

**MUNICIPAL YEAR 2016/2017 REPORT NO.**

**ACTION TO BE TAKEN UNDER  
DELEGATED AUTHORITY**

**PORTFOLIO DECISION OF:**  
Cabinet Member for Environment

**REPORT OF:**  
Director – Regeneration &  
Environment

<b>Agenda – Part:1</b>	<b>KD Num: N/A</b>
<b>Subject: The Future of Enfield's Electric Vehicle Charging Points</b>	
<b>Wards: All</b>	

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**1. EXECUTIVE SUMMARY**

- 1.1 A previous report seen by the Cabinet Member for Environment in January 2016 provided up to date information on Electric Vehicle Charging Points (EVCP's) located in 7 locations around the borough. It further explained that the points were originally installed and maintained by Transport for London as part of the original Source London scheme. The scheme was sold to BluePoint London Limited in 2013 and as such has invited all of the London Boroughs to sign up to the new Source London scheme.
- 1.2 Currently, this means that the Council is responsible and liable for all of the charging points, however there is no maintenance arrangements in place or funding allocated for such purposes, but there is a public expectation for the charging points to remain in service. As such, alternative opportunities to continue providing this service have been explored and this report provides the analysis for the options, and recommends that a contract be negotiated and implemented.

**2. RECOMMENDATIONS**

- 2.1 That the Cabinet Member for Environment agrees that a contract with Chargemaster for the installation, management and maintenance of existing and future electric vehicle charge points should be negotiated and implemented.
- 2.2 To delegate responsibility for contract negotiation and implementation to the Director for Regeneration and Environment.

### 3. BACKGROUND

3.1 Enfield has electric vehicle charging points, located in the following places:

- Westpole Avenue, Cockfosters;
- Lion Road Car Park, Edmonton;
- Angel Corner, Edmonton;
- Leigh Hunt Drive, Southgate;
- Genotin Road car park (two charging points);
- Palace Gardens multi-storey car park, Enfield Town (two charging points)
- Aldermans Hill

3.2 These were installed as part of Transport for London's Source London project, which is now managed by Bluepoint London Limited (BPL). Although the points continue to be recognised as part of the Source London Network, the Council has yet to sign any formal agreements with BPL. This means that the Council is liable and responsible for all of the charging points, including any maintenance issues. There is no budget for this, but there is a demand from some residents to ensure that they are kept within good working order.

3.3 Previously approval was sought for responsibility for these points to be passed to BPL. However, following further negotiations and in light of concerns with BPL's proposals, officers have met with two further companies to discuss options and possible models:

1. Chargemaster PLC
2. Pod Point

3.4 All three companies, as part of their models, have offered to take over the responsibility of charging points, and where required, replace and upgrade them to their own network standards, at their own costs. The companies would also own the posts and be responsible for their maintenance for the duration of the contract.

3.5 A table providing details about the different models and how they compare with each other is appended to this report.

3.6 Whilst the overall models are fairly similar in nature, they do differ in terms of the advantages they offer and the implications they will have for the Council.

3.7 The table below summarises specific costs and benefits for each provider:

<i>Provider</i>	<i>Costs</i>	<i>Benefits</i>
BPL	<ul style="list-style-type: none"><li>• Staff time to deal with complex contractual arrangements and requests for additional</li></ul>	<ul style="list-style-type: none"><li>• Will install new points at no cost to the Council.</li><li>• Fixed income per annum per charging point space</li></ul>

	<ul style="list-style-type: none"> <li>charge points.</li> <li>8 year contract with penalties for early termination.</li> <li>Desire for 300 charge points to be delivered over the contract period.</li> <li>Public liability costs can be recovered from the Council.</li> <li>Points not universally compatible.</li> </ul>	<ul style="list-style-type: none"> <li>(level to be determined but could be up to £500).</li> <li>Owners of Source London brand which is recognised in London.</li> </ul>
Chargemaster	<ul style="list-style-type: none"> <li>Purchase of new charge points (c£6,000 each) and related TMO (c£2,000).</li> <li>Users must pay to use points.</li> <li>Half of public liability insurance costs.</li> </ul>	<ul style="list-style-type: none"> <li>Access to wider Polar network of 4,000 points across the UK, enabling ULEV users to travel further using their vehicle.</li> <li>Will install up to 5 rapid chargers at no cost in suitable locations.</li> </ul>
Pod Point	<ul style="list-style-type: none"> <li>Purchase of new charge points (c£6,000 each) and related TMO (c£2,000).</li> <li>Relatively small network of existing points.</li> <li>Users must pay to use points.</li> <li>Public liability insurance costs.</li> </ul>	<ul style="list-style-type: none"> <li>Low cost for users.</li> </ul>

