CABINET

18 January 2022

Title: Electric Vehicle Charge-Points Pilot Scheme	
Report of the Cabinet Member for Finance, Performance and Core Services	
Open Report	**For Decision**
Wards Affected: All	**Key Decision:** Yes
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Summary:

During the last three years, the uptake of electric cars in Britain has increased by 180% with 280,000 electric vehicles registered with the DVLA. Following Government proposals to cease production of internal combustion engine vehicles by 2030, the shift to low emission transport will only accelerate. Barking and Dagenham is not currently primed to meet that challenge.

While the borough currently sits in the lower quartile for registered electric vehicles in London, baseline modelling suggests the number will rise from the current 800 EVs to 4,210 by 2025. With only 62 public charge-points, the borough also rests in the lowest quartile for charge-point infrastructure in the capital.

If Barking and Dagenham is to transition to a low-carbon, clean growth borough to meet its 2030 and 2050 carbon reduction targets and address issues of poor air quality caused by nitrous oxides (NOx) from car emissions, the Council must improve resident and business appetite in electric vehicles, stimulate demand and provide the appropriate infrastructure.

The range of charging-point facilities across Barking and Dagenham remains patchy and mostly restricted to a few on-street locations, virtually all of which are operated and installed independently. The Council needs to develop the right partnership model to encourage investment in new standard and rapid public infrastructure to ensure that the borough has reasonable coverage by the end of 2022 with 250 charge-points, with a likely increase of more than 2,000 by 2026.

However, the market is saturated with charge-point operators looking to use local authority public realm and highways but offering standard packages which cater more to their market needs, rather than addressing what LBBD needs for its residents. As part of a strategic review of the electric vehicle and infrastructure market, the Council believes that there is a unique opportunity to agree an innovative package which allows for future-proofing in a way that other market suppliers do not. This paper seeks approval to direct award to Connected Kerb for the delivery of 250 electric vehicle charge-points fitted with air quality sensors tracking NOx, PM and CO2 emissions with future-proof capability to

provide neutral hosting for 5G telecom networks, across Council-owned public realm in 2022.

Recommendation(s)

The Cabinet is recommended to:

(i) Approve the delivery of 250 electric vehicle charge-points fitted with air quality sensors tracking NOx, PM and CO2 emissions with future-proof capability to provide neutral hosting for 5G telecom networks across Council-owned public realm in 2022, subject to funding being secured from the Office for Zero Emission Vehicles (OZEV);

(ii) Approve, subject to the endorsement of the Procurement Board, the use of the Kent Commercial Services Framework to directly award to Connected Kerb to deliver the pilot scheme on the basis that the goods and services provided are unique; and

(iii) Delegate authority to the Strategic Director, Inclusive Growth, in consultation with the Cabinet Member for Finance, Performance and Core Services and the Strategic Director, Law and Governance, to enter into contracts and all other necessary or ancillary agreements, including grant applications / awards, in accordance with the strategy set out in the report.

Reason(s)

The proposals contribute to the Council's vision and priorities set out in the Single Performance Framework and support the Inclusive Growth agenda which seeks to transition Barking and Dagenham to a clean growth borough and a carbon neutral Council by 2030, as per Members' commitments made in Assembly in January 2020.

1. Introduction and Background

1.1 The Clean Air Strategy 2019 and new Environment Act 2021 commits to new air quality targets by October 2022, explicitly aimed at reducing harmful particulate matters in the atmosphere. This is coupled with announcements last Autumn that the production of petrol and diesel cars/vans (internal combustion engine vehicles) will be phased out by 2030 with a commitment from the Treasury to invest £1bn into electric car supply chains and research and development as part of the shift to low emission vehicles.

1.2 The Council has made its own commitments to rolling out electric vehicle charge-point infrastructure and adopted a revised Air Quality Action Plan within the Inclusive Growth Strategy, both of which are key elements of making Barking and Dagenham the 'Green Capital of the Capital' and a carbon neutral council and wider borough by 2030 and 2050 respectively as part of its recent Zero Carbon Road-mapping exercise.

