

LOCAL ELECTRIC VEHICLE INFRASTRUCTURE (LEVI) FUND PROCUREMENT REPORT

Report of the Director of Place Management

1. PURPOSE OF REPORT

- 1.1. To advise Councillors as to the progress with the Local Electric Vehicle Infrastructure Fund (LEVI) and request permission to authorise Transport for Greater Manchester (TfGM) to undertake the preparatory procurement arrangements that need to be undertaken to deliver the LEVI Programme on behalf of Stockport Council in accordance with Transport for Greater Manchester's existing constitutional arrangements.
- 1.2. This report will also seek to put in place the appropriate delegation for the Council to give approvals as necessary to TfGM to take forward the procurement process.

2. BACKGROUND – ELECTRIC VEHICLE CHARGING

- 2.1. Greater Manchester has set an ambitious target to become carbon neutral by 2038, which is 12 years ahead of the national net zero goal in 2050. To achieve this, the region needs to drastically reduce its greenhouse gas emissions from various sectors, including transport, which accounts for 30% of the total emissions in Greater Manchester.
- 2.2. An increase of Electromobility, alongside a reduction in private car use, is important to Greater Manchester's ability to reduce transport emissions. One of the key strategies to decarbonise transport is to promote the switch to electric vehicles (EVs) and the deployment of electric charge points (ECPs) across the region. Electric vehicles have the potential to reduce air pollution, improve public health, and lower fuel costs for drivers.
- 2.3. Electric charge points are essential to support the growth of electric vehicles and to ensure that drivers have convenient and reliable access to charging facilities. A report to the Bee Network Committee on 26th September 2024¹ provided an overview of the current situation relating to Electromobility in Greater Manchester. The report set out the number of publicly available charging points in Greater Manchester, the numbers of home chargers, and Electric Vehicles within private keepership and that are company registered by the relevant Authority. It also outlined the percentage of residential properties (without access to off-street parking) that are within 300m of charging infrastructure in Greater Manchester is 22%. For Stockport Council the baseline position is 16%.

¹ [Electric Travel in the GM Region](#)

3. BACKGROUND – LOCAL ELECTRIC VEHICLE INFRASTRUCTURE (LEVI) FUND

- 3.1. Local Electric Vehicle Infrastructure funding is designed by Office for Zero Emission Vehicles (OZEV) to move away from previous funding models of a public sector owner-operator model, into that of a more commercial arrangement in which the supplier would own and operate the infrastructure through a concession. This strategic direction links closely with the recommendations noted by the Greater Manchester Combined Authority in March 2023².
- 3.2. OZEV require collaborative commercial arrangements to be put in place to support funding distribution and subsequent roll out of the services Transport for Greater Manchester are working with the ten Greater Manchester Authorities to achieve this. OZEV are also providing a high level of scrutiny throughout the process to ensure that this requirement is adhered to.
- 3.3. The stated aims of OZEV's 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.
- 3.4. The Capital element of Greater Manchester's LEVI fund allocation has been confirmed as £16,158,000.
- 3.5. To meet OZEV requirements for collaboration in delivery TfGM is responsible for managing the procurement and delivery of the programme, and the local authorities will be responsible for contract managing the operations and maintenance with the Charge Point Operator once the charging points have been installed.
- 3.6. Greater Manchester's initial submission to OZEV outlined Greater Manchester's intention to install between 3,300 and 4,500 charging points across Greater Manchester.
- 3.7. TfGM are managing the procurement and delivery, and Local Authorities will be responsible for contract managing the operations and maintenance (with the Charge Point Operator). Once installed, TfGM anticipates that this programme of work will result in the installation of chargers commencing in 2026.

4. CITY REGION SUSTAINABLE TRANSPORT SETTLEMENT (CRSTS) FUNDING

- 4.1. As indicated in the report to Cabinet on the 5th of November 2024 "Local Electric Vehicle Infrastructure Fund Memorandum Of Understanding Report" £8.5m of City Region Sustainable Transport Settlement funding was allocated for the roll-out of Electric Vehicle Charging Infrastructure. In March 2023, Greater Manchester Combined Authority endorsed a funding distribution model for City Region Sustainable Transport Settlement funds based on population, the proportion of rural areas in a Local Authority area (as these are

² [Electric Vehicle Charging Infrastructure Delivery](#)

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.

- 4.2. The Bee Network Committee, on 21 March 2024, approved the drawdown of a further £1.086m City Region Sustainable Transport Settlement funding, to be allocated across the 10 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 OZEV's LEVI capital funding.
- 4.3. Stockport Council secured £65,600 of this funding to support officer time working on the project.
- 4.4. The remainder, using a formula agreed at the Greater Manchester Combined Authority in March 2023, allows local authorities to bring forward proposals of their own or to include their allocation in Local Electric Vehicle Infrastructure procurement.