3.8 BPL appears to overall be the lowest cost option with regard to the physical charge points. However, there are significant concerns with the burdens that BPL will put on the Council in terms of both their contractual obligations and their desire for 300 points to be installed.

3.9 Chargemaster offers a number of benefits for the Council and appears to be well placed to support our current infrastructure and any requirements for additional points. The main issues for the Council with regard to Chargemaster are the costs of installing new charge points. To address this third party funding could be sought if further points are required with such points included in existing Traffic Management Orders to reduce costs.

3.10 Based on the overall analysis Pod Point is the least attractive proposition for the Council because its network is not as extensive as the Polar Network, nor does it manufacture or provide rapid charging points, if this is something the Council wishes to install in the future.

3.11 Therefore after reviewing each of the models, it is recommended that the most apposite solution for Enfield in terms of practicality and deliverability, with the

resources which are currently available, is to negotiate and implement a contract with Chargemaster for the installation, management and maintenance of existing and future electric vehicle charge points. It is further recommended that this responsibility be delegated to the Director for Regeneration and Environment.

- 3.12 It should be noted that this contract will not be mutually exclusive so the Council will have the flexibility to engage with other providers in the future.

#### **4. ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 Two alternative options have been considered and these are those presented by Blue Point London and Pod Point. These have been discounted for reasons stated in this report. Other options include:

1. Retain responsibility and ownership of current posts and remain responsible for their upkeep, maintenance and all other costs and conditions for their existence. This has been discounted because there is no available budget for the provision of electric vehicle charging points, so the Council would be unable to provide an efficient and reliable service under this option.
2. To remove the charging posts altogether and no longer provide a service. This has been discounted mainly because it goes against national and regional policy as well as the Council priorities and policies particularly those focused on improving air quality.

#### **5. REASONS FOR RECOMMENDATIONS**

- 5.1 Some of the reasons why the model presented by Chargemaster is the most favourable for the Council are presented above. But overall:

1. The Chargemaster option is felt to be more manageable and deliverable for the Council, especially in terms of the resources (staff time) available to implement the new set up;
2. There are fewer terms and conditions than the next leading competitor, BPL, and termination arrangements are also more favourable for Chargemaster as are the requirements for land provision;
3. The benefits for the end user under the Polar Network are felt to be stronger than the other options. For example, with over 4000 charging posts UK wide, there is greater connectivity to other areas outside of London by an ultra-low emission vehicle.
4. There is no undue pressure to increase the size of the network with Chargemaster, whereas BPL has already stated it would like to increase the number of charging points in the borough to 300. Although this would not go ahead without permission of the Council, it could be that they place pressure on officers to find sites to implement further posts.

## **6. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES, AND OTHER DEPARTMENTS**

### **6.1 Financial Implications**

- 6.1.1 This report seeks authority is given to negotiate and implement a contract with Chargemaster for the installation, management and maintenance of existing and future electric vehicle charge points. Under the proposed set-up, the Council will no longer be liable for the management and maintenance of posts. The financial impact of the contract negotiations will be fully assessed once the final proposals are established.
- 6.1.2 Currently the Council is responsible and liable for all of the charging points; however, there is no maintenance arrangement in place or funding allocated (there is no budget allocated for this).
- 6.1.3 Currently the energy costs related to the charging point is funded corporately and will continue to be funded corporately as per the Corporate Finance Policy; however, this is subject to change if the Council decides to claim back costs for electricity through the end user via Chargemaster.

