
Report To:	Environment and Regeneration Committee	Date:	16 May 2024
Report By:	Director, Environment and Regeneration	Report No:	ENV035/24/EM
Contact Officer:	Eddie Montgomery	Contact No:	01475 712472
Subject:	Glasgow City Region – Electric Vehicle Charging Infrastructure Collaboration		

1.0 PURPOSE AND SUMMARY

1.1 For Decision For Information/Noting

1.2 The purpose of this report is to provide the Committee with an update on the work undertaken to develop a collaborative approach to expanding the public electric vehicle charging infrastructure (EVCI) network across the 8 local authorities of Glasgow City Region, and seeks approval for the next steps required to progress towards a commercial delivery arrangement.

1.3 A version of this report is being submitted to each of the 8 local authorities in Glasgow City Region to secure local approval for the proposed approach of this project.

2.0 RECOMMENDATIONS

2.1 That the Committee

- notes the content of the report and the collaborative work undertaken to date;
- approve the participation of Inverclyde in a collaborative procurement to engage a commercial partner via a concession type contract through a partnership with all 8 local authorities in Glasgow City Region, to deliver the benefits set out in the report (sections 3.9 - 3.16);
- agree in principle to entering into an Inter Authority Agreement (IAA) among the 8 local authorities, with delegated authority to the Director Environment and Regeneration to enter into the IAA, in consultation with the Chief Financial Officer and the Head of Legal and Democratic Services and delegate the subsequent nomination of a lead authority for the service delivery period as well as procurement and commercial decisions relating to the commencement and conclusion of the procurement process to the Director Environment and Regeneration in consultation with the Chief Financial Officer and Monitoring Officer, in line with the approach set out in the report (sections 3.29 – 3.33);
- agree that Glasgow City Region Programme Management Office (PMO), through Glasgow City Council, will utilise local authorities Electric Vehicle Infrastructure Fund allocations to engage programme management and expert technical consultancy support, that will assist in taking a GCR proposition to market and subsequent appointment of a commercial partner; and

- note that officers will provide update reports on the progress of the work to the Environment & Regeneration Committee as required throughout the development of the project. Such reports will be at the most appropriate frequency, but will also include specific and immediate reports if at any point the financial implications for this proposal differ from that outlined within the report.

Stuart Jamieson
Director, Environment and Regeneration

3.0 BACKGROUND AND CONTEXT

- 3.1 In January 2022, the Scottish Government launched the Electric Vehicle Infrastructure Fund (EVIF) with the objective of unlocking private sector investment to expand the publicly accessible charging network on local authority land and assets.
- 3.2 Transport Scotland has engaged the Scottish Futures Trust to support local authorities in the development of their EVCI strategies and is also actively encouraging local authorities to collaborate in their strategy and delivery activity to expand the charging network.
- 3.3 In December 2021, the Glasgow City Region Cabinet agreed to progress an initial report into current electric vehicle charging provision, tariffs, and forecast future needs of the 8 Glasgow City Region (GCR) local authorities, jointly funded using the EVIF allocations from Transport Scotland for each local authority. The report was concluded in June 2022.
- 3.4 It was further agreed by the GCR Cabinet in August 2022 that the GCR Programme Management Office ('the PMO') would engage consultants on behalf of the local authorities to develop more detailed Strategy and Expansion Plans (SEP).
- 3.5 Building upon the SEP, presented to the GCR Cabinet in May 2023, the GCR Electric Vehicle Senior Officers' Group ('the Senior Officers' Group') was established, chaired by the Head of Roads, Transportation and Fleet Services at South Lanarkshire Council, and with senior officer representation from each of the 8 GCR authorities.
- 3.6 The Senior Officers' Group oversaw a Prior Information Notice (PIN), published in June 2023, to engage with the Charge Point Operators (CPOs), explore market appetite and inform GCR's approach to the expansion of EVCI. There was significant private sector interest with 33 responses received and a clear preference expressed by most CPOs to engage collaboratively with all 8 GCR local authorities as part of a planned and strategic approach
- 3.7 In August 2023, GCR Cabinet agreed that a collaboration between the local authorities to expand the EVCI network should be based upon a clear set of agreed principles:
 - To deliver a just transition, we must ensure equitable access to electric vehicle charging infrastructure, with a clear recognition of geographical characteristics and the different solutions that may be applicable.
 - Ensure that all residents are able to access electric vehicle charge points close to their home.
 - Align with the priorities of the Sustainable Travel hierarchy to ensure that public transport, walking, wheeling and cycling options are prioritised wherever possible.
 - Collaborate across the GCR member authorities to identify cost savings and ways to deliver a high standard of customer experience.
 - Work together to identify and overcome grid capacity issues.
 - Identify opportunities to develop joint public and fleet EVCI projects, and where there are opportunities to align with HGV, hydrogen refuelling and the introduction of rapid and ultra-rapid charging stations
- 3.8 At the request of the GCR Chief Executives' Group (CEG), further commercial and financial analysis was undertaken during the summer of 2023, to more fully understand the risks and opportunities of the different commercial arrangements that local authorities could use to expand EVCI. On 7 November 2023, the Cabinet was advised of the conclusion of this stage of the work, and that the CEG proposed a preferred approach to progress through a continued collaboration among the 8 local authorities on the basis of a concessionary-type commercial model

