

REPORT TO	ON
CABINET	19 June 2019



TITLE	PORTFOLIO	REPORT OF
OLEV Round 2 ULEV Taxi Infrastructure Grant Award	Environment	Director of Neighbourhoods and Development

Is this report a KEY DECISION (i.e. more than £100,000 or impacting on more than 2 Borough wards?)	Yes
Is this report on the Statutory Cabinet Forward Plan ?	Yes
Is the request outside the policy and budgetary framework and therefore subject to confirmation at full Council?	No
Is this report confidential?	No

PURPOSE OF THE REPORT

1. The purpose of the report is to inform members of the successful grant application, to approve the acceptance of the grant offer and the installation of taxi electric vehicle recharging points within the borough, through the nominated lead authority (Lancaster City Council).

PORTFOLIO RECOMMENDATIONS

2. That Cabinet approves the decision to accept the grant through Lancaster City Council who will act as nominated lead authority.
3. That Cabinet approves the decision to procure and install 4 rapid charging units in the borough via Lancaster City Council, to include in principle any contractual & procurement arrangements with the identified provider.
4. That Cabinet approves the decision to potentially use council assets as suitable locations for the installation of the 4 rapid charging units, subject to suitable and agreed contractual arrangements as required.

REASONS FOR THE DECISION

5. Poor Air Quality has been identified as a significant public health issue across the country with over 50,000 premature deaths occurring each year¹, this includes 4.0%² of all premature deaths within the borough of South Ribble, with five declared areas of poor air quality identified within the borough.
6. As such Health and Wellbeing and significantly the improvement of air quality across the borough has been identified as a major priority within the Council's Corporate Plan.
7. A new Air Quality Action Plan (AQAP)³ was adopted in December 2018 which sets out a number of actions that will help to improve air quality and subsequently the health and wellbeing of the borough's population.
8. These actions include;
 - Improve the electric Vehicle infrastructure across the borough
 - Work with taxi firms to encourage the uptake of low emission vehicles (electric)
 - To work with both bus and taxi companies to apply for any grant bids available
 - Implement an 'Electrify Campaign' – encouraging businesses to only use electric taxis
9. Thus the project will help towards the completion of these identified actions, further more these have been recognised as milestones within the identified corporate air quality project.

CORPORATE PRIORITIES

10. The report relates to the following corporate priorities:

Excellence and Financial Sustainability	
Health and Wellbeing	X
Place	X

Projects relating to People in the Corporate Plan:

People	
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¹ Landrigan, P.J, et al (2018) *The Lancet* Commission on pollution and health, *The Lancet*, 391 (10119), pp.462-512

² <https://fingertips.phe.org.uk/profile/mortality-profile/data#page/3/gid/1938133058/pat/6/par/E12000002/ati/101/are/E07000126/iid/30101/age/230/sex/4>

