

Ultra-Low Emissions Vehicle Strategy and Funding

Relevant Portfolio Holder	Cllr M Sherrey
Portfolio Holder Consulted	Yes
Relevant Head of Service	Guy Revans/Judith Willis
Ward(s) Affected	All
Ward Councillor(s) Consulted	No
Key Decision / Non-Key Decision	Key

1 SUMMARY OF PROPOSALS

- 1.1 The report sets out an Ultra-Low Emissions Vehicle (ULEV) Strategy (Appendix 1) and a five year action plan in response to the rapidly growing demand for ULEV infrastructure and technology.

2 RECOMMENDATIONS

- 2.1 The Cabinet is asked to RECOMMEND to the Council that:

Strategy

- i. The ULEV strategy and associated Action Plan attached at Appendix 1 is adopted.

ULEV Taxi Infrastructure funding

- i. The Head of Environmental Services and Head of Community Services have delegated power to act following consultation with the relevant Portfolio Holder, to administer the (OLEV) Ultra-Low Emission Taxi Infrastructure Scheme funding including site selection.
- ii. An increase is approved to the Capital Programme 2019/20 of £300k for the (OLEV) Ultra-Low Emission Taxi Infrastructure Scheme funding.
- iii. The Office for Low Emission Vehicles (OLEV) Ultra-Low Emission Taxi Infrastructure Scheme funding is used in procuring the installation of a dedicated electric taxi charging network which supports Bromsgrove taxi drivers and operators in:
- a) Transitioning to electric vehicles
 - b) Their ability to travel into Birmingham's Clean Air Zone.

ULEV funding

- iv. The Head of Environmental Services and Head of Community Services have delegated power to act following consultation with the relevant Portfolio Holder, to apply for, accept, and administer (including in partnership with other local authorities) future funding in line with this strategy.

3 KEY ISSUES

Financial Implications

- 3.1 Bromsgrove District Council were successful in bidding for £300,000 in the Office for Low Emission Vehicles (OLEV) Ultra-Low Emission Taxi Infrastructure Scheme: round 2.

The grant constitutes 75% of the total capital spend with two payments delivery 50% in April 2019 and 50% in December 2019.

After preliminary discussions with other successful bidders and Charge Point Operators (CPOs) and installers, the industry is willing to fund the remaining 25% of the installation costs and add value by installation of public charge points in order and operate these for an agreed term.

The funding is based on the installation of 10 rapid charging taxi points as outlined in the original bid to be completed by March 31st 2020. Funding will only be fully delivered if the Secretary of State is satisfied that deliverables have been met. Should the OLEV funding not be spent in the manner and timescales set out, it must be returned to OLEV.

- 3.2 There are currently Government grants which can assist in the transition to ULEV technology, particularly the installation of electric vehicle (EV) charging points:

- i. OLEV electric vehicle home charge scheme**

This funding allows owners of EVs up to £500 towards the cost of a home charge point provided they have a dedicated parking space. EV owners without dedicated parking provision are unable to access this.

- ii. On street residential charge point scheme**

The £4.5m funding in 2019/20 is available to Local Authorities for eligible projects, on a first come, first-served basis. It allows Local Authorities access to grant funding for up to 75% of the capital costs of procuring and installing the charge point and an associated dedicated parking bay. Recent communications confirm that this funding would also be applicable for communal off-street parking facilities that are accessible by those for whom home-charging is not possible.

iii. Workplace charging Scheme (WCS)

WCS is a voucher-based scheme designed to provide eligible applicants with support towards the upfront costs of the purchase and installation of EV charge points for staff. The contribution is limited to the 75% of purchase and installation costs, up to a maximum of £500 for each socket, up to a maximum of 20 across all sites for each applicant. The charge points cannot be publically accessible in order to be eligible for this funding.

- 3.3 Officers will include any financial implications of grant income and expenditure on the quarterly budget monitoring statements.
- 3.4 There are possible opportunities to lease land (providing suitability of conditions) to Charge Point Operators (CPOs) where they will to install, maintain and operate charge points and charge point stations (essentially a bank of charge points usually undercover as with a traditional forecourt). This may also create an opportunity for income sharing. The Land Buildings and Asset Group (LBAG), a subgroup of the Commercialisation Board) is overseeing this potential opportunity.
- 3.3 There are other aspects of the Strategy which could also link to the Council's commercialism agenda, providing more cost effective services and opportunities for revenue generation to support public services. For example, electric vehicle pool cars, investment in the low carbon economy and revenue generation from electricity grid services.

