



TITLE OF CONSULTATION: REQUEST TO PROCEED TO INSTALL RAPID ELECTRIC VEHICLE CHARGING POINTS IN RYEDALE DISTRICT COUNCIL CAR PARKS

OFFICER REQUESTING: CRAIG NATTRESS
TOURISM & DEVELOPMENT OFFICER

1.0 PURPOSE

1.1 To agree officer proposals to proceed to appoint a supplier to install, maintain and manage rapid electric vehicle charging infrastructure on a supplier funded basis within Ryedale District Council owned car parks in Helmsley, Kirkbymoorside, Malton, Norton-on-Derwent and Pickering.

2.0 RECOMMENDATION(S)

2.1 It is recommended that subject to further supplier engagement with Northern Powergrid on grid capacity, the installation of rapid EV charging points includes the following locations:

- (i) 1 x 75kW DC electric vehicle charging point (total of 8 points with 16 connectors at the following locations:
 - i. Cleveland Way Car Park, Helmsley
 - ii. Eastgate Car Park, Pickering
 - iii. Ropery Car Park, Pickering
 - iv. St Nicholas Street, Norton-on-Derwent
 - v. Town Farm Car Park, Kirkbymoorside
 - vi. Vivis Lane Car Park, Pickering
 - vii. Water Lane Car Park, Malton
 - viii. Wentworth Street Car Park, Malton

- (ii) If commercial viability on behalf of the supplier allows, a charging hub type approach installation is to be further recommended allowing for one car park in both Malton and Pickering to accommodate two and three points respectively.

- (iii) Should the electrical connections not be viable in each of the above locations to support 75kW EVCP's further to engagement with Northern Powergrid, Zest would install additional fast chargers in the car park locations.

3.0 REASON FOR RECOMMENDATION(S)

3.1 Ryedale's investment in electric vehicle charge points is outlined in RDC's climate change action plan (Item 2.1 & 4.1) and Council Plan (Sustainability into the future –

P12). This scheme will directly support Ryedale's citizens and visitors using and investing in electric vehicles as their primary mode of travel.

It is recommended to proceed to procure rapid EV charging points via a fully funded model, based on an exercise using the Crown Commercial Services Vehicle Charging Infrastructure Services framework, the benefits associated with allowing a supplier to deliver the infrastructure at no cost to the Council will support the number and availability of publicly available rapid EV charging points across the District by 31 March 2023.

Background

- 3.2 Zest, a Yorkshire based EV infrastructure company (<https://www.zest.uk.com/>) were the favoured supplier via the recent tender process. The proposed solution of offer from Zest is for them to deliver a fully managed solution including the electrical connections, associated groundworks, installation of hardware, maintenance of the units and associated back office software over a 15 year term, in return for the revenue generated from charging sessions. The supplier has committed to a £500 per charging point per annum incentive to the Council, and in addition a 15% share of profit per charging session. Zest estimate that the Council will receive approximately £271,000 over the 15-year concession through a 15% profit share mechanism and a minimum revenue for each rapid charge point of £500 per annum, rising in line with inflation.
- 3.3 Zest will invest £310k in capital expenditure and £160k in direct maintenance operational expenditure costs towards the project delivery and estimate an income of £1,562,986 over the lifetime of the contract to cover transaction costs, charger maintenance, capital costs and operational overheads. To compare this approach with the Council appointing a supplier using an 'own and operate' model, there would be a requirement to cover capital installation costs, ongoing operation costs, maintenance and upgrade and may result in the authority becoming owners of low value or redundant equipment as the charging infrastructure market and technology develops rapidly. Using this approach to funding EVCP's, the Council carries the risks of unexpected costs and the reputational risk if the network is unreliable and the chargepoint operator is less incentivised to repair faults. It is therefore recommended that the equivalent costs of procuring, managing and maintaining infrastructure of this type would be too prohibitive to the Council to acquire and manage effectively, therefore having a private operator to take ownership of the equipment is the most suitable method of delivering rapid EV charging infrastructure for the public of Ryedale.
- 3.4 The price per kW for the consumer has been stated at 48p/kWh at the time of receiving the bid. The units accept contactless payment and do not require customers to pay a subscription cost or additional fees for this method of payment. This provides a clear simple pricing structure, providing customers with a clear charging fee per kWh for charging, therefore, the tariff remains the same for all users. Zest have committed to providing the Council an annual benchmark report confirming tariffs are within a 10% threshold of the average tariffs across the region to ensure pricing remains within industry standards.
- 3.5 The procurement of 1 x 75kW rapid DC charging point in each Council car park would supplement existing lower powered 43/50kW rapid AC/DC units already in operation at Water Lane, Malton and St Nicholas Street, Norton on Derwent car parks and the Fast 22KW AC units in place at Wentworth Street - Malton, Cleveland Way - Helmsley, Town Farm – Kirkbymoorside, Vivis Lane & Eastgate – Pickering, all of which are seeing significant usage (see section 3.8) and are supporting the growth of EV adoption amongst Ryedale residents, contributing to the improvement of Air

Quality in the Market Towns and encouraging visitors to dwell in these locations whilst charging their EV.