1.3 Parts of the borough continue to suffer from unacceptable levels of Nitrogen Dioxide (NO_2) emissions, and although national objectives for particulate matter PM_{10} and

$PM_{2.5}$ are reached, they do not satisfy the recommended levels set out by the World Health Organisation (WHO). As a result, Barking and Dagenham has been declared an Air Quality Management Area (AQMA) and with the greatest concentrations of emissions around the borough's main thoroughfares and schools (Appendix 1). Encouraging the switch to electric vehicles will curtail tail-pipe emissions which are largely responsible for increased levels of cardiovascular diseases such as lung cancer, bronchitis and respiratory tract infections.

1.4 This is especially telling considering Barking and Dagenham has disproportionately high levels of Compulsory Pulmonary Obstructive Disease (COPD) with transport accounting for almost 50% of the particulates which aggravate the conditions.

1.5 In the post-Covid world, the transition to electric and low emission vehicles will become an ever-greater part of the strategy to improve air quality and curb carbon emissions. Yet our current arrangements to accelerate that shift are insufficient. The borough has 800 registered electric car users, putting it in the bottom quartile for take-up in the capital. Transport for London's Ultra Low Emission Zone Delivery Plan and our own research by Project Centre (available at https://modgov.lbbd.gov.uk/Internet/documents/s151216/Site%20Selection%20Report.pdf) suggests that could grow 13-fold to 4,210 by 2025 and possibly 19,000 by 2029. In terms of publicly accessible charge-point infrastructure, Barking and Dagenham also ranks in the lowest quartile in London with just 62 pillars, including less than a handful of rapid chargers.

1.6 While cost barriers have always been a significant reason for low EV take-up, the market is rapidly changing. Four new models of electric car joined the market this year in the sub-£20,000 price level; a zero emission Fiat 500 has recently been launched; smart cars like the Smart EQ fortwo now sell for £16,850 and Skoda and Renault are likely to roll-out 'city-car' models hitting show rooms for around £10,000. In the long-term the leasing and second-hand EV car markets will provide even greater access to affordable low emission vehicles for residents, meaning the call on infrastructure will only grow. That Barking and Dagenham also wishes to reinforce the image of being 'open for business' it must also become a reliable place of destination for visitors and commerce with sufficient supplies of standard and rapid charge-points.

1.7 Residents have already begun to use the www.powermystreet.co.uk online portal to suggest locations for charge-points. A specific EV survey in January, which attracted 200 resident responses, reinforced the need for a Council-led campaign on supporting EV infrastructure if residents were to have the confidence to switch to low emission vehicles. The survey found:

- 64% were more likely to buy EV if LBBD had broader coverage of EV charge-points by end of 2022
- 40% wanted EV charge-points on their street
- 69% were more likely to buy EVs if the Council promoted a home installation package and information on grant
- 61% more likely to lease an EV than buy if opportunity arose
- 80% would like to see LBBD run 'try and buy' sessions

1.8 The Government announced in November 2021 that by 2022 all new-builds and estates being significantly refurbished will require EV charge-point infrastructure.

There is likely to be a requirement for local authorities to retrofit parking spaces on council estates with charge-points as part of capital refurbishment programmes.

2. Charge-point considerations and testing the market for operators

2.1 One third of UK households do not have driveways leaving them reliant upon roadside parking. Local authorities have therefore been encouraged to lead the roll-out of charging infrastructure in their town centres, shopping districts and residential areas where they own the land. Typically, this has included a range of stand-alone standard and rapid charge-point pillars, wall-mounted hubs in workplaces, and where feasible, retrofitted street furniture, such as lampposts, to provide cabled power supply. Barking and Dagenham has approximately 62 charge-points, most of which are installed and operated independently on private land, but several are run by Source London on council-owned land procured some years ago through Transport for London's ESPO framework.