5. CHARGEPOINT OPERATOR PROCUREMENT

- 5.1. As set out above TfGM are leading on the procurement that needs to be undertaken to deliver the LEVI Programme.
- 5.2. The purpose of this report is to summarise the procurement that is to be undertaken to deliver the LEVI programme and to seek approval for TfGM to undertake the preparatory procurement arrangements on behalf of itself and the ten Local Authorities in accordance with the Greater Manchester Combined Authority and TfGM's existing constitutional arrangements.
- 5.3. This report is not seeking approval for TfGM to enter into contracts on behalf of the Local Authority (as that will be dealt with at a later stage) but to run the procurement exercise working with the local authorities with potential suppliers to final evaluation and to provide a report to allow the Greater Manchester Local Authorities to make a decision to award to the successful supplier.
- 5.4. Table 1: LEVI Procurement

Procurement	Description	Tender Process	Estimated Contract Value £m
Greater Manchester LEVI Chargepoint Supplier	TfGM and the ten local authorities within the Greater Manchester (GM) boundary are inviting tenders for the procurement, installation, maintenance, and operation of a substantial number of primarily low power, on-street charging infrastructure across the Greater Manchester region. The successful bidder will also be responsible for providing any necessary electricity	Above World Trade Organisation threshold Restricted Procedure	16.1 (capital)

Procurement	Description	Tender Process	Estimated Contract Value £m
	<p>supply or connections to the infrastructure. No exclusivity will be granted concerning the awarding of this contract.</p> <p>The objective of this tender is to increase the provision of on-street charging infrastructure primarily for residents without off-street parking. This will be a 15-year concession contract whereby the successful bidder will own and be accountable for all required installation works and services for the contract period, including all associated costs. As the owner of the equipment, the successful bidder shall also be responsible for the ongoing operation and maintenance of the installed charge points for the duration of the concession term following installation. Greater Manchester has £16.1m funding to help facilitate the costs of installation, in line with Office for Zero Emission Vehicle's requirements to deliver a step-change in the deployment of electric vehicle charging infrastructure. The Authorities are expecting the tenders to provide match funding. As noted above some Greater Manchester Authorities are also to use their City Region Sustainable Transport Settlement Electric Vehicle Charging Infrastructure allocation to further enhance the match in their areas.</p>		

5.5. **The Procurement Process**

5.6. Procurements for the Local Electric Vehicle Infrastructure Programme has been developed in line with the standard approach set out summarised in table 2 below in order to develop individual procurement strategies.

5.7. Table 2: Procurement 6-Stage Process (Summary)

Process Stage	Description	Action
1	Project Concept	Defining objectives and deliverables

Process Stage	Description	Action
2	Environment	Resourcing requirements and defining milestones
3	Market analysis	Informal market engagement to understand capability, attractiveness and inputs to risk register
4	Risk Management	Inputs from market engagement and mitigation activities into project and Programme level registers
5	Options Analysis	Identification of short list of options from long list recognising bundling efficiencies, sequencing of activities, contracting mechanisms, timeline and tested through formal market engagement. Identify preferred route to market.
6	Procurement Strategy	Develop the TfGM "Strategic sourcing document" (SSD) to be approved through Transport for Greater Manchester Corporate governance

5.8. The 6-stage process applies rigor to the development of LEVI Key Procurement strategies as part of TfGM corporate governance requirements.

5.9. **Transport for Greater Manchester's Procurement Process**

5.10. Transport for Greater Manchester's Constitutional arrangements ensure that there is appropriate governance in place, to ensure that procurement activity across the business:

- achieves value for money;
- complies with legislation;
- is open and transparent and provides safeguards against fraud and corruption;
- is properly documented and provides a clear audit trail;
- ensures active and widespread involvement with Transport for Greater Manchester making it as easy as possible to engage; and
- ensures TfGM procurement supports achieving its Sustainability, Environmental and Diversity Policies.

5.11. TfGM processes are designed to identify the future sourcing and contractual activities to ensure the TfGM Senior Management Team has visibility of future exposure for activities above World Trade Organisation threshold. This process ensures that appropriate procurement and legal requirements are agreed and signed off at each stage of the sourcing process and will help TfGM in planning resource requirements.

5.12. TfGM's business and procurement representatives work collaboratively to confirm the sourcing approach to be adopted for the particular requirement / initiative . The approach needs to consider the following:

- Confirmation of business requirements;
- Options and recommendation of sourcing option;
- Confirmation of business case;
- Whether Request For Quotation /Invitation To Tender as appropriate, should be followed;
- The evaluation criteria to be adopted;
- Confirmation of form of contract to be used; and
- Details of any pre-tender estimates.

5.13. For the purposes of the LEVI Programme (as the threshold exceeds £2m) the approach will be reviewed and approved by the Deputy Director of Finance and Corporate Services (Transport for Greater Manchester).