- 3.6 As per recommendation 2.1 (ii) – if feasible, a rapid charging hub approach would provide multiple charging units in one single town centre car park (Malton and Pickering) as opposed to one unit in each car park, and therefore would provide increased availability at the chosen location and an improved experience to the electric vehicle driver.
- 3.7 As per recommendation 2.1 (iii) – if electric connections aren't viable in some car park locations after discussions with Northern Powergrid, Zest would install fast units (7/22kW) to increase overall charging provision at these locations to further improve the Council's EVCP infrastructure provision, which is likely to be required as we move towards the phasing out of Internal Combustion Engine vehicles and transition to Hybrid/Battery Electric. The same profit share percentage would apply to these units however, a guaranteed minimum revenue of these charging units would not be guaranteed due to the much lower kWh consumptions, and therefore revenue yield per charger.
- 3.8 Ryedale DC's publicly available rapid EV charging infrastructure currently in situ at Water Lane, Malton and St Nicholas Street car park, Norton-on-Derwent (1 x 43/50kW unit per location), to date has provided a good level of usage. From the installation of the two rapid charging units in Malton and Norton-on-Derwent in Q1 of 2019, the units have been accessed 2999 times (Malton) and 2136 times (Norton-on-Derwent) respectively (figures taken 04/07/2022) resulting in 46856 and 32928 of CO2 kg saved respectively.
- 3.9 Zest's access to the Charging Infrastructure Investment Fund (CIIF) also allows access to funding for battery storage technologies. Zest would be happy to consider the provision of renewable generation assets where it is technically and commercially viable to do so. Zest's network would allow the retrofit of battery storage should it be commercially viable, however, where possible, Zest would look to leverage their close working relationship with departments such as Innovate UK, DfT and BEIS to apply for funding to support future renewable generation options, furthering Ryedale's green EV charging infrastructure credentials further.

4.0 SIGNIFICANT RISKS

- 4.1 The proposed 15 year agreement term has no mid-term breakage point (unless adherence to pre-agreed SLA's are not met), due to the requirement of the supplier requesting a long term solution to make the proposal mutually beneficial for both parties and are assuming all risk, meaning there is minimal risk to the Council. Zest have access to the Government's £420m Chargepoint Infrastructure Investment Fund (CIIF) and therefore have no reliance on external funding.
- 4.2 With any long term agreement the reliability of infrastructure is a risk, however with the combination of the supplier funded approach (supplier interest to maintain the units to generate the revenue) and the adherence to 'Open Charge Point Protocol (OCPP 2.0) and Open Charge Point Interface (OCPI) compliance (possible to connect any central back-office system with any charge point, regardless of the vendor), this mitigates the risk of supplier failure and stranded assets. This protocol can connect and consolidate Ryedale's infrastructure into a central hub and manage reporting, energy output, users and rates should the supplier fail in its contract obligations.
- 4.3 If the Council were not to invest in further rapid EV charging infrastructure across Council owned car parks, areas of Ryedale could become difficult to access EVCP's

from as an increasing number of EV's hit the road. The Council would be further contributing to meeting the Government's 2030 target for the transition to EV's and reducing 'range anxiety' for potential visitors to the area who may not wish to spend a longer period of time utilising slower rated charging points. This could deter both residents and visitors from travelling around the district, with a consequent loss of economic benefit.

5.0 IMPLICATIONS

5.1 The following implications have been identified:

a) Financial

A fully funded supplier model has been identified for the delivery of the project, therefore resulting in no direct expenditure to the Council.