Objectives and Benefits of GCR Collaboration

3.9 The work to date indicates clear advantages of progressing with the expansion of the public EVCI network as a collaboration of GCR's 8 local authorities. Collaborating to expand the EVCI infrastructure offers a range of benefits for the local authorities' wider policy objectives and these are described in the following paragraphs.

3.10 **Leveraging Private Sector Investment:** Proceeding with a collaborative concession type contract provides the opportunity to maximise the amount of private sector investment to pay for the majority or totality of the new EVCI. The PIN exercise (see 2.7 above) indicated an appetite from a number of chargepoint operators to fully fund the expansion of the network, with none of the capital costs being provided by the local authorities (this was dependent on other contract conditions, such as the contract term).

The additional chargepoints forecast in the Strategy and Expansion Plan indicated a total capital cost of £71m across the City Region. There will be an amount of capital grant available from the EVIF to assist in the delivery. The amount has not yet been agreed by Transport Scotland. It will be an objective to develop a proposal that can be fully funded by the commercial partner along with any EVIF grant from Transport Scotland with no requirement upon the local authorities to fund the infrastructure and service delivery costs.

3.11 **Financial & Commercial Risks:** A concession-type commercial arrangement would allow the local authorities to transfer the potentially significant commercial, financial, technical, and regulatory risks to a commercial partner. It is proposed that a private sector partner would be invited to take on the operation, maintenance, and ownership of the existing network of 600 (approx.) local authority owned chargepoints in GCR, as well as providing the investment required to significantly expand the number and location of chargepoints equitably across the City Region

3.12 **Generating an Income Stream:** Allowing a commercial partner to operate EVCI on local authority land and assets has the potential to generate an income stream for the GCR local authorities. This could be through a variety of different arrangements – e.g. income share, revenue share, a rental fee, or a combination. The amount and type of income stream will be influenced by the broader commercial arrangements of a contract, such as the contract term and where the risks and responsibilities are assigned between the local authorities and private partners. Collaborating regionally will allow the GCR local authorities to pool resources generated through revenue to meet ongoing contract management costs, as described later in this report. However, as detailed within paragraph 3.5 above, the intention would be to transfer most of the risk to the private partner and as a consequence the level of income potential for the Council must take this into account. Although it is not possible to determine at this stage what level of income could potentially be delivered, what must be recognized is that the principal intention of this proposal is to increase, at pace, the level of EVCI across the GCR which in turn will encourage the shift to electric vehicles. This will by default assist with the Council's net zero ambitions. In summary therefore, although there may be a level of income generated from the proposal it is not expected to be significant.

3.13 **Economies of Scale and Reduced Duplication of Effort:** While the objective of this project is to expand the EVCI network at no/minimal cost to the local authorities, collaboration offers significant economies of scale and financial savings during the developmental and delivery phases. The cost of technical consultancy support, procurement, and programme management will be shared among the 8 local authorities. Discussions between the PMO and consultants during initial soft market testing prior to going to the market indicate that this saving could be in the region of £500,000 across the authorities.

There will be other, currently unquantified, savings in an arrangement where one lead local authority, acting on behalf of all 8, enters into a contract with a commercial partner, avoiding the

need for 8 individual procurement and contracting exercises and the costs associated with this. It is also proposed the long-term contract management arrangements could be undertaken by a central team, with the ongoing costs of this met through the pooling of an element of the local authority income stream generated by the contract

- 3.14 **Ensuring All Communities Can Access the Chargepoint Network:** Through collaboration we can take a strategic approach to locating EVCI. CPOs will be able to make commercial decisions looking across a much larger number of chargers and will be able to balance high usage sites against lower usage areas. The scale of a GCR collaboration will enable private investment in the network where individual local authority initiatives on their own may be too small to be commercially attractive.

