

# **Cherwell District Council**

## **Executive**

**4 October 2021**

## **Park and Charge Update**

### **Report of Assistant Director Environmental Services**

This report is public. Appendix 1 is exempt from publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972.

#### **Purpose of report**

This report is to update members on material changes to the way in which the Park and Charge Oxfordshire (electric vehicle charging) project will henceforth be delivered following discussion with the preferred charge point operator; to seek approval of the terms for rolling out charge point services within designated council car parks in the Cherwell district; and to request approval for the re-alignment of the charge point contract relating to the pilot Bicester Cattlemarket Car Park with the revised and agreed heads of terms for the remaining in-scope car parks.

#### **1.0 Recommendations**

The meeting is recommended:

- 1.1 To note the current progress on, and changes made to, the delivery process on the park and charge project since the last report to the Executive on 2 November 2020.
- 1.2 To approve the terms for rolling out charge point services within designated council car parks in the Cherwell district as set out in exempt Appendix 1.
- 1.3 To approve the re-alignment of the charge point contract relating to the pilot Bicester Cattlemarket Car Park with the terms set out in exempt Appendix 1.

#### **2.0 Introduction**

- 2.1 Park and Charge Oxfordshire is an Innovate UK funded project that is installing 'fast' electric vehicle (EV) charging hubs in council-owned car parks across Oxfordshire's key towns and villages in 2021/22.
- 2.2 Oxfordshire is well ahead of the UK growth curve in terms of EV uptake, and one of the main barriers to wider uptake is the perceived lack of reliable public EV charging infrastructure.
- 2.3 This public infrastructure is even more important for the estimated 30-40% of Oxfordshire residents who are unable, or would find it difficult, to install home

chargers, and are therefore reliant on public/external provision of this in order to make the switch to electric vehicles.

- 2.4 Park and Charge is therefore a nationally important, real-life demonstrator of EV charging hubs in car parks as a convenient and effective overnight EV charging solution for residents who are unable to install their own home chargers, whilst at the same time vastly increases the provision of EV charging infrastructure for visitors and commuters to Cherwell.
- 2.5 The original project started in September 2019, and followed on from a successful Innovate-UK funded feasibility study, in which Cherwell District Council were a key partner. The project is led by Bicester-based SME Zeta Lighting, who have developed innovative EV chargers for the project that combat the known problems with current chargers on the market, such as unreliability and complexity of use.
- 2.6 The other project partners at the beginning of the project were University of Oxford (research partners), Urban Integrated (software and app developer), SSE Enterprise (infrastructure partner and major investor) and Oxfordshire County Council (liaison with participating district councils, including Cherwell District Council).
- 2.7 Following previous Executive approval in April 2020 and November 2020, the Council have already overcome many barriers to deliver a successful pilot car park in Cattle Market in Bicester in May 2021, which has been very positively received by residents. This car park is seeing regular usage, during both daytime and overnight, and is currently performing well above expectations.

### **3.0 Report Details**

- 3.1 This is an innovation project looking to learn about and test the most effective solutions for the future. A key learning this year has been that the business model for the infrastructure installation element unique to Park and Charge Oxfordshire does not present a viable investment opportunity for the commercial provider we were working with, SSE Utilities.
- 3.2 As such, SSE Utilities withdrew from the project in May 2021 and will not be providing the infrastructure delivery or investment into the project that was previously intended. As a consequence, given SSE were originally involved in the pilot project at Bicester Cattlemarket Car Park as electrical infrastructure provider, officers are now working with SSE and the pilot project charge point operator (under delegated powers) to ensure a smooth transfer of the former's rights and responsibilities to the latter.
- 3.3 Following assessment and re-evaluation of the project, Park and Charge Oxfordshire continues to be an extremely important project for funders at the Office for Zero Emissions Vehicles (OZEV), and all remaining project partners and participating District Councils remain fully committed to deliver the agreed amended programme without the involvement of SSE.
- 3.4 Following SSE's departure from the project, the project has been restructured so that Zeta Lighting - operating under their newly set-up subsidiary company of EZ-Charge - are now set to deliver the infrastructure for the project and invest an additional £400k into the project.

- 3.5 In August, Oxfordshire County Council secured an additional £1.2million grant funding from OZEV via the On-Street Residential Charging Scheme (ORCS), administered by the Energy Saving Trust (EST), which will cover the remaining 75% of the capital costs of the infrastructure.
- 3.6 This grant funding will be passed directly to EZ-Charge in order to pay for all of the elements of the infrastructure delivery (electrical kiosks, points of connection from the District Network Operators, civils works, charger and cabling installation, line markings etc), replacing the remaining funding gap left by SSE Utilities.
- 3.7 The original legal structure for the project, as outlined in the report to Executive on 2 November 2020, envisaged a Land Lease with SSE Enterprise for the electrical apparatus that would deliver electricity to the charge points in the car parks, and a Charge Point Operation (CPO) concession contract with EZ-Charge, who would operate and maintain those charge points over a period of 5 years, with an option to extend that period for a further 5 years.
- 3.8 A lease with SSE for installing electrical apparatus at Bicester Cattlemarket Car Park to serve charge points installed in that car park was therefore completed on 10 November 2020, and a contract for the installation and operation of those charge points at the Cattlemarket Car Park, on substantially the terms described in paragraph 3.7, was entered into between the council and EZ-Charge on 26<sup>th</sup> May 2021.
- 3.8 However, SSE's desire to withdraw from the project for commercial reasons, combined with a further review by other district councils of the legal structure's effectiveness for delivering against commercial and environmental objectives across the county, prompted a review of the terms agreed for the pilot project.
- 3.9 The terms now proposed for the remaining in-scope car parks are set out in exempt Appendix 1. These terms have been agreed in principle between EZ-Charge and officers at the various local authorities participating in the Park and Charge project, and these terms are now brought before this council's Executive for approval ahead of installation works anticipated to start mid to late October in the first of the remaining council car parks designated for EV charge points.
- 3.10 The changes to the terms that had been agreed for the pilot car park, outside the need to factor SSE participation, essentially see an adjustment to the length of the contract period for each car park, from an initial 5 year period plus option for further 5 years, to a 10 year contract period. Other changes are set out in exempt Appendix 1. The possibility for refinements to terms to allow for local arrangements where necessary and appropriate (to agree, e.g., break options to take account of the potential for car park redevelopment) is not excluded by the terms agreed in principle with EZ-Charge.
- 3.10 Subject to the signing of Charge Point Operation concession contracts with EZ-Charge and the District Councils, the remaining 21 Park and Charge hubs are set to be installed on a rolling programme cross Oxfordshire this autumn/winter, and the full 280 individual EV charging points available to the public by the end of February 2022.
- 3.11 The locations officers have identified for installing Park and Charge EV charging hubs across the Cherwell district are as follows:

