

CABINET

27 JUNE 2024

WORCESTERSHIRE'S ELECTRIC VEHICLE CHARGING INFRASTRUCTURE STRATEGY (EVCI) AND CHARGEPOINT DELIVERY

Relevant Cabinet Member

Cllr Marc Bayliss

Relevant Chief Officer

John Hobbs, Strategic Director for Economy and Infrastructure

Local Member(s)

All

Recommendation

1. **The Cabinet Member with Responsibility for Highways & Transport recommends that Cabinet:**
 - a) **notes the overall concept of the draft Electric Vehicle Charging Infrastructure Strategy, the Local Electric Vehicle Infrastructure (LEVI) Fund and the progress made to date;**
 - b) **approves Worcestershire's draft Electric Vehicle Charging Infrastructure Strategy for consultation;**
 - c) **delegates approval for the final wording of the Worcestershire's Electric Vehicle Charging Strategy to the Strategic Director for Economy and Infrastructure in consultation with the Cabinet Member with Responsibility for Highways and Transport;**
 - d) **supports the ongoing work with Midlands Connect to develop the delivery project and to submit the business plan to secure the allocated LEVI Funding to enable the delivery of public charge points in the county;**
 - e) **requests that Council approves the allocation (once finalised) of £3.5m LEVI funding from Office for Zero Emission Vehicles (OZEV) is added to the Capital Programme; and**
 - f) **supports the preparatory work required to enable future project delivery including early contractor and market engagement, the procurement approach and land and legal as required, funded from LEVI capacity funding.**

Why are these decisions important?

2. Locally and nationally, the uptake of electric vehicles is increasing as the ban on the sale of new liquid petroleum gas, petrol and diesel cars as well as hybrid vehicles approaches in 2035. Worcestershire's proposed Electric Vehicle Charging Infrastructure strategy identifies the scope and current opportunity for deploying Electric Vehicle (EV) charging infrastructure in Worcestershire for residents, visitors, tourists, non-residential commuters, taxi & private hire and commercial car and Light Goods Vehicles (LGVs). However, the primary focus of the proposed Electric Vehicle Charging Infrastructure Strategy is on delivering Electric Vehicle Charging Infrastructure (EVCI) in the county for households without dedicated off-street parking primarily funded through the Local Electric Vehicle Infrastructure (LEVI) Fund from Office for Zero Emission Vehicles.
3. The Electric Vehicle Charging Infrastructure strategy sets out WCC's response to delivering EV charging infrastructure in Worcestershire, and is funded through LEVI capability (revenue) funding. Having an adopted strategy is a requirement for receiving LEVI capital funding.

Background

4. The Government is prohibiting the sale of new petrol, diesel and plug in hybrid cars from 2035 as part of its commitment to reach Net Zero by 2050. It is recognised that the transition to electric vehicles is a crucial element to achieving this Net Zero target.
5. The Office for Zero Emission Vehicles (OZEV), is part of the Department for Transport (DfT) and the Department for Energy Security and Net Zero (DESNZ). It is working to support the transition to Zero Emission Vehicles (ZEVs) which includes electric vehicles. Acknowledging the challenges of charging electric vehicles, the DfT has developed the LEVI Fund to plan and deliver charging infrastructure for residents without off-street parking. The LEVI Fund has 2 main objectives:
 - Deliver a step-change in the deployment of local, primarily low power, on-street charging infrastructure across England; and
 - Accelerate the commercialisation of, and investment in, the local charging infrastructure sector.
6. The LEVI Fund comprises of:
 - Capital funding to support chargepoint delivery; and
 - Capability/revenue funding to ensure that local authorities have the resources and capability to plan and deliver charging infrastructure.
7. Local Highway Authorities in England, including WCC, have been allocated LEVI funding and have the opportunity to secure this funding through the multi-stage application process. LEVI funding is both capability (revenue) and capacity (capital) funding.
8. Capability funding has been made available for the development of the Electric Vehicle Charging Infrastructure strategy for which WCC has received £96k for strategy development.