2.2 In our initial assessment of the market, we found that many local authorities cut deals with operators and accessed match-funding for the project costs through grants such as the On-Street Residential Charge-point Scheme (ORCS) which is still being run by the Office for Zero Emission Vehicles. Under this scheme 75% of the capital costs of procuring and installing charge points/dedicated parking bays is available to local authorities and up to the limit of £13,000 per charger that is installed (if connection costs are high). However, we found that local authorities were concerned at being lumbered with the responsibility for repair and maintenance of charge-point assets which can quickly become redundant in a fast-evolving technological environment and with no additional capital to replace them.

2.3 Demand for speedier top-up refuelling and convenience has also driven the market towards more expensive rapid charge-points usually fitted with 50kW-150kW chargers which can take less than 20 minutes to charge. Rapid units cost anything between £30,000-£75,000 per install and there is currently only one rapid charge-point in Barking and Dagenham, although Transport for London agreed this year to fund and install additional 50kW chargers on 3 sites owned by the Council with significant public exposure and footfall. Whilst these charging points are an important part of the required charging infrastructure mix, there is growing recognition that widespread convenient, low cost and smart on-street residential (or workplace) charging is required to serve the residents, particularly the majority who are unable to charge conveniently off-street on private driveways.

2.4 In evaluating its approach to public charge-points, the Council has had to consider which vehicle types can plug into them, refuelling speeds and locations as well as future-proofing them to embrace rapid innovation. New charging technologies include: multiple units which load-level while charging cars simultaneously and balancing the grid; smart charging which avoids plugging into the grid when demand is spiking; vehicle-to-grid (V2G) devices which allow for bi-directional flow from the battery in and out of the grid to support the network; new batteries which can store more power for longer; and induction charging which refuels stationary cars by Wi-fi via transmitter coils in a charging pad in the ground. Few charge-point operators are working with installations which can be made easily ready for these changes.

2.5 In the first instance the Council will not want to take on the risk of owning, installing, servicing and powering new charge-point infrastructure but act as enabler by using its land to facilitate infrastructure. There are various ownership, repair, maintenance, power supply and finance implications to factor in when considering the most appropriate procurement. In light of technological changes, local authorities are increasingly looking to de-risk their responsibility for charge-points and move towards more simplified concession arrangements where suppliers own and install the hardware, provide back-office support, discharge the repair duties and provide the power while the authority provides the land, possibly at a fee, and profit shares on the income generated. The options are summarised in the below table:

	Hardware Ownership	Groundworks Ownership	Back-Office / CPMS	Repairs	Electricity Cost	Finances	Case Study
Own & Operate	Authority	Authority	Authority *(Outsourced)*	Authority	Authority	Authority *(Less Fees)*	Somerset County Council
External Operator	Authority	Authority	Supplier	Authority	Authority	Supplier (Share to LA)	Plymouth
Lease	Authority / Supplier	Authority / Supplier	Supplier	Authority / Supplier	Supplier	Fees / Rent	Transport for London
Concession	Supplier	Authority	Supplier	Supplier	Supplier	Profit Share	Nottingham City Council
Private Funding	Supplier	Supplier	Supplier	Supplier	Supplier	Share to Authority	Mid Devon District Council

2.6 Understanding what the charging point offer needs to look like and protecting Council investment and reputation from the risks of a very fluid and technologically evolving market has been the single most important element in officers' procurement deliberations. Consideration about price and affordability of local tariffs for residents and the long-term requirements and future-proofing of the hard infrastructure itself has also been paramount in the assessment.

2.7 Over the course of the year the Council has had numerous conversations about charge-point infrastructure with approximately 10 market suppliers and new entrants, providing different models for install and ownership, assorted types of charge-point infrastructure and all manner of part-funded or grant-aided solutions to finance the delivery. However, officers frequently found that a majority of those charge-point operators were offering standard packages for installs, usually based on a particular charge-point product, to be deployed in areas which suited their commercial interests alone, rather than considering the shared needs of residents. More often than not, they also required either a considerable direct Council investment alongside grant applications or their own high-interest financing products to bridge the gap.

2.8 In general, officers have concluded that the market is not abundant with 'values-led' operators sympathetic to the social objectives of the Council. Standard industry players are not necessarily looking to future-proof their installs. Mobility and access issues are often given low priority, and fair and affordable pricing in a borough with the highest deprivation in London is trumped by recouping installation costs through tariffs in the quickest time. There is high reputational risk for the Council when it

consents to the use of its public realm for profit, so ensuring the right partnership is paramount.