Legal Implications

- 3.4 A Local Planning Authority is the local authority or council that is empowered by law to exercise statutory town planning functions. In its role as Local Planning Authority, the Council can in certain situations required developers to include ULEV charging points as part of a proposed development.
- 3.5 The Council has the power under Section 1 of the Localism Act 2011 to act as Accountable Body under the Funding Agreement and accept the OLEV Ultra-Low Emission Taxi Infrastructure Scheme Grant. This would also apply to other OLEV funding that may be sought in the future, such as the 'On street residential charge point scheme' and the Workplace charging Scheme (WCS).

Service / Operational Implications

- 3.6 The Ultra-Low Emission Vehicles (ULEV) Strategy sets out a vision and aims, along with context and rationale:

The Vision:

A local area thriving in terms of local economic growth, public health, wellbeing and the environment, enabled by a sustainable travel network and a successful low carbon sector including ULEV related industry.

The Aims:

- To support the use of ULEVs in the local area
- To support local economic activity and training opportunities in the ULEV industry
- To facilitate other actions to reduce vehicle related emissions.

The Governments 'Road to Zero' Strategy confirms the end of the sale of new conventional petrol and diesel cars and vans in the UK by 2040. The key driver in Road to Zero is improving poor air quality in order to improve public health, as road transport is one of the biggest contributors.

Neighbouring Birmingham City Council's Clean Air Zone will be in effect from January 2020.

The uptake of ULEVs in the UK presents the Council with an opportunity to work towards a sustainable future and realise significant economic, social and health benefits. However it poses challenges including the deployment of resilient re-charging and re-fuelling infrastructure.

Electric Vehicles are the most prominent and developed form of ULEV currently on the market thus the strategy action plan focuses on supporting this technology.

Planning for ULEV infrastructure, training and education and financial impact is essential to enable the District to be resilient to changing legislation and market conditions and to ensure residents, business and visitors to the local area benefit from the rapid advancement in transport towards ULEVs.

3.7 These recommendations support the priorities, principles and strategic purposes of Bromsgrove District Council's Plan 2017- 2020 as follows:

Key Priorities:

- Financial Stability
- Economic Development
- Partnerships & Joint Ventures
- Quality Services
- Reduced Congestion

Key Principles:

- Be corporately responsible by ensuring we meet our ethical, environmental and social responsibilities, and that services support our communities to develop.
- Constantly innovate, to make the best use of our resources to ensure we deliver efficient, quality services and eliminate waste.
- Make decisions and provide challenge based on data, evidence and learning.
- Use the Council's unique position in the community to encourage and support change amongst partners and other agencies.

Strategic purposes:

- **'Help me to run a successful business'**
- **'Help me to be financially independent'**

Working with partners to support local business, encourage inward investment, support training that meets employer skill needs and enabling employment opportunities.

- **'Help me to live my life independently'**

Working with health and other partners to reduce hospital admissions and keep people in their own home, enable access to appropriate transport, support physical activity and support access to work, education and training.

- **'Keep my place safe and looking good'**

Reducing emissions and limiting the effect of climate change, including working with our communities and working with stakeholders to improve the infrastructure for cycling and walking.

- **'Provide good things for me to see, do and visit'**

Envisions vibrant and flourishing town and local centres.

3.8 Economic growth

It is important to recognise that the low carbon economy is already an area of strength, with many innovative businesses in this area. The Low Carbon and Renewable Energy sector has outperformed the growth of the wider economy, with growth in turnover nationally of 5% from 2015 to 2016. The Council's physical location and heritage in the automotive industry lends itself well towards adaptation to development of ULEV transport technology. Capitalising on this and investing in education in this industry is a key opportunity the Council can seek to facilitate.

The Worcestershire Local Enterprise (LEP)'s Energy Strategy is fully supportive of low carbon transport including a network of rapid Electric Vehicle chargers whilst increasing economic growth in the region and delivery of clean energy.

3.9 Air Quality and Climate Change

Poor air quality is the largest environmental risk to public health in the UK and there is strong evidence that global action is needed to improve on air quality and safeguard residents from the damaging effects of Climate Change. Local action is required improve conditions locally and to provide resilience for communities and industries.

National government have responded with the Road to Zero, Clean Growth and Clean Air Strategies and a commitment to end the sale of petrol and diesel cars and vans by 2040¹. Alternative fuels for vehicles, such as electric, gas (methane) and hydrogen, can have lower emissions than conventional fossil fuel vehicles.

Bromsgrove District has three air quality management areas (AQMAs) where air pollution contravenes national standards. There are also direct correlations with hospital admissions and exacerbated air quality conditions as identified in Worcestershire Public Health's analysis for the Joint Strategic Needs Assessment (JSNA).