- Cattle Market, Bicester – already installed and available to the public
- Claremont, Bicester
- Windsor Street, Banbury
- Cherwell Drive, Banbury (formerly Compton Road coach park)
- Curtis Place, Kidlington

## **4.0 Conclusion and Reasons for Recommendations**

4.1 The Park and Charge project offers the Council an investment via private capital to develop needed EV charging infrastructure within the Council's car parks for predominantly residents who have no off-road parking, but also for visitors and commuters. The pilot car park in Bicester is already showing usage above initial forecasts, highlighting the underlying needs.

## **5.0 Consultation**

5.1 The Council has been working with officers from the other Oxfordshire Districts in developing legal agreements and we have consulted in the process of collaborative working.

## **6.0 Alternative Options and Reasons for Rejection**

6.1 To not proceed with the revised terms across the remainder of the council's in-scope car parks. This option has been rejected on the grounds that it would defeat the original ambitions underpinning the project as described in section 2 of this report.

6.2 To roll the legal structure agreed for the pilot project across the remainder of the council's in-scope car parks. This has been rejected on the grounds that the terms for the pilot project were predicated on SSE participation, which is no longer viable, and also because of the incompatibility between the pilot terms and the terms EZ-Charge have now agreed with the various participating councils for roll out across the county (including officers from Cherwell District Council for the remainder of the council's car parks).

## **7.0 Implications**

### **Financial and Resource Implications**

7.1 The Council has no direct capital outlay as part of this project.

This paper is seeking to define and ensure appropriate safeguards are in place to make the commercial investment viable for EZ-charge, whilst providing the Council with a defined option should it seek to redevelop the car parks upon which the EV chargers are proposed.

Comments checked and agreed by:

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### **Legal Implications**

- 7.2 The Legal service has assisted lead officers in negotiations with Park and Charge project partners to date and will continue to help work towards the conclusion of final legal agreements, based on the Heads of Terms as revised in this report, to facilitate charge points for EVs in Council car parks.

In the case of the already operational Cattle Market site in Bicester, steps are being taken to ensure a transfer of arrangements from SSE Utilities to EZ charge, in line with the other prospective contracts.

Comments checked and agreed by:  
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### **Risk Implications**

- 7.3 The new arrangements drawn up with EZ charge seek to mitigate and quantify risks associated with key parts of the commercial investment. Risks will be managed as part of the operational risk register and escalated to the leadership risk register as and when necessary.

Comments checked and agreed by:  
Celia Prado-Teeling, Performance Team Leader, [Celia.Prado-Teeling@Cherwell-DC.gov.uk](mailto:Celia.Prado-Teeling@Cherwell-DC.gov.uk)

### **Equalities and Inclusion Implications**

- 7.4 While many areas of Oxfordshire are affluent, and likely to be among the first to see early mass adoption of EVs, there are significant areas of Oxfordshire where income is low. Lower income households are often disproportionately affected by poor air quality, and also the sector of society least able to adopt EVs early. There may be a perception of unfairness in access to EV charging if chargers are only installed in wealthy areas where people have been able to afford brand new technology.

While the Council is limited in the action it can take to support low-income households with the purchase of EVs, the second hand EV market is growing, providing more people with access to electric vehicles. This commercial arrangement seeks to specifically address the need for charging and does provide for areas which are less affluent, allowing a more equitable access to EV charging.

Additionally, the legal arrangements have specific safeguards around pricing, seeking to ensure that vulnerable residents are not unfairly disadvantaged

Comments checked and agreed by:  
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### **Sustainability Implications**

7.5 The Park and Charge project has strong ties with the Oxfordshire Energy Strategy, the Oxfordshire 2050 Plan, the Council's Climate Emergency Responses, and the Council's Climate Action Framework.

Provision of EV charging infrastructure to drivers, in particular those who cannot charge an electric vehicle at home, will enable greater numbers of residents and businesses to switch to cleaner low and zero emission vehicles for private, shared and business use

Comments checked and agreed by:

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## 8.0 Decision Information

### Key Decision

**Financial Threshold Met:** No

**Community Impact Threshold Met:** Yes

### Wards Affected

All

### Links to Corporate Plan and Policy Framework

Climate Action Framework

### Lead Councillor

Councillor Daniel Sames, Lead Member for Clean & Green

### Document Information

#### Appendix number and title

- Appendix 1 (EXEMPT) - Heads of Terms agreed with preferred charge point operator

#### Background papers

None

#### Report Author and contact details

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