

REPORT RELATING TO PROCUREMENT STRATEGY FOR GULCS FUNDED CHARGE POINTS IN LAMP COLUMNS

BUSINESS CASE

The procurement of electric vehicle charge points is needed because LBHF have 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.

The expansion of lamp column electric vehicle charge points in LBHF complements other electric vehicle initiatives and forms an integral part of the residential electric vehicle charging network, supporting the climate emergency announcement, other air quality initiatives and contributing to our target to become the greenest borough.

The proposed contract leads to the award of a concession whereby the company awarded the contract makes the infrastructure available to the public to use. All charge points will be available for public use and for the purposes of electric vehicle charging only.

The charge points will be available for use 24 hours a day, 7 days a week. Parking zone restrictions and parking fees will apply. In certain locations resident permit priority will be provided.

The further development of electric vehicle charge points in the borough directly supports LBHF's Business Plan actions to support air quality initiatives and growing electric vehicle ownership and use, particularly for residents.

Lamp column charge points have previously been purchased using the GULCS Framework.

The charge points will be owned, operated and maintained by the Concessionaire and operated under Licence. It will be sovereign to LBHF in the sense that the charge points will be located only in the borough.

LBHF does not have the resources to manufacture, supply and operate EV charge points without incurring significant costs and extending the delivery programme by years.

1. FINANCIAL INFORMATION

The total cost of buying and installing the equipment in the lamp columns is estimated to be £1,999,800. 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.

Revenue received by the Council will be 13.5% of turnover of the charge points. This is estimated to be £1,500,000 over five years, but this level is very likely to increase as the EV market expands over the next few years.

Officer fees is budgeted from the Transport policy budgets.

2. OPTIONS APPRAISAL AND RISK ASSESSMENT

Three options exist for progressing expansion of the residential lamp column electric vehicle charge point network in LBHF:

Option 1 – calling-off via award from the Electric vehicle Charging Infrastructure Framework Agreement Lot 1 let by Transport for London will enable LBHF to expand lamp column charge points at minimal risk to the Council, and to expediently procure the supply, installation, operation and maintenance of the charge point infrastructure. See below for further information about this procurement route.

Option 2 – LBHF expand lamp column charge points without using the framework agreement. Following this path will incur considerable costs for the Council (fees and capital) and extend the delivery timeframe by many months, potentially years, by requiring liaison with DNO, service providers and potential network operators. Tendering for this work at this stage will add time and cost to the implementation programme for no benefit.

Option 3 – do not expand lamp column charge point network in LBHF. This does not support the Council's aspirations to become the greenest borough, improve air quality or realise the Business Plan targets for growing the electric vehicle charge point network in the borough.

It is recommended that Option one is adopted.

3. THE MARKET

The market remains relatively specialised and there are no local suppliers. Joju are a UK based company.

4. PROCUREMENT ROUTE

Award Call-off Contract through the Electric Vehicle Charging Infrastructure Framework Agreement Lot 1 (Shared Power Supply Charge Points) let by Transport for London; reference tfl_scp_001560.

Joju is the only provider of charge point devices approved by the energy distributor, United Kingdom Power Networks (UKPN), to connect to the unmetered lamp column network using CityEV Safevolt™ that does not require additional expenditure for secondary earthing and so can be housed safely inside a LBHF lamp column.

The TfL Framework helps Boroughs fulfil commitments to delivering charge points by facilitating the award of a Call-Off Contract to Concessionaires who will supply, install, maintain and operate the charge points.