In 2015, five Clean Air Zones (CAZs) were mandated in the UK, one of which is in neighbouring Birmingham. Birmingham's CAZ will be in effect in 2020. Drivers of the most polluting vehicles will be charged on a per day basis when entering the CAZ. In reality this results in cars, private hire, taxis and LGVs that do not meet the emissions standards being charged £8 per day and HGVs, coaches and buses being charged £50 per day to drive in the CAZ.

Due to the Council's proximity to Birmingham, it is appropriate that adaptation is made to allow for the changing nature of vehicles on our roads to ensure residents, business and visitors are assisted in the transition to ULEVs.

¹ Road to Zero Strategy

Bromsgrove District Council (BDC) are one of the partners to the Worcestershire Climate Change Strategy 2012-2020. This sets a target to reduce the county's carbon emissions from 2005 levels by 30% by 2020. From the latest available evidence (2005-2016²), the majority of reductions in local carbon emissions are in industrial and domestic sectors, with transport only showing a 10% reduction in Bromsgrove District.

3.10 ULEV charge point infrastructure

In order to futureproof for local needs, including for streets that do not currently have off-street parking provision, we will facilitate the creation of a comprehensive network of rapid/ultra-rapid charging hubs and destination charging facilities (visitor and workplace, including communal overnight locations) that is reliable, convenient, affordable and attractive. We will consider rural as well as urban needs. The electricity supply to this electric vehicle charging infrastructure should be from renewable energy sources.

It is our intention that all new homes, workplaces and visitor attractions, should have access to adequate electric vehicle charging infrastructure, where appropriate. The electricity supply to this electric vehicle charging infrastructure should be from renewable energy sources. We will work to achieve this through development and implementation of local planning policies in line with the National Planning Policy Framework and through enforcement of future Building Regulations which will incorporate requirements for electric vehicle charging infrastructure from 2020.

3.11 OLEV Ultra-Low Emission Taxi Infrastructure Scheme grant

The Council will need to procure a Charge point Operator (CPO) to contribute to final selection of suitable sites, provide 25% match funding, install, operate and maintain the taxi charge points, expecting around a 10 year contract for the original provider to gain interest.

Identification of EV taxi charge points sites has commenced during ongoing consultation with taxi operators and private hire drivers, North Worcestershire Economic Development and Regeneration (NWEDR), and Worcestershire Regulatory Services (WRS). Further work is required, including input from the procured Charge point Operator (CPO) and further liaison with Western Power Distribution (WPD) around grid capacity.

While the charging points funded will be specifically for taxis, the Council will seek to develop a public charging network to sit alongside the taxi charge points, maximising the financial efficiency of the grant funding as much of the installation costs will be shared. Officers intend to tender for a CPO at the earliest possible opportunity following approval of recommendations in this report.

² There is a two-year delay in the collation of national greenhouse gas figures.

3.12 Joined-Up Approach

Worcestershire County Council (WCC) is in the preliminary stages of developing a county-wide strategy for ULEV provision. WCC as highways authority look after on street infrastructure and wider transport objectives. Their strategy will focus on technical standards and data analysis with particular regard to highways land.

The District level strategy sets out principles and actions that are tailored to our local situation. Worcestershire Regulatory Services (WRS) for BDC lead on creating air quality action plans for the District and BDC have responsibility for many of the off street car parks across the district, some business premises.

The County level and District level strategies therefore have a slightly different but complimentary focus. Any future reviews will aim for an integrated approach, as far as practically possible.

A North Worcestershire working group will ensure a joined up approach between councils and cross border. This including representatives from Bromsgrove District Council, Redditch Borough Council, Wyre Forest District Council, North Worcestershire Economic Development and Regeneration (NWEDR), Worcestershire Regulatory Services (WRS), Worcestershire County Council, Midlands Energy Hub and neighbouring Local Authorities. Minutes are also circulated to the BDC Strategic Planning Manager and Worcestershire Public Health.

Customer / Equalities and Diversity Implications

- 3.13 Should the Council choose not to deliver on delivering a ULEV strategy and action plan, this may lead to inequality in access to EV charging and the risk of increasing transport poverty, particularly relating to homes where home-charging is not possible and in rural areas.

4. RISK MANAGEMENT

- 4.1 If the OLEV grant taxi funding is not utilised in accordance with OLEV guidelines, the funding will need to be returned. This would jeopardise the taxi and private hire local business particularly with the Birmingham CAZ taking force in 2020.
- 4.2 The action plan will be regularly monitored and updated as appropriate to ensure actions are reflective of local needs and requirements and the developing ULEV industry.

APPENDICES

Appendix 1 - Bromsgrove District Council ULEV Strategy and Action Plan
Appendix 2 - Glossary of Acronyms

6. BACKGROUND PAPERS

None

7. KEY

None

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