### **6.2 Legal Implications**

- 6.2.1 Section 111 of the Local Government Act 1972 gives a local authority power to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. In addition, the general power of competence in s.1 (1) of the Localism Act 2011 states that a local authority has the power to do anything those individuals generally may do provided it is not prohibited by legislation and subject to Public Law principles. The recommendations within this report are in accordance with these powers.
- 6.2.2 Throughout the engagement of the service provider, the Council must comply with its obligations with regards to obtaining best value under the Local Government (Best Value Principles) Act 1999.
- 6.2.3 All legal agreements arising from the matter described in this report must be approved by the Assistant Director of Governance and Legal Services in accordance with section 8 of the Contract Procurement Rules.

### **6.3 Property Implications**

- 6.3.1 The use of Council owned assets must comply with the requirements of Property Procedure Rules which not only identifies the approval process but specifically that any occupation or use is correctly documented with agreed terms and conditions. The expansion of the network may require the identification of

suitable additional parking spaces in which case new agreements will need to be entered into, approved and documented.

6.3.2 The decision to go forward with Charge Master is potentially at the expense of income generation (up to £150,000 per annum loss) given that Blue Point London wish to install up to an additional 300 charging units in the borough. However, it should be noted that this income is not guaranteed, plus any notional income would have to be offset against the resources to manage the contract including site surveys, scheme design, consultation and supervision of delivery. Early estimates indicate that this would be in the region of at least £50,000 per annum in staff time alone. But bypassing this opportunity could mean that there will be a less efficient network for existing and future ULEV's. The existing network is so little used and installing up to 300 charging points in the borough when there is such little demand could have a negative impact on our reputation and on parking capacity in Enfield. It is still to be determined whether expanding the network is the most efficient way to deliver EV charging in Enfield so a cautious approach is preferable. There is no indication that other providers would not install points and the contract is not exclusive so LB Enfield retains flexibility in its approach to charging.

## **7. KEY RISKS**

- 7.1 Financial - Retaining some of the public liability as part of the contract could have some significant cost implications should an incident arrive. The Audit & Risk Management service has advised that as part of the contract negotiations, insurance requirements should be considered after responsibilities and any indemnity clauses have been identified. If the costs associated with any insurance requirements are significant then consideration will be given to not proceeding with the contract and instead reverting to another provider or moving forward with another option.
- 7.2 Financial – Chargemaster ceasing to trade and responsibility for electric vehicles charging points passing back to the Council. This is low risk due to Chargemaster being a publically listed company which indicates good financial management and oversight.
- 7.3 Reputational – Faulty points inconveniencing residents or leading to a member of the public being injured. This is considered low risk because Chargemaster PLC is a well-established company with a range of high quality products. There is also a target for 98% of points to be in operation at all times.

## **8. IMPACT ON COUNCIL PRIORITIES**

### **8.1 Fairness for All**

This new set-up will support people through additional infrastructure at no cost to the Council, in adopting more sustainable forms of travel, helping to improve air quality and the health of all residents.

### **8.2 Growth and Sustainability**

Electric vehicles will contribute to the objectives of the Council's Air Quality Action plan, helping to make transport in the borough more sustainable. By partnering with Chargemaster, the Council is allowing the opportunity to make this happen.

### **8.3 Strong Communities**

Supporting Chargemaster to implement a charging network in London will help to support residents to buy/use electric vehicles, which will indirectly encourage people to take responsibility for the environment around them and help to create a cleaner environment. This enables people to take responsibility for their lives, as it could have various positive health implications.

## **9. EQUALITY IMPACT IMPLICATIONS**

Corporate advice has been sought in regard to equalities and an agreement has been reached that an equalities impact assessment is neither relevant nor proportionate for the approval of this report

## **10. PERFORMANCE MANAGEMENT IMPLICATIONS**

The provision of electric vehicle charge points (EVCPs) supports outcome 2.5 of the Council's Business Plan, namely:

- Improved sustainability of transport and reduce its impact on the borough

## **11. HEALTH AND SAFETY IMPLICATIONS**

There are no direct health and safety implications of this report.