3. The Connected Kerb pilot

3.1 Concerned by the absence of 'values-led' operators in the market, the Council did consult with a relatively new, rapidly growing entrant, Connected Kerb, earlier this year as part of a bid to the Future Neighbourhoods fund run by the GLA. It had approached Connected Kerb as an innovator and potential partner on an inductive wifi charge-point pilot on the Becontree Estate. However, this wide-ranging bid was unsuccessful but discussions about the company's unique approach to EV chimed with the sustainability and values-led objectives of the Council.

3.2 Connected Kerb is a UK charge-point manufacturer, installer and operator that is a market leader in charge-point innovation and design, accessibility and sustainability. It has been awarded some of the world's most prestigious environmental and innovation awards and has contracted more than 10,000 public charge-points with councils across the UK in the past 12 months. It remains privately owned, unlike many of the largely oil industry-backed competitors, with all employees within the business also owning shares.

3.3 Conversations with Connected Kerb have continued, referencing the particular challenges of on-street charging including a combination of high electricity supply connection costs, increased street clutter and the potential resistance from residents due to the demand for residential parking spaces. This has led to a proposal which is similar but not exact, to schemes developed with 10 other local authorities, offering a unique on-street product to overcome the challenges cited.

The Infrastructure

3.4 The product utilises existing street furniture, so there is little to no increase in street clutter, and uses a future-proofed 'smart cities system' comprised of a 'power and data pack' which is sunk beneath the pavement and housed in a protective steel box, with the above ground socket positioned directly above. This design reduces the visual impact of the charging points (despite their 3-22kW capability), but also increases the durability with the above-ground sockets being easily replaced when damaged, instead of having to replace an entire charger as with all other operators. The subterranean node is connected with both power and fast fibre ducting, meaning that the system can support not only EV charging, but also enable an array of different hardware and software products such as environmental and air quality management sensors, parking management sensors and telco solutions such as wifi or small cell 5G. The products intelligently manage power across the charging network, to minimise stress on the local grid and simultaneously reduce the cost of charging to residents – as currently demonstrated in the Agile Streets innovation project in Hackney.

3.5 The company has recognised that there is extreme pressure on parking in many locations across the borough and is keen to work with residents and the council in a phased approach to deploy Traffic Regulation Orders (TRO) in response to demand.

3.6 The power and data pack can be installed directly in the ground or in the wall and Connected Kerb have several different sockets to accommodate each:

- the Gecko and Chameleon sockets are both manufactured from recycled materials and designed for on-street deployment, replacing existing parking posts and bollards; they are hard-wearing, include socket lighting and are easily maintained, sitting above the below ground power pack and nodes; both are also at a height which enables people with disabilities or mobility impairments to have easy access

- the Limpet functions in the same way as both the Gecko and Chameleon but is designed from recycled vehicle tyres and intended for wall mounting in multi-storey or undercroft parking

All units are designed to be extremely hard wearing and easy to maintain. The average charging unit deployed today has a lifespan of 5-8 years, but the Connected Kerb system has been designed with long term concessions in mind and with a lifespan of upwards of 15 years. The units are also run on a smart networked system which allows electricity load to be managed across chargers and the impact on the grid to be managed

3.7 As per new rules in 2019, Connected Kerb's operating platforms fully comply with the Open Charge Point Protocols 2.0, an open-source communication standard for EV charging stations and network software companies, which allows for harmonised systems. The proposal offers a mobile phone app for both apple and android devices; smart tariff, charging and booking functionality; contactless payment options and mobile web payments and a 24/7 customer service with remote problem solving.

3.8 The Connected Kerb technology is aimed primarily at the need for long-dwell charging at power levels of between 3kW and 22 kW, providing convenient charge point infrastructure anywhere people will park for a long period of time — whether at work, at home, staying overnight in a hotel, leisure parks, for example. Currently over 90% of charging instances in the UK are completed in these long-dwell locations, most commonly off-street on driveways where it is most convenient. The intention with this project, is to provide similarly accessible, affordable and reliable charging infrastructure for those without access to private, off-street parking where they live.