9. WCC has been allocated further capability funding £436k totalling for three years from 2022-2025 to support development and submission of the business cases to secure LEVI capital funding. An additional £60k capability funding was also allocated and subsequently received by WCC in 2023/24, again to support the business case for the capital fund. In total WCC has received 63% of this total £592k funding to date.
10. Further to above, the LEVI capability funding of circa £3.5m has also been allocated to the council for delivery of electric vehicle charging infrastructure. This is due to be secured through a three-stage business plan submission. WCC submitted a successful phase 1 Expression of Interest in spring 2023, with the stage 2 business case application form submitted in May 2024. The final business case is due for completion in late 2024.
11. The capital fund is subject to endorsement of the Stage 2 business plan followed by completion of Stage 3 application process. Once Stage 2 is approved by OZEV, WCC is expected to receive 90% of its allocated capital funding. The remaining 10% of the funding will be received following successful submission and approval of Stage 3. WCC have been working alongside Midlands Connect (MC) to complete the required stages of the LEVI capital funding. The LEVI capital fund will be used to leverage private investment to maximise delivery of chargepoints.
12. Electric vehicles and other ultra low emission vehicles have a number of potential benefits including improving air quality and assisting in reducing carbon emissions. However, for residents without off street parking the transition to electric vehicles is made more challenging by the lack of access to charge points. It is currently calculated that around 30% of households in Worcestershire do not have off street parking. As outlined above, the LEVI funding has been allocated to local transport authorities to assist with the provision of public charging infrastructure aimed primarily at residents without access to off street parking. To support the provision of such electric vehicle charging infrastructure, WCC has developed the proposed Electric Vehicle Charging Infrastructure strategy for Worcestershire.
13. Reflecting the urban and rural communities of Worcestershire, WCC wants to ensure that the right electric vehicle charger technology is used at the right location both by residents and visitors with charging infrastructure provided in both urban and rural locations.
14. The transition to electric vehicles and other forms of low emission transport is increasing, forming 16.5% of car sales in 2022/2023¹. In recognition of this, the draft Worcestershire Electric Vehicle Charging Infrastructure strategy, has been developed for the next 5 years (2024-2029). The strategy will not only ensure integration with other local transport services but will also support EV mobility in our county as the EV transition develops. Subsequent versions of this strategy may be required to reflect changes in funding, technology, market forces and growing demand.

¹ Office of Budget Responsibility, November 2023. Updated electric vehicle assumptions and their fiscal implications.

The Draft Strategy

15. The draft Electric Vehicle Charging Infrastructure strategy (Appendix A) is focussed on delivery of the LEVI funded network of electric vehicle chargers to provide charging solutions to residents who do not have access to off street parking.
16. Wider consideration such as electric buses, light services, workplace or strategic road network charging are not addressed. These are outside of the scope of the LEVI funding which is solely focussed on electric vehicle charging infrastructure. Alternative forms of ultra-low emission vehicles such as hydrogen power are also outside of the scope of the initial strategy and LEVI funding reflecting the rapidly changing nature of technology and the future potential of different options. These will be monitored and assessed for inclusion in future strategies.
17. The strategy sets out a proposed vision and objectives. The vision is:

A robust EV charging infrastructure for residents, businesses, and visitors. Charging solutions are equitable, accessible, and reliable giving confidence to drivers to drive EVs. Charging infrastructure integrates with local transport services, supports EV mobility and has positive decarbonisation impacts in our county.
18. The vision support the following objectives for electric vehicle charging in the county
 - i. **Objective 1: Environmental Benefits** - To deliver improved air quality and reduced emissions by decarbonising transport in and around our county.
 - ii. **Objective 2: Reliable** - To enable charging solutions that give users confidence to transition to EV and continue to drive EV in the future.
 - iii. **Objective 3: Accessible** - To increase provision of inclusively designed charging solutions that are located conveniently for homes with on-street parking.
 - iv. **Objective 4: Equitable** - To enable access to charging facilities for residents particularly in locations that address inequalities in social, economic and ruralism.
 - v. **Objective 5: Integrated** - To provide opportunity for integration with wider local transport services, active transport, to widen travel choice
19. The vision and objectives have informed the following principles for locating the LEVI funded chargepoints in the county:
 - WCC owned land where vehicles park nose to kerb;
 - District Council owned land where vehicles park nose to kerb;
 - WCC or district owned Car parks within a 5 -10-minute walk of housing that does not have off street parking;
 - Rural locations where homes do not have access to off street parking; and
 - On street locations where it complies with the Highways and Equalities Act to ensure that, for example, appropriate footway widths are maintained for pedestrians.

20. Through the strategy WCC will communicate our role in Electric Vehicle Charging Infrastructure with partners and communities and identify our intentions to partners and the community.
21. The strategy will be published as a draft document for public and stakeholder consultation. It is proposed that the consultation commences in July 2024 for a period of 8 weeks. Following the consultation, any revisions required will be included in the final version of the document which will be published on the website.

Midlands Connect

22. As explained above, to secure the LEVI Capital funding to deliver the electric vehicle charging infrastructure, WCC has been working alongside Midlands Connect, which is the regional transport body working across the region to support the transition to electric vehicles and to support the accelerated growth of electric vehicle charging infrastructure in the region.
23. As electric vehicle charging infrastructure skills and expertise to support the development of the funding business plan are scarce. By working with Midlands Connect and colleagues from other local highways authorities, WCC has been able to access additional evidence, data sharing and expertise for the business plan and to learn from colleagues. This has also allowed us to increase the pace of business plan development.
24. Midlands Connect have also secured additional funding to support this work which has funded additional evidence and support for authorities who are working with them including financial modelling, template contracts and network data. To continue with the approach and submit our final business plan to OZEV by December 2024, a consortium approach has been developed enabling local highways authorities to work together. The size of each consortium has been restricted to a total LEVI funding value of between £10-17m to allow for market engagement and flexibility.
25. Continuing to work in the consortium approach allows us to continue to access this additional support, critical as we move into the procurement and legal phases of the project development which are required for the final stage 3 business case. Worcestershire has been asked to take a lead on preparing framework documents for a consortium which includes the counties of Leicestershire, Rutland and Warwickshire plus Stoke on Trent with a total LEVI Fund value of £12m. It should be noted that the framework documents will be shared with other local authorities within the consortium on a confidential and strictly non-reliance basis i.e. in the spirit of collaboration and joint learning. At no point WCC will be giving any warranty as to the fitness of either the documents or WCC's approach for other authority's own procurement process.
26. Although staged submission of the business cases are proposed to be developed with this consortium approach, this does not put WCC at any additional risk or result in WCC taking on responsibility for delivery in other local transport authority areas. All local transport authorities will retain this responsibility for themselves and be responsible for their own procurement and legal contracts and delivery of the infrastructure.