## **12. PUBLIC HEALTH IMPLICATION**

Seventeen percent of deaths in Enfield are related to air pollution and transport emissions form a major part of this. Climate change has been described as the greatest threat of the 21<sup>st</sup> century to the health of the public. An increase in the use of electric vehicles forms part of the Council's strategy to improve air quality by reducing harmful emissions from both conventional petrol and diesel engines. Charging points will not only encourage the use of cleaner sources of energy but move combustion of fossil fuels away from urban centres

### **Background Papers**

Appendix 1 – Table Comparing Key Attributes of Potential EV Charging Suppliers



### Appendix 1 - Comparing Key Attributes of Potential EV Charging Suppliers

	<i>BluePoint London</i>	<i>Chargemaster</i>	<i>Pod Point</i>
<i>Summary</i>	BPL will take over responsibility for managing and maintaining existing charging points and will pay for the installation and maintenance of additional charging points when and if LBE feel there is a need (subject to BPL agreeing there is a good business case for prospective charge point locations).	Chargemaster will take over the responsibility and maintenance of existing posts or upgrade them if required. They will keep them to within a sound working order for 98% of the time.	Pod Point will upgrade all existing charge points in the borough to their Open Charge network based units. They will retain ownership of the points and maintain them throughout their lifetime. They will remove any existing old units and install new ones at no extra cost.
<i>Will they take ownership of existing Posts?</i>	Yes - This is subject to them accepting the charge point in to the Source London scheme.	Yes	Yes
<i>If required, will they replace existing posts at their cost?</i>	Yes	Yes	Yes
<i>Will they maintain posts at their cost?</i>	Yes – Target times for repair are higher than other competitors like Chargemaster.	Yes – They include in their contract that they will endeavour to ensure that charging points are maintained and working 98% of the time.	Yes – Target times not provided.
<i>Will they adopt public liability for posts at their cost?</i>	Initially. BPL will adopt public liability but there is a clause in their contract which states that they would claim against any losses and would require LBE to indemnify against such losses.	Not fully. The contract states that it is a joint responsibility (50/50).	Not specified.
<i>Will they adopt a pricing mechanism</i>	Yes – this is likely to be structured similarly to that of the London	Yes - Chargemaster will charge a monthly membership fee of around	No – However POD Point will retain ownership of the units and

<i>and charge the end user?</i>	Underground zone charging for each individual use of the charging points as well as a monthly membership fee.	£8 plus 9p per kilowatt hour for electricity. The membership fee allows access to all of their charging points (4000) throughout the country.  They also offer a pay-as-you-go option, at a cost to the user of £1.20 each time they use a charge point plus the cost (as above) for the electricity.	will be able to levy a Pay-As-You-Go fee for their use (fees will be discussed before being set).
<i>Will they charge for new charge points?</i>	No – BPL have indicated that all costs will be covered.	Yes – For standard charge points they will charge a reduced rate for purchase and installation. In addition the costs of a Traffic Management Order will have to be covered.	Yes - LBE would be responsible for the costs of any future additional charging points, however other details would have be discussed further. In addition the costs of a Traffic Management Order will have to be covered.
<i>Do they have a preferred number of charge points in Enfield?</i>	Yes - BPL have stated a desire to have around 300 charge points in Enfield over the life time of the agreement (8 years)	No – Chargemaster have not expressed a desire to expand the network in Enfield.	No – Pod Point have not indicated that they have specific plans although their corporate desire is to make EV charging more widely available.
<i>Do they manufacture/provide rapid charging points?</i>	No – most of the Source London Posts provide a slow trickle charge.	Yes – It has been indicated that up to 5 could be installed at no cost to the Council if suitable locations can be found (power supply is an issue).	No
<i>Space requirements</i>	BPL's stated preference is to lease the land on which the parking space sits, however as this is not possible they have said they are	No lease or renting agreement required. Contract does not note any arrangements for the use of car parking spaces or whether they	No leasing arrangements required. Would need to discuss in further detail what Pod Point will require

