

## **LOCAL ELECTRIC VEHICLE INFRASTRUCTURE FUND MEMORANDUM OF UNDERSTANDING REPORT**

### Report of the Cabinet Member of Parks, Highways and Transportation

#### **1. Purpose of report**

- 1.1 The Local Electric Vehicle Infrastructure Fund is intended to create a commercial offer for residents without private off-street parking to have access to electric vehicle charging on residential streets near their homes to allow for on-street charging.
- 1.2 The Local Electric Vehicle Infrastructure Fund funding from Central Government has been awarded to Greater Manchester to create this market with commercial partners with the contribution and support of individual local authority priorities.
- 1.3 In order to take part in the Local Electric Vehicle Infrastructure Fund scheme being taken forward by Transport for Greater Manchester, Stockport Council is required to sign the Memorandum of Understanding for the local electric vehicle infrastructure fund. A draft Memorandum of Understanding is shown in Appendix A.
- 1.4 Transport for Greater Manchester have requested that the Memorandum of Understanding be signed as soon as possible by all local authorities in order to allow the tender process to be commenced. A more detailed report of the overall Local Electric Vehicle Infrastructure Fund project will be provided when more details become available. Although a Cabinet decision is not ordinarily requested in order to enter into a memorandum of understanding, this report and requested decision is being treated as a Key Decision as this point in time due to the on-site evaluation works for the tender process having to take place before any implementation contracts are entered into in the future. Therefore, the decision to enter into the memorandum of understanding will fulfil the criteria of a Key Decision as the outcome of the signing of that document will have a significant impact on more than one of the borough's wards.

#### **2. Introduction to Local Electric Vehicle Infrastructure Fund**

- 2.1 The Local Electric Vehicle Infrastructure Fund funding is designed by the Office for Zero Emission Vehicles to provide funding which supports a move from the owner-operator model of electric vehicle charging delivery, into that of a more commercial arrangement. This is similar in arrangement to the Council agreement with BE.EV to provide public electric charge points in our carparks.
- 2.2 The stated aims of the Office for Zero Emission Vehicles' Local Electric Vehicle Infrastructure Fund are to:
  - Deliver a step-change in the deployment of local, primarily low power, on-street charging infrastructure across England; and to
  - Accelerate the commercialisation of, and investment in, the local charging infrastructure sector.

- 2.3 The capital element of Greater Manchester's Local Electric Vehicle Infrastructure Fund allocation has been confirmed as £16,158,000.
- 2.4 To meet the Office for Zero Emission Vehicles' requirements for collaboration in delivery Transport for Greater Manchester is responsible for managing the procurement and delivery of the programme, and the local authorities, including Stockport, will be responsible for managing the operation and maintenance (with the Charge Point Operator) once the charging points are operational.
- 2.5 Greater Manchester's initial submission to the Office for Zero Emission Vehicles in November 2023 outlined Greater Manchester's intention to install between 3,300 and 4,500 charging points across Greater Manchester.
- 2.6 The procurement arrangements for finding suitable commercial partners are still being investigated and finalised. These arrangements will need to meet the conditions of the grant and be approved by the Office for Zero Emission Vehicles.
- 2.7 The Local Electric Vehicle Infrastructure Fund funding allocation for each authority will not be based on a predetermined formula, as this would not reflect the actual costs and needs of each area. Instead, the funding will be distributed after the competitive procurement process, where the successful bidders will have to demonstrate their costs, which will include the energy distribution costs, the type and number of charging points, and the local authority infrastructure preferences. This approach will ensure that the funding is used efficiently and effectively to meet the demand and the objectives of the scheme.
- 2.8 Stockport will need to develop a policy position on on-street electric vehicle charging over the next few months and a report will be brought to Scrutiny Committee in Spring 2025. This will have to include the following key considerations:
- Finding suitable locations for the chargers that are accessible, convenient, and safe for electric vehicle drivers, as well as compatible with the existing electricity network, Streets for all Design Guide<sup>1</sup> and planning and highway regulations.
  - Stockport's and other local authorities appetite for on-street charging (compared to off street charging, in for example, in local authority car parks), local authority interest in different types of chargers e.g. flush fitting chargers or pedestal chargers.
  - Securing the cooperation and consent of landowners, and other stakeholders who are involved in the installation and maintenance of the chargers.
  - Balancing the aspirations of residents who wish to run chargers from their homes across pavement with pedestrian safety and maintenance implications

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<sup>1</sup> any public on-street electric vehicle charging facilities and equipment such as feeder pillars should not compromise footway width

- 2.9 This funding is being targeted to support residents, who do not have off-street parking, such as a driveway, to allow them to charge their electric vehicle near home. This will have a differential impact on wards in the borough depending upon the types of housing prevalent in the area.