³ <https://www.southribble.gov.uk/sites/default/files/Action%20Plan%202018.pdf>

BACKGROUND TO THE REPORT

- 11.** OLEV (Office of Low Emission Vehicles) offered the 2nd round of ULEV (Ultra Low emission vehicles) Taxi Infrastructure grants in 2018, asking for submissions of interest. The 'ULEV Taxi Infrastructure' grant offer gave specific emphasis towards bids from groups of authorities and excluded previous successful applicants from earlier rounds.
- 12.** Why Taxis? There are three main reasons to focus on taxis:
 - Taxis, as a consequence of operating intensively in urban areas where air quality is at its poorest, are considered a significant contributor to poor air quality
 - Local authorities have regulatory powers to encourage and/or enforce the take-up of low emission vehicle taxis.
 - Through exposing more of the population to the benefits of ultra-low emission vehicles, taxis can play an important role in influencing the wider take-up of such vehicles.
- 13.** Officers across Lancashire held discussions, events and presentations involving the taxi trade and this cumulated in six authorities, South Ribble Borough Council, Lancaster City Council, Burnley Council, Rossendale Borough Council, Fylde Borough Council and Wyre Council, submitting a joint bid, (in conjunction with West Lancashire Borough Council, Lancashire County Council Highways and Public Health).
- 14.** The grant bid is subject to a 25% contribution from the 'Local authority' and this contribution will be funded by the chosen supply & installation Company. The total cost of the project being £840,000. The procurement of the service we will be using an NHS framework agreement.
- 15.** Lancaster will be issued with the grant, and the procurement will take place via Lancaster City Council. An agreement is being drawn up with the other authorities to ensure that 4 fast charging points will be installed.
- 16.** As part of the submission the six authorities (and West Lancashire) agreed at officer level to pursue the implementation of agreed common vehicle licensing policies and incentives to promote the uptake and anticipated transition of the taxi fleet to electric vehicles over the next few years, a copy of the agreed incentives are contained in Appendix B. These have already been discussed with the Lancashire Licensing Officers Group and it is anticipated that these will be progressed in the near future.
- 17.** The company will then manage and maintain the charging points for a minimum of 10 years.
- 18.** The bid was successful and a total of £630,000 has been awarded to the group, this is to be split between the six authorities. This will allow the installation of 24 rapid charging points, 4 in each district. (Each Charging point will have two charging stations).
- 19.** Lancaster City Council have been nominated as the lead Authority and all monies will be paid to them as a capital grant. The grant is to be paid in two payments of £315,000. The first on acceptance of the grant funding and the second around December 2019.
- 20.** Work is currently underway to identify and then assess potential locations for the charging points, through the use of the Evolve Scheme and a private company Electric

Blue. The results of this work will enable the Council to identify suitable sites for the secured charging points.

21. The grant has a number of conditions attached including monitoring requirements and the usual repayment clauses if the project is not being progressed. A suggested timescale is attached in Annex 1.

PROPOSALS (e.g. RATIONALE, DETAIL, FINANCIAL, PROCUREMENT)

22. That the successful grant bid is acknowledged and accepted by the Council.
23. That Lancaster City Council act as nominated lead Council for the delivery of the project. Lancaster City Council have led the project so far and as part of the bid process have been nominated as the lead council. The Grant bid funding is to be paid to them.
24. Final contract agreements are currently being confirmed via Lancaster City Council, for the acceptance of the grant bid and the timescales for full implementation, and will be undertaken in line with their current policies and procedures on procurement.
25. It is currently envisaged that a framework agreement will be utilised for the delivery of the project.
26. The project as a whole will not directly cost the Council any money and no budget provision is required. However, subject to the findings of the Evolve Project identified locations for the charging points are likely to consist of Council owned assets and once identified addition discussions and contracts will be required to utilise these spaces. This may include Council owned car parks.

CONSULTATION CARRIED OUT AND OUTCOME OF CONSULTATION

27. A full consultation exercise was undertaken for the formation of the approved Air Quality Action Plan which identified the measures to be taken to improve air quality, including those which this project falls from.
28. An officer consultation across Lancashire was undertaken prior to the submission of an intended interest in the grant bid which identified the level of work to be undertaken and agreement was reached between the authorities.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

29. This project is one of many, individual, separate and non-exclusive projects being considered at the time for the introduction of an electric vehicle charging infrastructure. The grant has been awarded for the provision of a charging infrastructure for taxis and as such compliance with the schemes conditions is essential.

FINANCIAL IMPLICATIONS

30. There are no financial implications for the authority at this time in connection with the project. The 25% contribution to the grant funding has already be sourced in liaison with the installation company. Additional issues may occur in the future subject to the identification of the relevant sites for the installation of the charging points.

LEGAL IMPLICATIONS

31. There are no legal implications at this time, however as the project moves forward agreements over use of council assets may be required.

AIR QUALITY IMPLICATIONS

32. The project not only achieves one of the identified actions within the corporate Air Quality Action plan but also helps to achieve one of the identified milestones within the corporate projects plan. The project also helps to encourage the update of low emission vehicles and improve air quality across the borough.

HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT IMPLICATIONS

33. There are no implications attached to this report.

ICT/TECHNOLOGY IMPLICATIONS

34. There are no implications attached to this report.

PROPERTY AND ASSET MANAGEMENT IMPLICATIONS

35. There are no implications at this time, however a restriction in the use of certain assets may be required as the project moves forward and potential sites are identified for the installation of charging points

RISK MANAGEMENT

36. That the project is not delivered and the grant bid needs to be returned to OLEV.
37. There is a risk that the company being utilised for the installation and maintenance / management of the charging points fails to deliver or goes out of business. This will be considered within the final contract with the company with suitable clauses enclosed, including the ability to move the maintenance and management to an alternative provider if required.

EQUALITY AND DIVERSITY IMPACT

38. There are no equality issues associated with this report or decision.

RELEVANT DIRECTORS RECOMMENDATIONS

- 39. That Cabinet approves the decision to accept the grant through Lancaster City Council who will act as nominated lead authority.
- 40. That Cabinet approves the decision to procure and install 4 rapid charging units in the borough via Lancaster City Council, to include in principle any contractual & procurement arrangements with the identified provider.
- 41. That Cabinet approves the decision to potentially use council assets as suitable locations for the installation of the 4 rapid charging units, subject to suitable and agreed contractual arrangements as required.

COMMENTS OF THE STATUTORY FINANCE OFFICER

- 42. As set out in the report, there are no budget implications in the medium-term as Lancaster City Council have secured the grant funding and are undertaking the procurement for the provision and installation of the charging units on behalf of the Council. The contract with the successful supply and installation company will include the management and maintenance of the charging points for a minimum of 10 years.

COMMENTS OF THE MONITORING OFFICER

- 43. This is very much a positive report. Clearly as a council we must do everything practicable to address air quality issues in the borough. We also need to set the right example. If any charging points are to be located on council owned land then appropriate legal agreements will be drawn up.

BACKGROUND DOCUMENTS

South Ribble Borough Council Air Quality Action Plan

APPENDICES (or There are no appendices to this report)

Appendix A – Local Authority R2 ULEV Taxi Infrastructure Scheme Deliverables
Appendix B – Proposed Lancashire based Taxi Fleet Policy and Incentives

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 Director of Neighbourhoods and Development

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Appendix A – Local Authority R2 ULEV Taxi Infrastructure Scheme Deliverables

Month	Deliverable	Deadline	Total cost (£k)	Total OLEV Grant award (£k)	Evidence to support
April - December 2019	Report to Councils Cabinet with decision	July 2019	840	630	Report
	Legal Agreement with all participating LAs	July 2019	840	630	Legal Agreement produced
	Individual authorities use CCS Framework Contracts Agreed	September 2019	840	630	Contracts with Infrastructure provider through 6 Local Authorities
	Delivery of 12 Rapid Charge units across 6 LAs	February 2020	420	315	Infrastructure installed
		August 2020	420	315	Infrastructure Installed
December 2019 – March 2020	Delivery of further 12 Rapid Charge units across 6 LAs				

Appendix B – Proposed Lancashire based Taxi fleet Policy and Incentives

The bid group (Lancaster City Council, South Ribble Borough Council, Wyre Council, Rossendale Borough Council, Burnley Council and Fylde Borough Council) have agreed as part of the bid to work towards taking the following policies and incentives forward. West Lancashire Borough Council has also agreed, despite not being part of the final bid, to take the policy proposals forward:-

Policy/Incentive Measure	Private Hire	Hackney carriages
All fleet Euro 6 compliant by 2022 (older vehicles can be retrofitted to meet Euro 6 emission standard)	Yes	Yes
All newly licensed vehicles to be a maximum 5 years of age when first licensed. Policy to apply from 2020. (this is the minimum policy requirement - a tighter standard can be adopted if LA considers appropriate/in line with existing rules)	Yes	Yes
Only newly license zero emission taxis from 2028	Yes	Yes
Provide new HC licence availability to zero emission vehicles with disabled access (only for LA who limit HC numbers)	-	Yes
Using air quality or other council budget to pay for licence fee for zero emission taxis (available for 3 years from 2019)	Yes	Yes
Investigate the use of business rate relief for taxi operators running zero emission vehicles	Yes	-
Investigate the provision of local authority provided interest free/low interest loans to assist with the purchase of zero emission vehicle	Yes	Yes
Investigate opportunities for group procurement of zero emission vehicles to reduce purchase cost.	Yes	Yes