Collaborating will also offer benefits to service users through opportunities to establish a consistent approach across GCR to service delivery and 'back-office' functions such as payment mechanisms, charging policy, etc..

Taking a package of sites across all local authority areas to the market will also avoid a situation where local authorities are going individually and competing for CPOs – a situation where GCR local authorities were competing to secure engagement with CPOs would disadvantage those areas seen as less attractive and wouldn't meet the objective of making EV chargers available to all, especially more disadvantaged communities within the City Region. Taking a GCR collaborative approach will allow GCR to go to the market at scale, giving a stronger voice in the sequencing of installation and the locations in which chargers are sited, ensuring that no communities are neglected

- 3.15 **Community and Supply Chain Benefits:** Responses to the PIN, issued in June 2023, indicated that given the scale and commercial attractiveness of a GCR collaboration, some CPOs were explicit in their intention to work with local supply chains during the installation and the ongoing maintenance of such a large EVCI network. These opportunities will be explored during the procurement process. As with all major contracts, there will be a requirement for the inclusion of community benefit clauses in the tender and procurement process
- 3.16 **Charge Place Scotland:** At present the back office support (payments, fault reporting, mapping etc) for all the current publicly owned EVCI is managed by the publicly funded Charge Place Scotland. The Scottish Government have made it clear that this funding will cease December 2025 and all back-office support will be removed. It is critical therefore that an appropriate solution is in place for this time and the consortium approach being proposed would include the provision of this support and avoid each individual local authority delivering their own back office solution.

Potential Shape of a GCR EVCI Collaboration

- 3.17 In early January 2024, the Scottish Futures Trust (SFT) and officers from GCR Programme Management Office undertook a series of workshops with officers from each of the eight local authorities. The workshops were structured around discussion of key issues relating to potential:
- commercial arrangements with a private sector partner;
 - joint working arrangements between the local authorities; and
 - procurement options and routes to market.
- 3.18 A number of the key technical aspects of a future commercial arrangement with the private sector were discussed at the workshops, providing a firm basis to develop joint tender documents that would be used in the procurement process to identify a private partner.

3.19 The total number of residential, destination, and journey chargepoints that were forecast in the GCR SEP are set out in the table below and broken down by local authority.

	Residential AC (7kW)	Destination AC (7 – 22kW)	Journey - Rapid DC (50kW +)
East Dunbartonshire	105	66	17
East Renfrewshire	143	122	29
Glasgow City	1,317	207	53
Inverclyde	172	93	36
North Lanarkshire	481	276	34
Renfrewshire	405	258	51
South Lanarkshire	467	242	33
West Dunbartonshire	141	81	9
GCR Totals	3,231	1,345	262

3.20 Following discussions among the local authorities, SFT and Transport Scotland, and informed by the consultation with the market through the PIN issued in June 2023, the proposed approach discussed with the EV Senior Officers' Group and the GCR Chief Executives' Group, is to split the total number of forecast chargepoints into a series of phases. This pragmatic approach will help to align EVCI installation with the capacity of the market and of local authorities to deliver across the proposed sites. Prior to going to market we are unable to put a time on when works will be completed but anticipate that works will be completed in a 3-year period from commencement.

3.21 The proposed approach, based on discussions with officers from the local authorities, is that the first phase of chargepoints should include:

- all existing EVCI (approximately 600);
- all destination AC (7-22kW) chargepoints (approximately 1,345);
- all rapid DC (50kW) chargepoints (approximately 262); and,
- 20-25% of the forecast residential chargepoints (approximately 650-800).

3.22 In addition, it is also proposed that the first phase will also include sites where there is the opportunity to install Ultra Rapid Charging (100kW to 350kW). The SEP identified potential sites that met a set of basic criteria where they may be attractive as ultra-rapid charging stations. Further work will be required to identify which of these sites can be progressed. At present Inverclyde has identified approximately 17nr sites.

3.23 The exact number of EVCI locations and chargepoints will be determined during the site selection process. Each local authority will require to undertake their own analysis about the suitability of the proposed locations for EVIF included in the SEP and to provide a list of sites within their area to be included in the package that is offered to a commercial partner. Each local authority will also be asked to prioritise these sites. CPOs may suggest alternative sites based upon experience in delivering EV Hubs and this may assist the local authorities in identifying and agreeing alternative charging locations as required.

