

North Yorkshire County Council
Business and Environmental Services

Executive Members

27 September 2019

North Yorkshire Electric Vehicle Charge Point Network – ERDF Outline Application

Report of the Assistant Director – Highways and Transportation

1.0 Purpose Of Report

- 1.1 Seek BES Executive Member (in consultation with the Corporate Director, BES) approval to submit a joint district/borough council and national park authority outline application for European Regional Development Funding to increase the provision of electric vehicle charging infrastructure in North Yorkshire and agree to the council bidding for £150k from Local Growth Fund to secure sufficient match funding to enable the project to proceed to full application..

2.0 Background

- 2.1 The Government has demonstrated its commitment to increase ultra-low emission vehicles (ULEVs) through the pledge to end the sale of all new conventional petrol and diesel cars by 2040. The number of electric vehicle charging points in North Yorkshire, whilst growing, is still relatively low with vast areas of the county having no access to public EV charging infrastructure.
- 2.2 The County Councils' Local Transport Plan 4 2016-2045 (LTP4) states: "We will support measures to promote environmentally friendly forms of transport including provision for ULEVs and are currently developing a policy which will consider the provision of infrastructure for electric vehicles in North Yorkshire." The forthcoming Air Quality Strategy includes details on the ways in which NYCC will support an increase in electric vehicles in the county including pursuing external grant funding opportunities.

3.0 ERDF opportunity

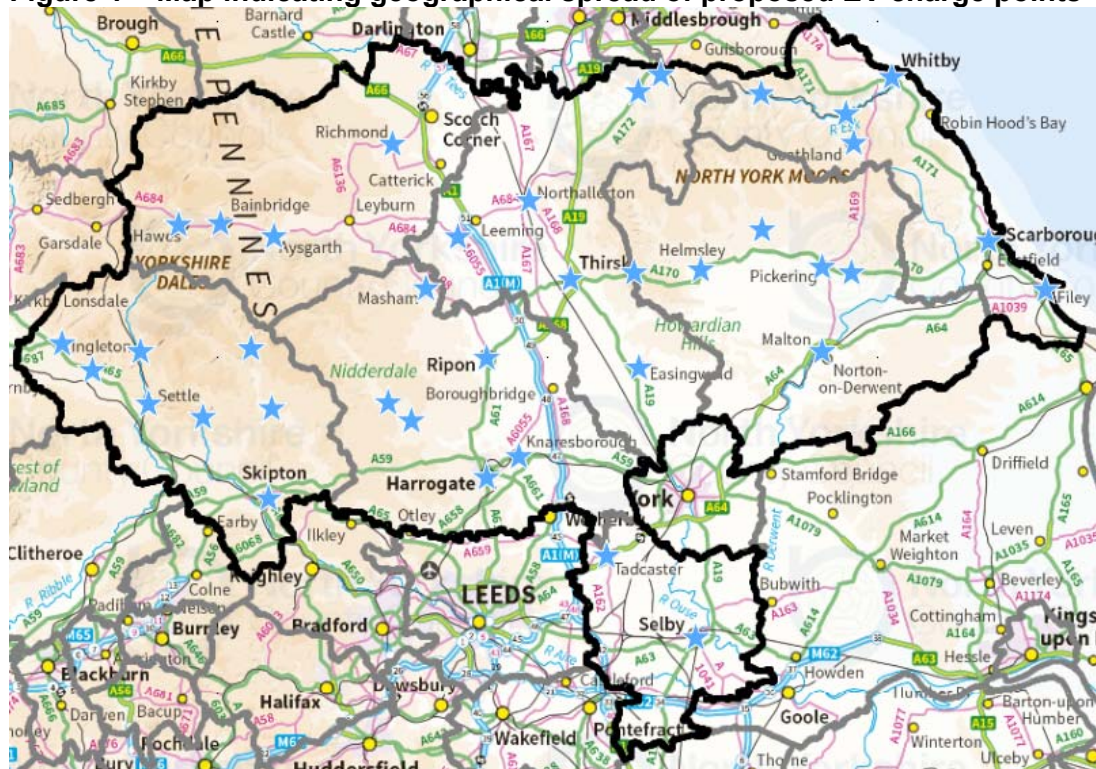
- 3.1 A call for new European Regional Development Fund (ERDF) projects to support the shift towards a low carbon economy (Priority Axis 4) is open and the introduction of electric vehicle charging infrastructure across North Yorkshire supports this aim.
- 3.2 Projects within the Leeds City Region and York, North Yorkshire and East Riding Partnership areas are eligible to apply with a total of £17,170,000 available. A minimum value of £500,000 of funding can be applied for and as the contribution rate is 50% of the total eligible project costs new projects must have a total value of at least £1m.
- 3.2 Outline applications are invited initially with a deadline of 30 September 2019. There is no formal commitment at the outline application stage. If outline applications are successful applicants will need to provide a detailed and complete full application within three months of formal selection (anticipated November 2019). The estimated submission date for a full application is February 2020.