As the supplier has committed to a minimum incentive payment, after taking into account potential losses arising from use of 2 parking bays at each car park, the best and worst case impact on revenue budgets over the 15 year term is as follows:

	Per Annum	
	Worst Case Scenario (£)	Best Case Scenario (£)
Capital Expenditure	Nil	Nil
Revenue Implications:		
Minimum Incentive Payment	4,000	4,000
Profit Share	Nil	18,067
Loss of Parking Income	-£10,745	-£10,745
Net Revenue Income / (Loss)	-£(6745)	£11,322

* Parking income figure derived from total car parking revenue for 2019/20 / total number of bays in each x 2 bays providing average revenue figure per bay.

The S151 Officer's view is that whilst it is estimated there will be an element of profit share, it is not proposed to adjust budgets for this element until the scheme is established and a prudent estimate can be made based on activity at each site. An income budget will however be created to recognise the minimum incentive payments due from the supplier each year.

b) Legal

A supplier contract and an associated legal agreement for the lease of parking bays and management of the infrastructure over the term of the contract will be required. The agreement will need to novate over to North Yorkshire Council.

c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental and Climate Change, Crime & Disorder)

Full coverage of all car parks has been considered in this scheme ensuring the Council takes a positive approach to rapid EV charging infrastructure and takes associated measures actioned in the Climate Change action plan.

The substantial investment in rapid electric vehicle charge points that this scheme will bring for Ryedale will positively impact climate change and air quality. With

government policy banning all new petrol and diesel vehicles by 2030, substantial investment in electric vehicle charge points is required to ensure Ryedale is ready for this change.

The transition from internal combustion engine (ICE) vehicles (petrol/diesel) to electric is a vital part of national and regional NetZero strategy and policy. Ryedale's investment in electric vehicle charge points is outlined in RDC's climate change action plan (Item 2.1 & 4.1). This scheme will directly support Ryedale's citizens and visitors using and investing in electric vehicles as their primary mode of travel.

Electric vehicles don't emit air pollutants (nitrogen oxides, carbon dioxide, non-methane volatile organic carbons, PM_{2.5/10}) from a tailpipe, which is of direct benefit to roadside air quality and supports the transport sector in decarbonising its footprint. Reductions in roadside concentrations of nitrogen oxides also have potential cardio-respiratory health benefits.

6.0 MONITORING OFFICER ADVICE

Group Leaders are advised that the utilisation of Urgency Powers will ensure that the Council can quickly move forward with the rapid introduction of electric vehicle charge points that this scheme will bring for Ryedale. This will positively impact climate change and air quality, in particular the health benefits associated with the reduction in air particulates. With government policy banning all new petrol and diesel vehicles by 2030, substantial investment in electric vehicle charge points is required to ensure Ryedale is ready for this change.

The implications of failing to move forward with this initiative will result in adverse implications for the District in terms of a lack of public access to charging points, failure to tackle climate change issues and a failure to address the significant implications for health.

7.0 CONSULTATION RECORD

According to the Constitution, under urgency powers, decisions usually taken by the Council and its committees are taken by the CEO following consultation with the appropriate elected members.

The appropriate elected members are:

- The Group Leaders¹

Name of Consultee	Councillor Keal
Approved -- I wholeheartedly support the recommendation. With the growth in electric car ownership we need to provide sufficient charging points across the district to meet need as soon as possible.	
Date consultation completed	16.08.22

Name of Consultee	Councillor Arnold
Approved.	
Date consultation completed	17.08.22


Name of Consultee	Councillor Burr
Approved.	
Date consultation completed	17.08.22

Name of Consultee	Councillor Duncan
Approved.	
Date consultation completed	17.08.22

Name of Consultee	Councillor Frank
Approved - I am in full agreement with this we are going to need plenty of charging points as more people are changing to electric vehicles	
Date consultation completed	16.08.22

Name of Consultee	Councillor Potter
<p>I fully support this proposal, given the importance of transitioning away from fossil fuelled transportation. On that basis, although I spotted no mention of the source of electricity supply in the report, it really needs to be from a fully renewables generated supply. While there is currently insufficient supply from renewables, it is essential that the demand is absolutely clear and growing from which supply will inevitably follow. On that basis, I particularly approve of para 3.9 regarding battery backup and renewables generation. In general, although EVs are currently beyond the finances of most people and often without sufficient quantity and proximity of charging capacity, economies of scale and technological advancement will be far slower without such expansion. Largely due to the actions of the major fossil fuel companies over recent decades, we no longer have the luxury of long timescales.</p> <p>I also look forward to similar investment in active travel, which is capable of huge reductions in congestion, poor air quality, health issues and climate impacts.</p>	
Date consultation completed	17.08.22

8.0 DECISION

Decision of the CEO based on consultation	To be completed after consultation 
Date	23 August 2022