3.24 It is anticipated that subsequent phases will be weighted towards the remaining residential charging infrastructure, and any additional journey and destination sites that are identified. During the development of the procurement documents a strategy for bringing future phases to the market will also be considered

Joint Working and Procurement Options

- 3.25 The feedback from the officer workshops demonstrated support for a collaboration across GCR through the planning, procurement and delivery stages. There was also a recognition of the need to put in place an Inter-Authority Agreement to facilitate this collaboration.
- 3.26 There was a consensus view expressed in the workshops that one local authority should contract with a commercial partner on behalf of all 8 authorities, with a preference for a single procurement, rather than establishing a framework for local authorities to draw down from. This learning has been taken from the successful Clyde Valley Residual Waste partnership.

Draft Timeline

- 3.27 If the approach to progress the collaboration is approved by the Committee then the GCR PMO will work with the EV Senior Officers' Group to monitor the operational timeline for delivery of the project. Current key dates are set out below:

Action/Milestone	Estimated Date/Timescale
Finalise EVIF arrangements for consultancy support	February 2024
Engage Consultancy Support for the Procurement Stage	February to April 2024
Secure Local Authority Agreements to Collaborate on EV	March to May 2024
Appoint Consultants to Support Development of Tender and GCR Proposal	May/June 2024
Preparation of Tender Documents	June to November 2024
Commence Procurement	December 2024/January to April 2025
Evaluation of Tenders	May to June 2025
Contract Awarded to CPO	July to August 2025
Charge Place Scotland Transition Network Planning & Mobilisation	September to December 2025
New Chargepoint Installations	January 2026 onwards

- 3.28 The most pressing issue is Transport Scotland's decision not to renew the Charge Place Scotland (CPS) contract. This will require all local authorities (and other chargepoint owners currently using the CPS system) to put in place an alternative arrangement for the back-office and maintenance of their chargepoints before December 2025. GCR's ambition is to have these 600 (approx.) existing chargepoints included within the scope of the first lot, however there is a significant risk that the timing of this new arrangement being in place will fail to align with TS's ending of the Charge Place Scotland service. The GCR PMO is liaising closely with TS to identify potential mitigations for this risk. The concession approach- is a key opportunity for GCR to deal with the requirement for a new 'back-office' system for CPS

Governance and Support arrangements

- 3.29 A collaboration of the 8 GCR local authorities will require a clear governance and decision-making process. In addition to endorsement by the Glasgow City Region Cabinet, the key decisions will require the approval through the relevant local governance structures of each of the 8 authorities.

3.30 The collaboration will also require an Inter Authority Agreement to be put in place and signed off by all 8 GCR local authorities. In order to allow the project to meet the proposed timeline set out above, this report proposes that:

- the approval of the Inter Authority Agreement;
- issuing of the tender documents; and,
- approval of the preferred bidder and agreement to enter into a contract;

is delegated by the Environment & Regeneration Committee to the Director Environment and Regeneration on behalf of Inverclyde.

3.31 All 8 local authorities will require to approve the proposed approach through their own local governance structures prior to any contract being entered into. A longer-term agreement between the 8 GCR local authorities will be finalised at the point of entering into a contract with a commercial partner – this will include the ongoing contract management arrangements.

3.32 In order to support the development of the tender documents, site selection process, and development of the GCR EVCI proposal, Glasgow City Region PMO will continue to provide support to the EV Senior Officers' Group. Expert technical consultancy support will be engaged by the GCR PMO and funded by contributions from each local authority through their allocations from Transport Scotland's EVIF

3.33 To ensure each local authority is engaged in the development process and able to influence the development of the tender, officer support groups will be established to provide expert advice and to update their own organisations as required. In addition to the existing EV Senior Officers' Group, it would also require groups with a focus on legal, procurement, and technical aspects.

4.0 PROPOSALS

4.1 Subject to approval by Committee, the next steps that will be progressed are outlined below:

- Finalise an Inter Authority Agreement among the 8 local authorities with sign off delegated to the Director Environment and Regeneration;
- GCR PMO will secure expert external consultancy support to draft the tender and technical documents, and oversee the site selection process;
- Put in place a procurement strategy to go to the market to identify a commercial partner;
- Undertake a site selection process with each local authority to identify their preferred sites for the location of EVCI;
- Commence a procurement process with Glasgow City Council, on behalf of the 8 local authorities, acting as the Lead Authority for the procurement stage; and,
- Evaluate the responses to the tender and appoint a commercial partner.