- 3.3 If the project is successful at full application stage the managing authority issues a funding agreement, the earliest this is likely to take place is June 2020 based on the ERDF process of approval. The delivery of project activity must be completed by the end of June 2023. The Government has confirmed that it will guarantee funding for ERDF projects that are contracted by the end of 2020.
- 3.4 In terms of broader strategic priorities the Project aligns with the existing and future policies and plans of both the Leeds City Region and York, North Yorkshire and East Riding Partnership areas. The YNYER Local Energy Strategy established 5 priority low carbon technologies for the area one of which includes increasing electric and plug-in hybrid vehicles.
- 3.5 The outline application for the county-wide EV charge point project is being drafted in conjunction with district/borough councils and national park authorities as our joint delivery partners. The ERDF criteria states that projects can be delivered by a consortium comprising a lead partner (the applicant) and specified partners (delivery partners). NYCC will be the applicant and lead partner.

4.0 North Yorkshire Electric Vehicle Charge point Infrastructure Project

- 4.1 The project will achieve an increase of approximately 100 fast charge points at around 38 locations in publicly accessible car parking spaces across North Yorkshire, ensuring that drivers in the county are never more than 10 miles from a charge point (15-20km). The majority of the charge points will be sited in public off-street car parks within North Yorkshire’s key towns and tourist hotspots including National Park visitor car parks to ensure provision in more remote locations. The project will also enable an on-street charging trial to be implemented at towns across the county.

Figure 1 – Map indicating geographical spread of proposed EV charge points



- 4.2 The current total project value is £1,160,000 with £580,000 local contribution (see Table 1 for details). This total project cost includes charge point infrastructure and installation, associated signage, lining, traffic regulation orders and promotional activity.
- 4.3 In terms of project officer resource to deliver the project we are proposing a 2 year fixed term secondment from Technology and Change to provide a full time project manager.
- 4.4 The project programme as it currently stands at outline application stage has a project start date of June 2020 (subject to dates for full application submission), allowing for an open and transparent procurement process through the second half of 2020 and commencing installation of the charge points on site in two phases, with phase 1 starting in summer 2021. Project completion will be in March 2022.
- 4.5 At the outline application stage proposed locations for new EV charge points have been identified (see Figure 1), however, there has been some flexibility built into the specific location as this will depend on the electricity supply to the car park. Discussions with the electricity distribution network operator (DNO) are ongoing to identify any energy constraints at an early stage with a view to further refining locations by the full application stage.
- 4.6 NYCC will project manage and oversee procurement through an open and transparent competitive tendering process (with support from delivery partners) for charging equipment and the back office functionality to support operational management and maintenance of the charge points and securing adequate electricity supply in liaison with the DNO. NYCC and delivery partners will work to ensure consistency of charge point branding, accessibility (including ease of access via contactless payment cards), signs, tariff to cover maintenance and management costs, and marketing of the new network.
- 4.7 At the time of writing this report the outline application is currently in preparation, therefore any changes to the details relating to finance and other elements of the bid will be reported verbally at the meeting.

5.0 Key Risks

- 5.1 At this outline application stage the County Council does not formally commit to deliver the project, therefore reputational risk is low and financial risk is limited to the officer resource utilised to develop the bid.
- 5.2 There is an increase in risk in terms of operational, reputational and financial risk should the project proceed to full application stage and onwards to delivery, these are summarised below:
- Higher level of resource required to develop the full application form in conjunction with delivery partners. It is recommended that 1 FTE will need to be dedicated to developing the full application over 4-5 months (from October 2019) to achieve the estimated ERDF deadline of February 2020.
 - This is a complex project with 9 delivery partners and 12 different sources of match funding to coordinate and secure. The levels of match funding are also marginal consequently if one or more partners pulls out the project is at risk of not meeting minimum ERDF match funding requirements.