27. If WCC determined that they no longer wished to be part of the Midlands Connect approach, we would no longer be able to access the additional support, evidence and data as the project enters the critical phase of completing the business case submission, and developing the legal and procurement cases for implementing the network of electric charge points.

Legal, Financial and HR Implications

28. There are no HR requirements relating to the recommendations to adopt the EV Strategy.

29. WCC does not have a duty to support electric vehicle charging infrastructure but has powers to do so and as explained this strategy is required to access funding. The work which has been undertaken to date to develop the strategy has been funded through the LEVI Capability funding secured from the OZEV/DfT for strategy development. This will cover all costs including the proposed public consultation on the strategy.

30. WCC have been allocated £592k from LEVI as revenue support for the development of the business case to secure the £3.5m capital funding for the roll out of EV charging in the county. WCC has received £375k of LEVI capability funding to date, which will be used to develop the business case, and to support the additional professional support required such as land and legal and procurement. This funding will cover the costs of this element of the project.

31. It is expected that the LEVI capital funding secured will leverage additional private funding from the charge point delivery partner and the business model proposed. Indications are that this will attract additional funding with a ratio of 1:2 as a minimum. There is no requirement for WCC to contribute any funding to match the LEVI allocations and no additional funding has been allocated either within the revenue budget or the Capital Programme. The project will solely be working within the funding secured and allocated by LEVI, along with other external funding sources, both capital and revenue.

32. Subject to the submission of a successful business plan, a separate cabinet report will be required prior to procuring a delivery partner for the roll out of the electric vehicle charging network, reflecting the requirement that responsibility for the charge points including maintenance will remain with the charge point operator. Procurement will follow the required procurement processes defined in the grant conditions and will be subject to the Concession Contracts Regulations 2016.

Timescales

33. The timescale for the LEVI funding is determined by Government and is currently as set out below:
- Approval of stage 2 business case Summer 2024
 - Procurement of chargepoint operator Autumn/ Winter 2024
 - Contract award Spring 2025
 - Delivery 2025-2030

Risk Implications

34. Financial resources for this project are limited to the LEVI funding. The risk of overspend is being limited by early market engagement to understand the market and business models with regular financial controls and reporting. The number of charge points secured through a contract will be determined by market conditions and matched to the funding available. Contracts will define the maintenance and management of the charge points remain with the operating company.
35. With any investment of this size and nature there will be associated risks, from grid connection costs rendering some locations unviable to some perceived less viable sites being left behind. This Strategy has sought to acknowledge these whilst detailing how they might be mitigated against.
36. LEVI is a new fund, whilst there is a finite number of charge point operators and technologies. The timelines are similar for most authorities and there is a significant risk that charge point operators and manufacturers will delay the roll out whilst they upscale production and delivery.
37. Throughout the delivery and operational phases of the project, there needs to be clarity in external communications that the sole responsibility for installation and maintenance is with the operator. WCC will not have an ongoing role.

Joint Equality, Public Health, Data Protection and Sustainability Impact Assessments

38. The Joint Impact Assessment (JIA) screening has been carried out in respect of the Electric Vehicle Charging Infrastructure Strategy. This identified that further impact analysis was required in respect of Public Health and Environment. See Appendix B.
39. A Public Health and Environmental Assessment has been carried out in respect of the recommendations. This identified that the Electric Vehicle Charging Infrastructure Strategy would support positive outcomes in terms of environmental and health benefits. This will principally arise from improvements in air quality and reduction in carbon emissions. Furthermore, a key requirement of the LEVI funding is to ensure that charges are located in areas which may not attract private investors without the additional funding support which LEVI offers. Matters regarding the accessibility and siting of chargers will be addressed through detailed assessment of locations prior to the securing the LEVI funding.

Contact Points

County Council Contact Points

County Council: 01905 763763

Specific Contact Points for this report

Emily Barker, Head of Planning and Transport Planning

Tel: 01905 846723

Email: EBarker@worcestershire.gov.uk

Rachel Hill, Assistant Director

Tel: 01905 843539

Email: RJHill@Worcestershire.gov.uk

Supporting Information

- Appendix A: Worcestershire County Council Electric Vehicle Charging Infrastructure Strategy. 2024.
- Appendix B: JIA Screening