

REPORT TO: Cabinet Member – Technical Services
Cabinet Member – Environmental
Cabinet Member – Regeneration
Cabinet

DATE: 22nd September 2010
22nd September 2010
29th September 2010
30th September 2010

SUBJECT: Plugged-in-Places Programme – Update

WARDS AFFECTED: All Wards

REPORT OF: Andy Wallis– Planning and Economic Development Director
Peter Moore – Environmental and Technical Services Director

CONTACT OFFICER: Mo Kundi - 3447
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**EXEMPT/
CONFIDENTIAL:** No

PURPOSE/SUMMARY:

To provide Members with an update on the Plugged in Places Programme, and to seek Members consent for Sefton Council to be the Accountable Body for the sub-regional bid.

REASON WHY DECISION REQUIRED:

To comply with reporting procedures

RECOMMENDATION(S):

It is recommended that:-

Cabinet:-

1. Agree in principle to Sefton Council being the accountable body for the sub-regional project to facilitate the submission of the bid in October 2010, and note that
2. A further report be presented detailing all financial, legal, and operational implications prior to accepting the Offer letter should the bid be successful.

Cabinet Member for Regeneration, Environment, and Technical Services:-

3. Note the content of this report

KEY DECISION: No

FORWARD PLAN: No

IMPLEMENTATION DATE: Immediately after the call in period

ALTERNATIVE OPTIONS: Sefton Council has agreed to progress the Low Carbon Economy and CO2 emissions reduction agenda, and has taken a number pro-active and positive steps towards this goal, including the development of projects such as CLASP, and REECH, for which the Council has agreed to be the accountable body, and is currently exploring the opportunities available from the Feed In Tariff concept. The Plugged in Places Project will add to the critical mass being created and would help to explore future funding opportunities. Not to agree to being an accountable body risks the bid not progressing beyond the current stage.

IMPLICATIONS:

Budget/Policy Framework:

Financial:

It should be noted that Sefton Council has the option not to accept the Offer letter should the bid be successful. Members at their previous meeting have already agreed to cap Sefton's cash contribution towards this project to £15,000 spread over three years, and which it is proposed could be met out of future Local Transport Plan Capital Programme allocations. There may also be some small revenue implications relating to a possible loss of car parking income as a result of the placing of electric charging points in some car parks. However, all cost implications would be brought back to Members once the bid has been fully developed.

<u>CAPITAL EXPENDITURE</u>	2010/ 2011 £	2011/ 2012 £	2012/ 2013 £	2014/ 2015 £
Gross Increase in Capital Expenditure				
Funded by:				
Sefton Capital Resources				
Specific Capital Resources				
<u>REVENUE IMPLICATIONS</u>				
Gross Increase in Revenue Expenditure				
Funded by:				
Sefton funded Resources				
Funded from External Resources				
Does the External Funding have an expiry date? Y/N	When?			
How will the service be funded post expiry?				

Legal: No

Risk Assessment: No

Asset Management: No

CONSULTATION UNDERTAKEN/VIEWS

FINANCE FD 494 - The Interim Head of Corporate Finance & Information Services has been consulted and his comments have been incorporated into this report

LEGAL

ENVIRONMENTAL AND TECHNICAL SERVICES

CORPORATE OBJECTIVE MONITORING:

<u>Corporate Objective</u>		<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		/	
2	Creating Safe Communities		/	
3	Jobs and Prosperity	/		
4	Improving Health and Well-Being	/		
5	Environmental Sustainability	/		
6	Creating Inclusive Communities		/	
7	Improving the Quality of Council Services and Strengthening local Democracy		/	
8	Children and Young People		/	

LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT

Plugged-in-Places Programme – A sub-regional bid to introduce Electric Car Charging Points report to CMs for Environment and Technical Services (30th June 2010), and CM Regeneration (7th July 2010).

1.0 BACKGROUND:

1.1 Members at their meetings on 30th June 2010, and 7th July 2010 consider the report on 'Plugged-in-Places Project – A sub-regional bid to introduce Electric Car Charging Points', which provided background information on the Plugged-in-Places national Programme to support the installation of an electric vehicle charging infrastructure (EVCI). The report made reference to the fact that the Programme pulls together £30 million from the Department for Transport (DfT), Department for Business Innovation & Skills (BIS) and the Department for Environment & Climate Change (DECC), and that interests were invited from sub-regions for projects that would deliver the aims and objectives of the Programme.

1.2 Members considered the information provided in the report on the proposals being developed for the Merseyside sub-regional bid, and endorsed the:-

1. Submission of Expression of Interest by The Merseyside Transport Partnership for the sub-regional Plugged in Places project, and
2. Requested that further consideration to be given to the capital and revenue implications should a full bid be progressed.

2.0 Current Position

2.1 The sub-region's Expression of Interest was formally submitted in July 2010, and officers were invited to attend an informal meeting with senior officials from the Office for Low Emission Vehicles (OLEV) in the Department for Transport to receive feed-back on the submission.