- We will be required to go through a separate process of submitting a business case for consideration by the YNYER LEP for Local Growth Funding to plug the shortfall in match funding (see Section 7.0). The LGF funding must be spent by March 2021 which poses difficulty in terms of the projected spend profile for the project.
- Reputational risk in terms of not being able to pull together a full application with the agreement of all delivery partners. This could impact on NYCC's reputation with delivery partners and the wider public.
- Mitigate reputational risk by making sure we have a good understanding of EV drivers demand for charge points in each area to ensure viable sites for chargers are chosen - further research and market testing is important to ensure that any charge point equipment installed is fit for purpose, has demonstrable demand, and future proof to avoid reputational risk.
- Minimising future liability for charge point infrastructure and maintenance costs - we need to determine how best to procure the charge points (at the outline application stage we are suggesting NYCC undertake one procurement) and consider options for a supplier to undertake ongoing management/maintenance - discussions with the NYCC procurement team are underway and it intended to start a process of request for information in conjunction with the NYCC procurement team to ensure that any queries regarding charge point infrastructure are addressed before the submission of the full application.
- Linked to the above point there is a need to work with delivery partners to determine ongoing maintenance responsibilities.
- There is a risk of cost increase between outline and full application stage and also at project delivery stage. We will work with the procurement team to better understand the market and this, together with the early discussions with the DNO about energy supply requirements, should mitigate the risk of cost increases to the project.
- Ensuring compliance with the stringent ERDF regulations and requirements including in terms of state aid compliance, project management, branding and marketing, procurement etc. Any non-compliance risks funds having to be paid back.
- A tariff acceptable for all delivery partners needs to be determined for charge points to cover electricity and operational costs to ensure the project meets state aid requirements – including conducting an income gap assessment and commissioning an independent state aid assessment.
- Working out arrangements for a project board including representatives from all partners.

6.0 Environmental Benefits

- 6.1 Once the infrastructure is fully embedded, it is estimated that 7kW chargers will be in use for an average of 4hrs over 250 days each year, with 22kW chargers at 2.5hrs over 250 days each year to take into account different lengths of charging time, with an on-boarding curve at the beginning (NB this is a conservative estimate of the days usage over a year to take into account demand for charging and seasonal off-peaks particularly for chargers located in tourist hotspots).
- 6.2 An estimate of 0.2kWh/mile (from New European Driving Cycle) was used to calculate displacement of petrol/diesel-based miles for electric miles. Current CO₂e estimates for charging via the UK grid are 0.96t per 10,000 miles, compared to an

average of 2.04t CO2e for petrol/diesel¹. Using a balance of 20x7kwh, 80x22kwh chargers, the total estimated annual saving is 672t CO2e.

7.0 Finance

- 7.1 We will use CPE surplus funding allocated to the Air Quality and Sustainable Transport elements to provide our match funding contribution of £150k.
- 7.2 A summary of the match funding contributions submitted by each of the delivery partners is in Table 1. The intention is to drawn down delivery partner funds as soon as delivery commences. There is a shortfall from delivery partners in terms of meeting the £500,000 minimum level of match funding, therefore it is proposed that an application for Local Growth Fund from the YNYER LEP is made to plug the gap and make the project viable. Initial discussions with the LEP have been positive, and to secure the LGF contribution it would be required to submit a business case for appraisal and consideration at a future LEP Infrastructure Board meeting (likely December 2019). If successful LGF would be required to be spent before the end of March 2021.

Table 1 – Summary of match funding

Authority	Match funding (£)
NYCC	150,000
Craven DC	60,000
Hambleton DC	50,000
Harrogate BC	10,000
Richmondshire DC	5,000
Ryedale DC	40,000
Scarborough BC	50,000
Selby DC	5,000
North York Moors NPA	15,000
Yorkshire Dales NPA	15,000
Local Growth Fund (subject to additional approval process)	150,000
S106	30,000
Total contribution (Project total: £1,160,000)	580,000

- 7.3 Given the short timescales for submission of the outline application and the difficulties securing formal Member approval from each of the delivery partners a letter of support has been requested from each authority signed by an appropriately designated officer (usually the s.151 officer) committing the authority in principle to the project and stating the match funding, pending a formal decision making process prior to full application.
- 7.4 As NYCC will be the lead applicant for this project and undertaking procurement of the charge points any risk in terms of cost increases or potential withdrawal of ERDF funds through non-compliance would be immediately be borne by NYCC, however, as indicated in section 8.0 legal agreements will be drawn up between NYCC and delivery partners following grant acceptance to ensure that as far as is possible all authorities are compliant with the terms and conditions within the ERDF funding agreement. As previously indicated flexibility will also be built into the project in terms

¹ Department for Transport Statistics - Table VEH0206 <https://www.gov.uk/government/collections/vehicles-statistics>

of location of charge points to mitigate any potential increases in costs for example due to electricity supply.