The proposed framework has been reviewed by a legal adviser from Sharpe Pritchard. This has confirmed that:

1. The Council's requirements are within the scope of the Transport for London Framework, Lot 1.
2. All London boroughs are able to use the framework, and its initial term runs until 30 July 2021.
3. The framework was advertised in OJEU in early 2018. Two lots were advertised and the relevant one is Lot 1 – "Shared Power Supply Charge Points". The lots were set up so that they could lead to the award of either a fixed price contract for services or a concession contract (under which greater financial risk is passed to the operator). Here a concession contract is proposed for award.
4. The framework (across the two lots) was advertised as having a value of £15m. Recent European case law indicates that when a framework has reached the advertised value then it is no longer available for call offs. It is assumed that as part of the process of seeking consent from TfL (as referred to above) that this will be checked.

5. The company proposed for the contract award, Joju, was appointed to Lot 1 and this is confirmed in the OJEU contract award notice.
6. The framework agreement and framework guide require the use of a template call-off contract, which the department has confirmed will be used to appoint Joju.
7. See also below about the proposed length of the call off contract.

5. CONTRACT PACKAGE, LENGTH AND SPECIFICATION

The contract will be for a period of five (5) years commencing in 2022, with the option for the Council to extend for a further two (2) years, for the supply, installation, operation and maintenance of the residential lamp column charge point infrastructure on land owned by the London Borough of Hammersmith & Fulham.

It is confirmed from the OJEU notice that this contract length is within the scope of the framework agreement as advertised, however, the OJEU notice says that the standard term of call off contracts is 5 years; and provided that it is a concession contract and not a services contract being procured, and where an awarding authority wants longer it needs to submit a justification for this, with a maximum period of 10 years permitted. Therefore, in applying for TfL consent as referred to in the previous section, the Council will need to seek approval for this by supplying justification.

6. SOCIAL VALUE, LOCAL ECONOMIC AND COMMUNITY BENEFITS

Social value will 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 Lot 1 (“the Framework”).

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.

7. OTHER STRATEGIC POLICY OBJECTIVES

The expansion of the residential charge point network in LBHF complements other electric vehicle initiatives and forms an important part of the wider LBHF electric vehicle charging network, supporting other air quality projects and contributing to our target to become the greenest borough.

8. STAKEHOLDER CONSULTATION

All proposals are developed in consultation with the operator, and in response to requests from residents and/or Councillors collected through our online consultation portal. Location specific consultation with residents and businesses will take place through the formal planning and statutory TMO procedures that must be followed and reported to Cabinet Member for Environment.

9. PROJECT MANAGEMENT AND GOVERNANCE

The project team is comprised of the following officers:

Name	Role
Ian Hawthorne	Project Sponsor
Anvar Alizadeh	Project manager
Jordan Poole	Contract manger

10. INDICATIVE TIMETABLE

Date	Action	Progress
June 2022	Submit to Key Decision governance programme	
June 2022	Prepare SLT report in discussion with legal and other H&F consultees	
July 2022	Governance – Cabinet Member approval, Cabinet Member consultation and call-in period	
Feb 2021	Charge point manufacture	
August 2022	Charge point location assessments and point installation	
September 2022	Commencement Date of Call-Off Contract	

11. CONTRACT MANAGEMENT

LBHF and Transport for London will undertake performance monitoring of all the sites through the supply and analysis of demand and usage (and other) data supplied by the Concessionaire as required in the contract. This will also inform the value of turnover percentage to paid to the Council.

Key Performance Indicators (KPIs) include incident reporting and rectification, and data provision and are detailed in Schedule 3 (Service Levels) of the Framework Contract (Electric Vehicle Charging Infrastructure Framework Agreement let by Transport for London).

Social value will also be included as a KPI and the Social Value Matrix will be monitored through the Council's Social Value Portal, and in accordance with the Council's Social Value Policy.

Data will also be reported to London Councils who will keep a record under ORCS, and the Framework, and so provide reports, both for LBHF and London-wide, detailing overall charge point demand.

The Council will work with London Councils to address any demand for future provision of electric vehicle charge points.

12. Specific Exit Plan and related requirement

The Exit Plan is submitted by the Concessionaire and is set out in Schedule 10 of the Framework Agreement (tfl_scp_001560).