Although the Framework

has since come to an end as at July 2022, at the time the competition was carried out in March 2022 the Framework was live. Use of a suitable Framework satisfies the competition requirements of the Council's Contract Standing Orders.

The Cabinet has already awarded a similar call off contract to JoJu dated 1st December 2021 under Lot 1 for up to 7 years at a cost of £286,900. The requirement for a second contract arises because of the need to incur additional expenditure beyond the £286,900 at an additional cost of £1,999,800. Once approved, the Council will enter into a second identical call-off agreement (signed as a deed by Legal Services) for the additional sites.

Since the award report concerns the award of a contract in excess of £300,000 in value, the decision is a Key Decision under the Council's Constitution and the report must be submitted to Committee Services for publication on the Council's website.

As the call off is over the relevant threshold, the Council will need to include information about the award on Contracts Finder in accordance with Regulation 108 of the PCR.

The appropriate decision maker is the Cabinet Member.

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Angela Hogan, Chief Solicitor (Contracts and Procurement) 25 October 2023

Background Papers Used in Preparing This Report

None

DETAILED ANALYSIS

Background

1. LBHF has developed an extensive and comprehensive on-street electric vehicle charging network. However, demand data demonstrates that there is still a clear need for additional charging infrastructure in the borough. The lack of convenient charging options is one of the key barriers to the growth of electric vehicles, particularly for residents who do not have access to off-street parking facilities. Lamp column charge points provide a cost effective and convenient charging solution for those residents and so form an important part of the charge point network.

Proposals and Analysis of Options

2. In March 2022 the Council undertook a mini-competition procurement exercise utilising 'the Framework'. Only two of the four suppliers on Lot 1 of the TfL Framework supply lamp 'on-column' charge points.
3. The Council received two responses and evaluated them using Most Economically Advantageous Tender (MEAT) criterion with a weighting of 60% quality and 40%

price. Exempt Appendix 3 sets out the scores achieved by the two tenderers, as assessed by the evaluation panel.

4. Based on the evaluation process carried out, officers recommend acceptance of the tender submitted by Joju.

Reasons for Decision

5. The Joju proposal offers the most economically advantageous offer for the Council to be able to develop the lamp column charge point network, including the lowest Pay As You Go average price for electricity to the end user, and highest turnover share receivable to the Council.

Equality Implications

6. As required by Section 149 of the Equality Act 2010, the Council has considered its obligations regarding the Public-Sector Equality Duty and it is not anticipated that there will be any negative impact on groups with protected characteristics, as defined by the Act, from this proposed expansion of the electric vehicle charging infrastructure. Please refer to the Equality impact Assessment in Appendix 2.
7. The expansion of EV charge points will incorporate an appropriate consultation exercise with any affected residents, ensuring that the Council meets its obligations under the Equality Act 2010, as well as the Council's commitment to 'doing things with residents and not to them'.

Risk Management Implications

8. The report recommends ratifying the award of a five year concession contract (with the option to extend for a further two years) to supply, install, maintain and operate Electric Vehicle Charging points across the borough, through a competitively procured framework. The cost of works is being met by grant funding from the Office for Zero Emission Vehicles and by the contractor's commercial partner FM Conway. This is in line with the objective of being ruthlessly financially efficient. Officers should ensure that the contractor has appropriate insurance in place and should confirm the details of the installations once complete to the Council's Insurance team.

David Hughes, Director of Audit, Fraud, Risk and Insurance, 2 October 2023

Climate and Ecological Emergency Implications

9. This project supports the London Mayor's Air Quality Strategy (MAQS), specifically on improving air quality by setting tough new standards to put London on course to meet legal limits and to achieve 100,000 electric vehicles on London's roads by 2030.
10. Expansion of the lamp column charge point network supports the Council's announcement of a Climate Emergency, will be beneficial for local air quality and reduced CO2 emissions and the Business Plan commitment to become the greenest

borough in Britain. A key contributor will be the continued promotion and support for EV ownership and use, by providing charge point solutions for our residents.

Hinesh Mehta, Head of Climate Change, 24 October 2023

Procurement implications

11. The results of the evaluation process have been verified from records provided by TfL whose platform was used to run the tender. An audit trail of the evaluation must now be uploaded to the e-tendering system. A contract record must be added to the contract register and the signed contract uploaded to the e-tendering system. Contract management arrangements must be in place within the department with a named contract manager and regular reporting of performance against the contract.

Joanna McCormick, Assistant Director - Procurement and Commercial, 20 December 2023

Local Economy and Social Value

12. Social value requirements has not be included as part of this appointment which has been procured via a call-off from the Transport for London Electric Vehicle Charging Infrastructure Framework Agreement (tfl_scp_001560) Lot 1 (“the Framework”).
13. The development of the residential charge point network will however support the switch to green, low and zero-tailpipe emission vehicles that will have a positive effect on local air quality and other sustainability initiatives.

LIST OF APPENDICES

Appendix 1, Procurement Strategy
Appendix 2, EQUIA
Appendix 3 (Exempt) - Tender evaluation scores