Costs of installing infrastructure and Incentivisation

3.9 The costs of deploying an initial 250 charge-points are expected to be up to £1.2m. The Council has been drafting a bid for On-Street Residential Charge-point (ORCs) funding administered by the Office for Zero Emission Vehicles to secure 75% grant to cover that cost and is confident that the application will be successful (£900,000). As per funding conditions, 25% of the cost must be match-funded which Connected Kerb has agreed to fund (£300,000), effectively meaning the delivery of this infrastructure is cost-neutral to the Council. Connected Kerb is also taking on the ongoing operational costs of the project and the council will bear no risk for the utilisation (the amount of charging usage) of the charging points.

3.10 As Connected Kerb are providing 25% of the funding and taking all utilisation risk, the length of the contractual term is expected to between 15-20 years and under a concession arrangement, with the financial model allowing for the Council to receive an income share from Years 9 and 10, possibly before depending on utilisation rates, when it is estimated that the contract will have reached payback on investment. The report seeks delegated authority to negotiate these terms and conditions more thoroughly, but the company has agreed to work on an open-book basis and typically offer 10-12% profit share.

Repairs and Maintenance

3.11 Repairs and maintenance cost and liabilities will remain with Connected Kerb throughout the contract. Unlike standard charge-point operators, Connected Kerb use advanced software to monitor the state of the chargers 24/7, allowing issues to be resolved immediately and remotely without drivers being subjected to the common issue of finding broken or out-of-use charging pillars.

3.12 If at the end of the contract, the Council decides it has no longer wishes to carry-on allowing its land to be used by Connected Kerb, then the infrastructure is easily dismantled and removed without major repairs works or need to find replacement equipment. The subterranean base will have the power and data pack removed and the box will remain as a passive unit, connected with power and fast fibre, neatly covered, but easily accessible for potential future use by the council or another CPO.

Pricing

3.13 Connected Kerb manages all billing and does not apply joining or membership fees or connection charges to users – in essence users pay for what they consume. Anyone that downloads the app or has a RFID tag can use it and the Council could request that certain discounts apply for say council vehicles utilising the charge-point. The average unit charge per kW is about 25p for standard charge-points, whereas the national average charging price is currently about 30p/kW. The Company is also the only charging business able to bring Agile tariffs to public charging, enabling the user to reduce their charging costs by scheduling charging activities to take advantage of lower power costs (when power is abundant). This technology is currently being trialled in the Agile Streets project where users can charge at a standard rate of 25p per kW, or when eco-charging at a rate of 19p/kWh.

3.14 The automated, on-demand reporting also allows for the Council to have an overview of charging sessions and the data that indicates usage of the point, and which commercial users are able to access them – this may be particularly useful if the Council wanted discounted rates for a limited number of designated groups in the borough.

Innovation

3.15 The key attraction for Barking and Dagenham is the future potential for their EV charging systems to do more than just top-up vehicles with a charge. Deployed with fast fibre, sensors, data and telecommunications technologies can be deployed at minimal extra cost. As part of this pilot Connected Kerb is also funding the

deployment of Airly air quality sensors (operating on the charging infrastructure) across a number of the EV charging sites. The sensors use lasers to detect all the key pollution markers - particulate matter (PM1, PM2.5, PM10), NO2, O3, SO2 and CO gases**,** formulating a real-time data accurate picture of the air quality in the vicinity of the site**.** These can then be translated into online maps which also integrate temperature, humidity, air pressure and wind data. This will enormously improve on the quality of data currently collated from inexpensive diffusion tubes.

3.16 The Council has also identified the potential for further innovation once Phase 1 has been completed. This could include powering the charge-points with renewable energy supplies, utilising battery storage and also maximising our telecommunications/wifi capability to bring greater communications coverage to areas that are underserved, as well as preparing sites for the long-term development of inductive charging. These initiatives are subject to the development of a proposal intended for submission to Innovate UK at some later date.