### **3. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS**

- 3.1 The local electric vehicle infrastructure fund from the Office of Zero Emission Vehicles as identified in paragraph 2.3 above did not include sufficient funding for local authorities to have money allocated to support the works necessary to deliver development work for Local Electric Vehicle Infrastructure Fund schemes.
- 3.2 In order meet this funding need Transport for Greater Manchester are utilising some of the Greater Manchester City Region Sustainable Transport Settlement to fund development work. Within the Greater Manchester Sustainable Transport Settlement funding there had already been allocated £8,500,000 of funding for the rollout of electric vehicle charging infrastructure.
- 3.3 In March 2023, Greater Manchester Combined Authority endorsed a funding distribution model for the City Region Sustainable Transport Settlement funds for the roll-out of electric vehicle charging infrastructure based on population, the proportion of rural areas in a Local Authority area (as these are often less likely to be served by the commercial market) and the level of housing stock which has neither off-street parking nor access to charging within five minutes' walk. Stockport was indicatively assigned, based on that distribution model, £691,796.00 of the £8,500,000 Greater Manchester City Region Sustainable Transport Settlement funding subject to a business case submission to Transport for Greater Manchester to access the funds.
- 3.4 The Bee Network Committee on 21 March 2024 approved the drawdown of £1,086,000 of this £8,500,000 City Region Sustainable Transport Settlement funding to be allocated across the ten Greater Manchester local authorities to support Local Authority capability requirements in progressing the commercialisation and investment in on-street charging infrastructure across Greater Manchester through the Office for Zero Emission Vehicles' Local Electric Vehicle Infrastructure Fund capital fund. This was done by Transport for Greater Manchester submitting a business case submission on behalf of the local authorities. In Stockport's case this business case secured a funding amount of £65,600 based on the predicted support required for the process. This funding is intended to support officer time working on the project.
- 3.5 The remainder of the indicative funding, £626,196 allocated to Stockport using the formula agreed at the Greater Manchester Combined Authority in March 2023, as outlined in paragraph 3.1 allows authorities to bring forward proposals of their own and Stockport currently has intentions to use some of this to support electric vehicle charging at the new Cheadle Rail Station. It should be noted that the remaining Greater Manchester City Region Sustainable Transport Settlement funding is not the funding that is to deliver the Local Electric Vehicle Infrastructure schemes in the borough.

3.6 The Local Electric Vehicle Infrastructure Fund programme is subject to various risks and issues that may affect its delivery, such as:

- Delays or difficulties in the procurement, installation or commissioning of the charging points
- Technical, operational or financial problems with the Charge Point Operator or the charging points
- Lack of demand, uptake or satisfaction from the electric vehicle users or the local residents
- Changes in the policy, regulatory or market environment for electric vehicle charging infrastructure
- Disputes, conflicts or complaints between the parties or with other stakeholders

3.7 The payment to the Council for works done as part of the Local Electric Vehicle Infrastructure Fund programme will be claimed in arrears. As part of the Memorandum of Understanding the Authority accepts responsibility for meeting any costs over and above the Department for Transport's funding, including potential cost overruns and the underwriting of any funding contributions expected from third parties. This risk will be managed and mitigated through regular monitoring to highlight potential risks of overspend in the borough at the earliest opportunity, as the scheme is progressed and appropriate action will be taken as necessary for example a reduction in electric vehicle charging locations being delivered.

3.8 The expectation is that any charge point operator contracted to provide electric vehicle infrastructure through this process will be responsible for the operation and maintenance of the infrastructure they install. Therefore there is no expected revenue implications to the council for these processes.

#### **4. LEGAL CONSIDERATIONS**

4.1 TFGM as lead authority for Greater Manchester has proposed that all authorities collaborate under the terms of a memorandum of understanding, which will set out each authority's commitment to collaboration to achieve the installation.

4.1.1 The Memorandum of Understanding identifies the following specific commitments for Transport for Greater Manchester to:

4.1.2 Act as the lead authority and accountable body for the Local Electric Vehicle Infrastructure Fund programme in Greater Manchester, and manage the relationship with the Office for Zero Emission Vehicles and other stakeholders.

4.1.3 Procure and appoint a suitably qualified Charge Point Operator to supply, install and operate the charging points, and manage the contract with the Charge Point Operator.

4.1.4 Coordinate and oversee the site selection, design, installation and commissioning of the charging points, in consultation with the local authorities and the Charge Point Operator.

- 4.1.5 Monitor and report on the progress, performance and outcomes of the Local Electric Vehicle Infrastructure Fund programme, and ensure compliance with the funding agreement with the Office for Zero Emission Vehicles and this Collaboration Memorandum of Understanding with the local authorities.
- 4.1.6 Manage the risks and issues associated with the Local Electric Vehicle Infrastructure Fund programme, and implement mitigation and contingency measures as necessary.
  