5.14. The sequence of the approval stages will remain and each stage approvals are a prerequisite for submission to the next. The proposed governance is therefore fully auditable and transparent in accordance with the TfGM Constitution.

5.15. Throughout all approval stages the Greater Manchester Electric Vehicle Steering Group will be kept updated with the development of the sourcing approach and the progression through the governance stages. The council are represented on the group by the Strategy, Policy and Research Team Manager.

5.16. Once TfGM's internal approvals process is complete, the TfGM procurement team will oversee the initiation of the external facing procurement exercise with potential suppliers and will complete a supplier recommendation report after final evaluation. The supplier recommendation report will form the basis of a report to allow the Greater Manchester Authorities make a decision to award to the successful supplier.

5.17. TfGM is seeking to issue the tender documentation prior to 24th February 2025 to allow procurement to take place under the existing procurement regulations, rather than new regulations which will come into effect when the Procurement Act 2023 is implemented. All procurement documentation has been drafted under the existing regulations rather than the new ones and would need to be re-written if the deadline is missed as well as further consideration to any additional or novel risk/issues in the light of the replacement legislation.

6. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

6.1 The LEVI 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

- 6.1 The payment to the Council for works done as part of the LEVI 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. Within the current draft of the "**AUTHORITY AGREEMENT** Regarding the Management of a Concession Contract for Electric Vehicle Charging Infrastructure" this commitment has been refined as follows "Each Local Authority agrees to indemnify TfGM in full against all reasonable and properly incurred costs and expenses, damages and losses (except indirect losses), including any interest, fines, legal and other professional fees and expenses awarded against or incurred by TfGM as a result of or in connection with any claim made against TfGM by a third party for death, personal injury or damage to property, except to the extent that such claims, liabilities, damages, demands or expenses arise out of any negligence, act or the default or omission by TfGM and/or of its obligations under this Authority Agreement and or the Concession Contract."
- 6.2 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.
- 6.3 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.
- 6.4 A more detailed confidential risk report is included in Appendix 1.

7 LEGAL CONSIDERATIONS

- 7.1 The aim of the procurement process is to secure a 15 year contract for the installation and operation / maintenance of EV charging infrastructure. The contract duration is determined in order to offer a sufficiently long period for the contractor to earn a return on its initial investment in the installation.
- 7.2 A further agreement, the authority agreement, will be entered into between TFGM and all local authorities which will regulate how the public authorities will deal with each and with the chosen contractor, including how enforcement action will be taken against the contractor (if necessary) and how grant will be

distributed from TFGM to each authority to pay to the contractor for completed installation works.

- 7.3 The Monitoring Officer has confirmed that the appendix to the report are Not for Publication and must remain confidential pursuant to schedule 12A to the Local Government Act 1972 given that they contain information that can identify individuals and contain information relating to business and commercial information regarding individuals and organisations.

8 HUMAN RESOURCES IMPACT

- 8.1 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

9 EQUALITIES IMPACT

- 9.1 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.

10 ENVIRONMENTAL IMPACT

- 10.1 An Environmental Impact Assessment will be undertaken as the scheme develops. However, it should be noted that the increase in electric charging points to support the move to electric vehicles is in line with the Councils response to the climate emergency.
- 10.2 The Council has declared a climate emergency and agreed a target to achieve net-zero carbon emissions by 2030. Approximately a third of all the boroughs carbon emissions comes from transport so moving residents to zero emission vehicles is an important part of the decarbonisation process.

11 CONCLUSIONS AND RECOMMENDATIONS

- 11.1 The Scrutiny Committee is requested to note the report and comment.
- 11.2 The Cabinet be requested to:
- 11.2.1 approve that pursuant to Article 13 of the council's constitution on Joint Arrangements , the council's procurement functions be delegated to Transport for Greater Manchester to exercise on the council's behalf in respect of the delivery of the Local Electric Vehicle Infrastructure Programme
- 11.2.2 delegate authority to the Director of Place Management in consultation with the Cabinet Member for Parks, Highways and Transportation Services, to act on the council's behalf as required to give effect to the authority agreement for the Local Electric Vehicle Infrastructure programme.
- 11.2.2 delegate authority to the Director of Place Management in consultation with the Cabinet Member for Parks, Highways and Transportation Services to agree final approval for locations of Electric Charging Infrastructure on the

Highway Network subject to consultation with the relevant Area Committees where the infrastructure is located.

- 11.3 A further report will be brought to Scrutiny Committee and Cabinet regarding the decision to award to the contract to the successful supplier.

BACKGROUND PAPERS

Anyone wishing to inspect the above background papers or requiring further information should contact Jamie Birtles on 07356 120 423 email on Jamie.birtles@stockport.gov.uk