Procurement approach

3.17 Having had discussions with other local authorities regarding their involvement with Connected Kerb, and the innovative capability that their charging infrastructure can bring, officers are of the view that the Council could make a direct award to Connected Kerb through the Kent Commercial Services Framework (run by Kent County Council) under Lot 1 for the Supply of Electric Vehicle Charging Points and Associated Services for On-street Residential Charging Infrastructure. This will be done on the basis that the goods and services provided are market leading and unique to that one supplier and that they have demonstrated future-proofing, both in terms of the infrastructure systems reliability and durability, but also in the fact that it can be paired to support advancing technologies such as inductive charging and 5G technology.

3.18 In addition, officers have found that Connected Kerb have taken a ‘values-based’ approach, factoring in recycled products, accessibility for the mobility and visually impaired, support for additional social value, fair pricing in a deprived borough and accounting for sustainability when it comes to using renewable tariff power sources and managing pressures and loads on the national grid.

3.19 This report seeks outline approval of the proposal and approach, subject to OZEV funding being secured, Procurement Board endorsement and completion of negotiation of terms and conditions.

4. Consultation

4.1 The market has been engaged with extensively over the last two years, with various pitches made to officers, members and to our Low Emission Vehicles Working Group. Senior leadership has been continuously updated on the problems posed by the current market offer. However, officers now feel the current proposal provides a significantly de-risked route to delivery of future-proofed and innovative charging points within a reasonable period which satisfies local ambitions to have broader borough coverage by the end of 2022.

4.2 The potential of this proposal has been discussed with the Leader, respective portfolio holders and interested members, as well as the relevant Heads of Service

in My Place and Enforcement in terms of highways and parking; the Heads of Procurement and Strategy & Participation and the Chief Information Officer.

4.3 The residents survey in January 2021 clearly indicated that only a Council-led initiative to roll-out EV charging infrastructure would give them the confidence to transition to electric vehicles and as sites for the deployment of the 250 chargers and associated parking bays are assessed, it will be done under the Traffic Regulations Orders. It is also likely that should approval for this trial be given, we will create our own branded webpage for resident requests for future charge-points.

4.4 OZEV have been alerted to the fact that we are putting in a bid and should that be successful, the Council will confirm appropriate sites for deployment with Connected Kerb and UK Power Networks.

5. Financial Implications

Implications completed by: Sandra Pillinger, Group Accountant

5.1 The estimated cost of installing 250 electric charging points is £1.2m. A bid is being drafted for submission to the Office for Zero Emission Vehicles (OZEV) for grant funding of 75% of the cost (£900k) and Connected Kerb has agreed to finance the balance of £300k. The scheme will not proceed if the funding bid to OZEV is unsuccessful.

5.2 Connected Kerb has also agreed to finance ongoing operational and repairs and maintenance costs of the charging points for the proposed term of the agreement (15-20 years). There may be a profit share agreement once Connected Kerb has recouped their initial investment. This is estimated to be in Years 9 or 10 and the likely profit share for LBBD is 10-12%. The detail of the terms and conditions remains to be negotiated.

6. Legal Implications

Implications completed by: Tessa Odiah, Locum Contracts lawyer

6.1 This report seeks approval of the Council to make a direct award for the delivery of 250 electric vehicle charge-points fitted with air quality sensors tracking NOx, PM and CO2 emissions with future-proof capability to provide neutral hosting for 5G telecom networks, across Council-owned public realm in 2022, subject to funding being secured from OZEV, as detailed in the body of this report.

6.2 A procurement of this nature as described in the body of this report must be subject to the Concession Contracts Regulations 2016 (CCR), where the aggregate value of the contract through its duration must be equal to or greater than the threshold of £4,733,252, set under the CCR.

6.3 Procuring this service via an established, compliant Framework Agreement would appear to meet the requirements of the CCR and the Council's Contracts Rules. Provided that the proposed Framework Agreement (Kent Commercial Services Framework) terms and conditions allow for a Procurement of concession contracts, it is valid and allows the Council to procure via its Framework Agreement.