- 4.2 The Memorandum of Understanding identifies the following commitments for Stockport as a local authority involved in the Greater Manchester Local Electric Vehicle Infrastructure Fund scheme:
  - 4.2.1 Support Transport for Greater Manchester in the delivery of the Local Electric Vehicle Infrastructure Fund programme in their local authority area, provide project and legal resource, relevant data, information and feedback as required.
  - 4.2.2 Support Transport for Greater Manchester in relation to the procurement of the Charge Point Operator including agreeing the specification and, once a suitable supplier is identified, complete local authority governance and approvals to progress the appointment of the Charge Point Operator.
  - 4.2.3 Identify and nominate potential sites for the installation of the charging points, in accordance with the site selection criteria and guidance provided by Transport for Greater Manchester and the Office for Zero Emission Vehicles.
  - 4.2.4 Obtain the necessary consents, permissions and approvals for the installation and operation of the charging points, including planning, highways, electrical and parking/traffic regulation orders.
  - 4.2.5 Provide access and facilitate the installation and commissioning of the charging points by the Charge Point Operator.
  - 4.2.6 Contract manage the Charge Point Operator to ensure that the Charge Point Operator meets their obligations in terms of operations and maintenance of the charging points in their local authority area, so that the charging points are functional, reliable and user-friendly.
  - 4.2.7 Enforce the normal parking and usage rules and regulations for the charging points in line with local authority procedures as stipulated in Traffic Regulation Orders including any related complaints and queries. The Charge Point Operator would be responsible for handling any complaints or queries relating to the charging infrastructure.
  - 4.2.8 Comply with the City Region Sustainable Transport Settlement Funding Letter.
  
- 4.3 The Council's commitments are wide-ranging, and come with no provision to exit. The only provision on termination or exit is that the Memorandum of Understanding will terminate on 31 March 2027. At this point, the only funding promise is revenue support by way of an allocation of £65,600 from City Region Sustainable Transport Settlement funding.
  
- 4.4 Since the termination date is well in to the expected delivery period, it should be considered that entering into the Memorandum of Understanding as drafted is a significant step toward commitment to delivering the charge point installations, even though detailed assessment of feasibility of sites and market investigation for

procurement purposes are not well advanced. The physical on site work required for the preparation of the procurement process (prior to the implementation contracts being agreed and proceeding through the council's governance process) will take place as a result of the signing of the Memorandum of Understanding and accordingly due to the impact of that work on more than two wards it is recommended that this decision be taken as a Key Decision by the Cabinet.

## **5. HUMAN RESOURCES IMPACT**

- 5.1 The scheme is intended to be resourced by current staff/ resources utilising the capacity funding released from the electric vehicle element of the City Region Sustainable Transport Settlement funding.

## **6. EQUALITIES IMPACT**

- 6.1 An Equality Impact Assessment will be undertaken as part of the delivery of the scheme as it develops. It should be noted that the funding gives the opportunity to accelerate electric vehicle charging opportunities for residents without off street parking and that this will be especially valuable where it supports provision in the less affluent areas of the borough that are less attractive to commercial providers.

## **7. ENVIRONMENTAL IMPACT**

- 7.1 An Environmental Impact Assessment will be undertaken as the scheme develops.

## **8. CONCLUSIONS AND RECOMMENDATIONS**

- 8.1 Cabinet to approve to delegate authority to negotiate and enter into the memorandum of understanding for the local electric vehicle infrastructure programme between Transport for Greater Manchester, Stockport Council and each of the other Greater Manchester local authorities to the Director of Place Management and the Assistant Director of Legal and Democratic Governance in consultation with the Cabinet Member for Parks, Highways and Transportation Services.
- 8.2 Cabinet to note the requests in paragraph 4.3 above contained in the Memorandum of Understanding identifying specific commitments for Stockport as a local authority involved in the Greater Manchester Local Electric Vehicle Infrastructure Fund scheme.
- 8.3 Cabinet to note that the Memorandum of Understanding requires Officers to work with Transport for Greater Manchester to develop the details of the Local Electric Vehicle Infrastructure Fund funding proposals for Stockport and approve the utilisation the City Region Sustainable Transport Settlement funding allocation to support this work.
- 8.3.1 Note that a report on the detailed proposals being developed for the proposed scheme together with the proposed contracts will be brought to a future scrutiny and cabinet meeting when greater details are available, which will require further

decisions to be taken by the Cabinet.

### BACKGROUND PAPERS

There are none

Anyone wishing to inspect the above background papers or requiring further information should contact Sue Stevenson on Tel: 0161-474-4351 or by email on [sue.stevenson@stockport.gov.uk](mailto:sue.stevenson@stockport.gov.uk)