2.2 In total there were 15 applications for funding in the second round of Plugged in Places Programme requesting some £20 million from an allocation of only £10 million. OLEV officials indicated that they are looking to take forward between 3 to 6 projects in this round, and that Merseyside's bid is likely to be one of them, subjecting to addressing the following key issues:-

1. Whilst the bid had a lot of strategic fit, it lacked clear principle driver. The bid needs to be clear as to whether the key driver is economic development, the link with Vauxhall, low carbon economy, transport etc. OLEV is looking for a key driver for the bid from sub-region's point of view.
2. A clear evidence of a market for electric vehicles. A letter from say public sector fleet operators, community services and/or private business fleet operators would be acceptable.
3. A clear understanding of why the suggested charging point sites were selected, and how the development of charging infrastructure will be taken forward post Plugged in Places Programme funding.

4. Need to reconcile the aims of the Plugged in Places Programme, which is concerned with stimulating the market for electric vehicles, where as the sub-regions agenda includes addressing air quality, climate change, low carbon economy, equity, economic development etc.
5. To strengthen the region's bid further, OLEV officials suggested the two separate bids submitted from Merseyside sub-region, and Halton, Chester West and Cheshire should be amalgamated.

2.3 Sefton officers are of the view that the issues raised by OLEV officials can be satisfactorily addressed, and that a full bid submitted by the 29th October 2010 deadline.

3.0 Accountable Body Status

3.1 Members may recall that all work associated with the development and submission of the Plugged In Places bid is being undertaken by the Merseyside Transport Partnership, which is a partnership between Knowsley, Liverpool, Sefton, St. Helens, and Wirral Councils, and Merseytravel.

3.1 Initially the Mersey Transport Partnership was of the view that Merseytravel should be the Accountable Body for this project, should the funding be approved. Merseytravel have now indicated that as this project covers a wide range of non public transport related activities it would not be possible for them to assume the Accountable Body status. Without a public body taking up the Accountable Body status it would not be possible to submit the final bid.

3.2 Given that Sefton Council has agreed to become the accountable body for the sub-regional REECH Project, and the fact that associated activities are all related to addressing CO2 emissions reduction, helping local SMEs, creating local employment opportunities, and the development of the low carbon economy, Members are requested to agree to Sefton Council becoming the Accountable Body for the Plugged In Places project, subject to the bid being successful.

3.3 This would fit well and would also complement with the work being done by Sefton on the Low Carbon Emissions Strategy Regional Group Initiative (LES RGI) whereby polices are being developed to support the take up electric vehicles and the provision of charging points infrastructure. In addition Low Emissions Partnership has provided £2,900 to commission consultants Mott McDonalds to undertake research on the most effective location to provide charging infrastructure. The study is expected to be completed in late September 2010, and would be used to support the Plugged in Places bid.

4.0 Project Costs

4.1 Members at their previous meeting have already agreed to cap Sefton's cash contribution towards this project to £15,000 spread over three years, and which it is proposed could be met out of future Local Transport Plan Capital Programme allocations. There may also be some small revenue implications relating to a possible loss of car parking income as a result of the placing of electric charging points in some car parks.

4.2 Similar contributions are also being sought from the five sub-regional local authorities, with Mersytravel agreeing in principle to contributing £50,000. With the amalgamation of the bids contributions from Halton, and Cheshire West & Chester have also been agreed in principle.

4.3 In addition non cash contributions are also being promised from:-

1. Mersey Transport Partnership – behaviour change programmes including promotion of electric vehicles, supporting web pages, promotional events etc.
2. Scottish Power – cost of research on impacts on grid
3. General Motors – support to households wishing to purchase electric vehicles
4. Energy Saving Trust – fleet advice, driver training and vehicle choice information

4.4 It is anticipated that the total cost of the bid is likely to be in the region of £1 million spread over two years. The balance of the money will come from the private sector, planning process and OLEV grant.

4.5 Whilst a significant amount of work will be undertaken by the Mersey Transport Partnership in delivering the successful bid, however there will be a need to engage a Project Manager by Sefton Council as the Accountable Body to ensure that the project is being delivered successfully and that all legal and financial obligations are being met. The full cost of this will be met from the bid. In addition it may be possible to recover costs associated with work that would need to be undertaken by Council's Finance and Legal Departments. A full breakdown of costs will be presented once the bid is fully developed.

5.0 Project Risks

5.1 There are a number of risks associated with this project, ranging from lack of funding support from other organisation, particularly the private sector, the scale and size of the final bid, to the delivery of the bid, if successful and the implication to Sefton Council as the accountable body. At this stage it is too early to assess these risks in any detail as the project is currently being developed and discussions are taking place with a number of interested private sector

organisation, which would influence the outcome of the final bid. Clearly if there is not sufficient private sector support the bid will not be submitted.

5.2 In relation to risks to Sefton Council as the accountable body, these will be identified, assessed and quantified in more detail once the bid is fully developed, and will form part of the report to Members before any offer letter is accepted.