6.4 As detailed in the body of the report, the proposed direct award via Call-Off under the Framework Agreement will be made to Connected Kerb Limited as the Concessionaire and as per the funding arrangement, has agreed to fund-match at 25% of the cost to the sum of £300,000).

6.5 Under a concession arrangement, the transfer to the concessionaire of the right to exploit the services will always imply an operating risk of economic nature involving the possibility that it will not recoup the investments made and the costs incurred in operating the services. This means that under the contract, the concessionaire should not enjoy a guarantee of breaking even on investments and costs incurred. Therefore, to class as a concession contract subject to the CCR, the concessionaire must be exposed to a potential loss on its investments and costs, and it should not be merely nominal or negligible risk.

6.6 The costs arrangement, means that the Concessionaire can recoup its costs and profit, but the term of the proposed arrangement is more than the term recommended under the CCR, which is usually 5 years and the time frame proposed to allow the Council to receive an income share under this arrangement may be quite a while, but this is due to the nature of this procurement type.

7. Procurement Implications

Implications completed by: Euan Beales, Head of Procurement & Accounts Payable

7.1 The Council's Contract Rules require all spend over £50,000 to be tendered in the open market unless an open and accessible framework is used.

7.2 The paper outlines the preferred route to market is the framework hosted by Kent Commercial Services. which allows direct award to be conducted. The framework has been procured in line with the legislation valid at the time it was advertised, and the allowance of a direct award process also conforms to the Council's Contract Rules requirements.

7.3 The proposition being offered by Connected Kerb is unique on the framework and satisfies the criteria to direct award.

7.4 The term of contract under a concession process would as standard be for a period of 5 years, however this period can be extended where the capital outlay and payback period of the supplier requires a longer term this can be adopted. The initial term of payback typically for Connected Kerb is 9 years where the costs are fully bourn by the supplier and after the 9-year period the Council would then seek to generate income. This paper is seeking a 20-year term, which may be acceptable, but the market may move in this time so may not be market leading during the longer term. The insertion of a no-fault termination clause if permissible under the framework may mitigate this.

8. Other Implications

8.1 **Risk Management Issues** – The paper aims to de-risk the proposal as much as possible with the Council acting more of an enabler, with potential profit share as the market evolves, and Connected Kerb shouldering the install, operational and maintenance costs over the term of the contract. As part of the negotiation, the

Council will aim to protect itself against reputational risk regarding pricing structure and all issues will be covered with the service agreement terms highlighted above.

8.2 **Contractual Issues –** Contractual issues will begin once Cabinet has approved the proposal and with the subsequent endorsement of the Procurement Board. This is likely to be a concession arrangement on a 15 + 5 year term. Inclusive Growth will sponsor the project and My Place will be responsible for contract and account management due to the installs occurring on public realm.

8.3 **Corporate Policy, Customer and Equality Impact -** The switch to electric vehicles will undoubtedly result in cleaner air and improving health outcomes and resilience against respiratory diseases. It will also support a just transition to a local net-zero economy, ensuring fair-priced tariffs for residents in a market currently geared towards usually wealthy early adopters of electric cars.

The proposal is neutral in its impact upon the protected characteristics outlined in the Equality Act 2010.

8.4 **Health Issues –** The proposals, as part of a wider incentivisation of the move to low emission vehicles, will have a positive impact upon health outcomes locally, potentially reducing the number of residents suffering conditions exacerbated by pollutants from petrol and diesel tail-pipe emissions

8.5 **Crime and Disorder Issues -** There are no general crime and disorder issues.

8.6 **Property / Asset Issues –** The infrastructure will be installed, owned, maintained and repaired by Connected Kerb completely. The installs will be on council land and may be subject to licence and TRO fees and conditions.

Public Background Papers Used in the Preparation of the Report: None

- Project Centre report into EV demand and site allocation https://modgov.lbbd.gov.uk/Internet/documents/s151216/Site%20Selection%20Report.pdf

List of appendices:

- **Appendix 1 –** Air Pollution levels in Barking and Dagenham 2020