8.0 Legal

- 8.1 As the lead partner NYCC will be the applicant for the grant and thus responsible for the delivery and compliance of the project, including ensuring state aid compliance at grant acceptance level.
- 8.2 Discussions have already started with the legal team who have provided initial advice regarding the state aid assessment however in compliance with ERDF requirements an independent state aid assessment will be obtained at full application stage. Should the full grant application be successful NYCC will seek to ensure that as far as legally possible the obligations of the ERDF grant agreement are flowed down to the delivery partners.

9.0 Equalities

- 9.1 Consideration has been given to the potential for any equality impacts arising from the recommendations. It is the view of officers that at this stage the recommendations do not have an adverse impact on any of the protected characteristics identified in the Equalities Act 2010. Further consideration will be given to the equalities implications in relation to the locations chosen and the technical elements of installing electric vehicle charging infrastructure at the full application and project delivery stages. See Appendix A.

10.0 Recommendations

- 10.1 That the Executive Member for Access, in consultation with the Executive Member for Open for Business and the Corporate Director, Business and Environmental Services, authorise the submission of the ERDF outline application form for the North Yorkshire EV Charging Project (effectively an expression of interest as no formal commitment is required at this stage) and agree to the County Council bidding for £150k from Local Growth Fund to secure sufficient additional match funding to enable the project to proceed to full application.
- 10.2 Should the council be invited to the full application stage (estimated submission date for full applications is February 2020) a further report will be brought to request authorisation from the Executive Member for Access, in consultation with the Executive Member for Open for Business, the Corporate Director, Business and Environmental Services and Corporate Director – Strategic Resources to bid for £580k European Regional Development Funding towards total project costs of £1,160,000 as outlined in Table 1.

BARRIE MASON
Assistant Director
Highways and Transportation

Author of Report: Victoria Hutchinson

Background Documents:

Initial equality impact assessment screening form (As of October 2015 this form replaces 'Record of decision not to carry out an EIA')			
This form records an equality screening process to determine the relevance of equality to a proposal, and a decision whether or not a full EIA would be appropriate or proportionate.			
Directorate	Business and Environmental Services		
Service area	Highways and Transportation		
Proposal being screened	North Yorkshire Electric Vehicle Charge Point Network – ERDF Outline Application		
Officer(s) carrying out screening	Victoria Hutchinson		
What are you proposing to do?	The project will deliver a network of publicly accessible electric vehicle charging points across the county of North Yorkshire to plug existing gaps in provision.		
Why are you proposing this? What are the desired outcomes?	The project aligns with national, regional and local priorities in terms of supporting an increase in low emission vehicles and reducing emissions from motor vehicles which contribute to poor air quality and climate change.		
Does the proposal involve a significant commitment or removal of resources? Please give details.	Yes – £150,000 NYCC match funding contribution from CPE surplus allocated to Air quality and sustainable travel – this will fund capital infrastructure improvements and a Project Manager 2 years fixed term (internal secondment)		
Is there likely to be an adverse impact on people with any of the following protected characteristics as defined by the Equality Act 2010, or NYCC's additional agreed characteristics?			
As part of this assessment, please consider the following questions:			
<ul style="list-style-type: none"> • To what extent is this service used by particular groups of people with protected characteristics? • Does the proposal relate to functions that previous consultation has identified as important? • Do different groups have different needs or experiences in the area the proposal relates to? 			
If for any characteristic it is considered that there is likely to be a significant adverse impact or you have ticked 'Don't know/no info available', then a full EIA should be carried out where this is proportionate. You are advised to speak to your Equality rep for advice if you are in any doubt.			
Protected characteristic	Yes	No	Don't know/No info available
Age		No	
Disability		No	
Sex (Gender)		No	
Race		No	

Sexual orientation		No	
Gender reassignment		No	
Religion or belief		No	
Pregnancy or maternity		No	
Marriage or civil partnership		No	
NYCC additional characteristic			
People in rural areas		No	
People on a low income		No	
Carer (unpaid family or friend)		No	
Does the proposal relate to an area where there are known inequalities/probable impacts (e.g. disabled people's access to public transport)? Please give details.	No		
Will the proposal have a significant effect on how other organisations operate? (e.g. partners, funding criteria, etc.). Do any of these organisations support people with protected characteristics? Please explain why you have reached this conclusion.	No		
Decision (Please tick one option)	EIA not relevant or proportionate:	Yes	Continue to full EIA:
Reason for decision	At this outline application stage exact locations of the charge points have not yet been determined. A full EIA is likely to be required at project delivery stage to ensure that infrastructure and EV charging bays are fully compliant with equalities and disability legislation.		
Signed (Assistant Director or equivalent)	<i>Barrie Mason</i>		
Date	18/09/19		