	willing to rent the land for the duration of the contract (8 years). LBE must make sure that dedicated parking spaces are available for the sole use of charging points and users. LBE would also be unable to charge for the use of parking spaces that are required to be used to access charging points but can charge for barrier closed parking bays. In return BPL will give LBE £500 a year to each parking space occupied.	can only be solely used by electric vehicle users to charge their cars. This will need to be clarified as part of the contractual agreement.	from LBE in terms of exclusivity and charging.
<i>Will they pay for electricity?</i>	Yes either directly or by reimbursing LBE.	Not initially but there can be a set up whereby LBE can claim back the cost of electricity through higher costs to the end user.	The Borough will pay for the cost of electric, however Pod Point is happy to include a clause in the contract that says that once this cost goes over a certain amount (TBC) then they will start paying LBE back (this can be monitored via their back office system).
<i>Will usage data be available for the Council to view?</i>	Yes	Yes	Yes
<i>Are the posts interoperable with other providers?</i>	No	Although the post only accept Chargemaster members, the company has over 4000 charging points throughout the UK in the Polar Network, which is available for use by all members, no matter where in the country they are	It's an "Open" network, so whilst users have to be a member of the other providers should they wish to use their points, Pod Point do not offer a membership based set-up, people are just able to use the points on a "pay-as-you-go" basis

		charging. This means that users of the Polar Network are able to undertake longer distance journeys in an ultra-low emission vehicle.	and levy, which they believe makes it more user friendly.
<i>Does the provider have a wider charging network?</i>	Only in London	Yes.	A little, but most of the Pod Points are in London.
<i>Are the posts easy to use?</i>	Users have to pay a monthly membership to be a part of Source London and use the scheme, and then they will be billed separately on top. They can access charging posts via an RFID card or phone app.	Users have to pay a monthly membership and then posts can be accessed easily by RFID cards or a phone app.	On the face of things, they are the least complex in that they don't require any membership or RFID cards to use. They can be used/booked via a phone app and once booked, the posts become "locked" for 15 minutes, so the user can travel to the charge point without someone using it occupying it during this time.
<i>How complex is the contract?</i>	Very, its over 200 pages long and flags up some uncertainties which will require significant renegotiation.	Not very, just 4 pages long, but will need some amendments.	Not had a draft through yet.
<i>Contract termination arrangements</i>	LBE can cancel the contract at any time, but if it is less than 8 years since the start, BPL would recoup any outstanding costs of the chargepoints and LBE would have to pay for their removal. There is also a 12 month notice period for contract termination.	Either party can cancel at 3 months' notice. Chargemaster will then remove the posts at its own cost. No mention of what might happen if the contract is terminated by LBE and Chargemaster hasn't been able to recoup the costs of the charge point. Contract duration will be agreed during contract negotiations.	No contractual arrangements in terms of termination are being imposed. Would have to discuss what this means for any outstanding monies if this happens.

<i>Financial security of provider</i>	BPL is a part of a bigger company, Ballore. They have a significant presence in France and operate their auto-lib. They are also manufacturers of electric vehicle car batteries.	Chargemaster is UK's largest manufacturer and distributor of charge points, providing charge points for residents, businesses and the public sector.	Pod Point claims to be the UK's leading supplier of charging points. Previously they have concentrated on the private sector, but now want to help local authorities to develop their charging networks. They have a large number of big named customers, such as Sainsbury's.
<i>Other considerations</i>	<p>Long term strategy: Ballore's first and most prominent function is to develop, produce and sell batteries to manufacturers. Their long term ambition is to create a market for electric vehicles and increase the demand in the hope that their batteries will be used in the purchased vehicles. They also want to create a similar system here in London as they have done in Paris, which could mean a reduction in the number of charging points for private vehicles long term.</p> <p>Secondly, their approach to persuading the boroughs to sign up to their Source London Scheme has been a little overwhelming at times, and considering the length and complexity of the contract, which requires significant renegotiation, it may not happen as</p>	Long term strategy: Chargemaster wants to remain the largest presence of electric vehicle charging points in the UK and wish to establish more of a presence in London to increase the network and enable people to travel the country in an ULEV.	<p>The only condition to the above offer is that Pod Point will not pay for power upgrades of existing charging points. They will replace units and use the maximum amount of power available on site. This would mean if there is only sufficient power to run 7kW one side and 3.7kW the other side, Pod Point will do that and downgrade one side of our unit. The operation is identical, but they will show the unit power is lower on one socket.</p> <p>Long term strategy: Like Chargemaster, PodPoint wishes to increase its presence in the UK. However, it is not quite as established as the Polar Network, and does not currently provide rapid charging points.</p>

	quickly as the other options, which are more flexible and less demanding in terms of lease/license agreements and conditions on parking.		
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