5.0 IMPLICATIONS

5.1 The table below shows whether risks and implications apply if the recommendation(s) is(are) agreed:

SUBJECT	YES	NO
Financial	x	
Legal/Risk	x	
Human Resources		x
Strategic (Partnership Plan/Council Plan)	x	
Equalities, Fairer Scotland Duty & Children/Young People's Rights & Wellbeing	x	
Environmental & Sustainability	x	
Data Protection		x

5.2 Finance

The intention is to utilise Transport Scotland's EVIF to meet the costs of the development of the GCR proposal, development of the procurement documents, specialist external legal advice, and other costs associated with the development of the collaboration. Each local authority will contribute a portion of their grant award which will be pooled by the GCR PMO who will engage the required consultancy and advice services on behalf of the 8 local authorities as required.

The overarching aim of the approach set out in this report is to leverage private sector investment so that no/or minimal capital investment is required from the local authorities to deliver the expansion in EVCI. On this basis there is not anticipated to be any requirement for capital investment.

It is anticipated that the long-term contract management of the commercial arrangement will be met by the collective income stream that is generated. It is suggested that the income stream from a commercial partner is pooled to meet the central contract management costs, with the surplus income then being distributed among the local authorities based upon an agreed formula.

Overall, there should be no cost to the local authorities from this proposed approach. However, this will depend on the market appetite to engage with GCR and can only be confirmed on conclusion of the procurement process.

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments
Roads	EVCI	2024/26	TBC		Funding for collaborative model. Fully funded from Transport Scotland Grants

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
Roads	Income	2026/27	TBC		Share of pooled net income. Not expected to be significant

5.3 Legal/Risk

The main legal requirement will be the establishment of an Inter Authority Agreement that allows one local authority to act as lead in the process to procure and contract with a commercial partner on behalf of the other 8 authorities.

There will be a requirement for expert external legal advice to support the development of the GCR proposal and this will be engaged by the GCR PMO.

A legal support group, consisting of solicitors from each of the 8 local authorities, will be established to support the development of the project.

The body of the report outlines the commercial risks.

5.4 Human Resources

There are no direct implications, however it should be noted that internal officer resource within the Roads Service is limited in relation to support in this area and support will also be required from Procurement and Legal Services as outlined in the body of the report.

5.5 Strategic

The proposal is to increase, at pace, the level of EVCI across the GCR which in turn will encourage the shift to electric vehicles and this will assist with the Council’s local and National net zero targets.

5.6 Equalities, Fairer Scotland Duty & Children/Young People

(a) Equalities

This report has been considered under the Corporate Equalities Impact Assessment (EqIA) process with the following outcome:

	YES – Assessed as relevant and an EqIA is required.
x	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, assessed as not relevant and no EqIA is required.

(b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
x	NO – Assessed as not relevant under the Fairer Scotland Duty for the following reasons: Provide reasons why the report has been assessed as not relevant.

(c) Children and Young People

Has a Children's Rights and Wellbeing Impact Assessment been carried out?

	YES – Assessed as relevant and a CRWIA is required.
x	NO – Assessed as not relevant as this report does not involve a new policy, function or strategy or recommends a substantive change to an existing policy, function or strategy which will have an impact on children's rights.

5.7 **Environmental/Sustainability**

The LHEES underpins how Inverclyde area will develop over the next twenty years for energy and carbon efficiency in our own operations, but also how we work with RSL's, private businesses and private homeowners.

Has a Strategic Environmental Assessment been carried out?

	YES – assessed as relevant and a Strategic Environmental Assessment is required.
x	NO – This report does not propose or seek approval for a plan, policy, programme, strategy or document which is like to have significant environmental effects, if implemented.

5.8 **Data Protection**

Has a Data Protection Impact Assessment been carried out?

	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
x	NO – Assessed as not relevant as this report does not involve data processing which may result in a high risk to the rights and freedoms of individuals.

6.0 CONSULTATION

- 6.1 The Corporate Management Team have been consulted and support the proposals.
- 6.2 Relevant Officers within the Council were consulted. Officers from Roads, Procurement and Legal Services have attended workshops on the proposals.

7.0 BACKGROUND PAPERS

- 7.1 Inverclyde Council Public Electric Vehicle Charging Strategy and Expansion Plan – Mott MacDonald March 2023.