

# Decision Pathway – Report



**PURPOSE:** Key decision

**MEETING:** Cabinet

**DATE:** 01 September 2020

<b>TITLE</b>	<b>Fleet Services Electric Vehicle Centre of Excellence</b>		
<b>Ward(s)</b>	<i>Citywide</i>		
<b>Author:</b> Jacqueline Miller	<b>Job title:</b> Commercialisation Development Manager		
<b>Cabinet lead:</b> Cllr Steve Pearce & Cllr Kye Dudd	<b>Chief Executive:</b> Mike Jackson		
<b>Proposal origin:</b> <i>BCC Staff</i>			
<b>Decision maker:</b> Cabinet Member			
<b>Decision forum:</b> <i>Cabinet</i>			
<b>Purpose of Report:</b>			
<ol style="list-style-type: none"> <li>1. To approve the Highways England Designated Funds Capital Investment/Grant application in the sum of £3,155,856 to enable the delivery of an Electric Vehicle (EV) Centre of Excellence.</li> <li>2. To delegate authority to the Chief Executive, in consultation with the Cabinet Members with responsibility for Waste, Commercialisation and Regulatory Services and Transport, Energy and New Green Deal, to take all steps required to deliver, procure and enter into agreements/award contracts required to successfully implement the EV Centre of Excellence.</li> <li>3. To note the proposed redirection of Early Measures Fund Revenue Grant in the sum of £142,500.</li> </ol>			
<b>Evidence Base:</b>			
<p>Defra has identified 101 sections of the Strategic Road Network (SRN) where there are exceedances of the legally binding EU limit values for nitrogen dioxide (NO<sub>2</sub>). The M32 urban-motorway into Bristol leads directly into the central area and is one such non-compliant link urgently requiring mitigation measure to ensure compliance with the directive in the shortest time possible. Influencing and persuading fleet managers to switch from fossil fuel polluting vehicles to electric vehicles presents an opportunity to reduce emissions at source on this part of the SRN. This also offers Bristol City Council (BCC) an opportunity to work collaboratively with Highways England to address the type of traffic coming into the central area which also suffers from exceedances in air quality, supporting the delivery of the objectives of both organisations.</p> <p>With a £3,156m capital contribution from Highways England the Council's existing Fleet Services will establish, implement and deliver an Electric Vehicle (EV) Centre of Excellence.</p> <p>The EV Centre of Excellence is included within the Clean Air Fund Outline Business Case which seeks to secure a further contribution to revenue expenditure, estimated to be in the region of £411k from the Joint Air Quality Unit. This funding is not yet secured, as an interim arrangement a change request is to be submitted in respect of unspent Early Measures Funds, redirecting £142,500 to meet revenue expenditure which cannot be absorbed into existing service budgets, whilst alternative and/or complementary funding streams continue be explored.</p> <p>The EV Centre of Excellence will provide local businesses/organisations with: expert impartial assessment of their fleet operations and the potential to convert to electric vehicles; extended loan of electric vehicles (from a fleet of 64) to enable businesses/organisations to gain operational experience within their fleets; confidence and tailored business cases to upgrade to electric vehicles. Businesses/organisations opting to purchase electric vehicles, which could be considerable, will contribute to cleaner air in and around the City and accelerate the uptake of cleaner vehicles on the M32, M4, M5, M49 and other key A road trade routes, which lead directly to parts of the city which breach the NO<sub>2</sub> limit value.</p> <p>The investment will also fund five new electric vehicle charge point hubs across the City, four specifically for</p>			

commercial vehicles and one for taxis.

BCC operates its own in-house fleet services, managing over 480 assets including petrol, diesel and electric vehicles and a further 800 items of plant. The service holds the operating licence for BCC; offers information, advice and guidance on vehicle and plant for use; manages on-hire/off-hire (pool, short and long term hire) and maintenance (includes managing insurance, damage repairs and claims); and taxi MOTs. The proposal is to align the delivery of the EV Centre of Excellence with the existing delivery model, adopting the efficient systems and effective processes already in operation.

The EV Centre of Excellence, together with a number of complementary initiatives, will be a catalyst to the diversification and growth of BCC's Fleet Services. During an initial two year term commercial opportunities for income generation, cross subsidy and re-investment will be assessed. Policy, strategy and business plan and delivery model will be reviewed, with a view to enabling the ongoing investment in and delivery and exploitation of, the EV Centre of Excellence, which if the service is to achieve commercial capability, may require the creation of a separate trading entity.

**Cabinet Member / Officer Recommendations:**

That Cabinet:

1. Approve the Highways England Designated Funds Capital Investment/Grant application in the sum of £3,155,856 for the EV Centre of Excellence.
2. Authorise the Chief Executive, in consultation with the Cabinet Members for Waste, Commercialisation and Regulatory Services and Transport, Energy and New Green Deal, to accept the funding and take all steps required to enter into any agreements and contracts to spend the grant to implement the EV Centre of Excellence which may include individual spend above the key decision threshold.
3. Note the proposal to redirect unspent Early Measures Funds Revenue Grant in the sum of £142,500.

**Corporate Strategy alignment:**

The EV Centre of Excellence will help to keep Bristol on course to be run entirely on clean energy by 2050, whilst improving our environment to ensure people enjoy cleaner air and associated health benefits and support the delivery of the Climate Emergency Action Plan, Clear Air Zone and Clean Air Fund (CAF).

**City Benefits:**

The EV Centre of Excellence supports the delivery of the One City Plan through connectivity and making progress towards cleaner air in the fastest possible time, by working with city partners on the successfully planning for the launch of the Clean Air Zone in 2021, and the environment in developing, coordinating, delivering and facilitating £1bn worth of low carbon, smart energy infrastructure that supports Bristol on its pathway to carbon neutrality by 2030.

**Consultation Details:**

The delivery of an EV Centre of Excellence as outlined above does not require public consultation.

**Background Documents:**

Details of the Highways England Designated Funds can be found here <https://highwaysengland.co.uk/designated-funds/>

Details of the Early Measures Fund can be found here

<https://democracy.bristol.gov.uk/ieListDocuments.aspx?CId=135&MId=2563&Ver=4>

<b>Revenue Cost</b>	<b>£142,500 representing £95,000 yr1 £47,500 yr2</b>	<b>Source of Revenue Funding</b>	<b>Early Measures Fund</b>
<b>Capital Cost</b>	<b>£3,155,856</b>	<b>Source of Capital Funding</b>	<b>Highways England Designated Funds Grant</b>
<b>One off cost</b> <input checked="" type="checkbox"/>	<b>Ongoing cost</b> <input type="checkbox"/>	<b>Saving Proposal</b> <input type="checkbox"/>	<b>Income generation proposal</b> <input type="checkbox"/>

**Required information to be completed by Financial/Legal/ICT/ HR partners:**

**1. Finance Advice:** This report requests that Cabinet approves the application for a £3.156m grant Capital to deliver the Electric Vehicle Centre of Excellence and that, subject to this grant being secured in full, it delegates authority to Bristol City Council's Chief Executive and relevant Cabinet Members to contract and procure to deliver this Centre.

The report goes on to advise that there will be a budget requirement for a further £0.143m of Revenue spend in total across 2 years. It requests that this be funded from the Early Measure Fund. This funding was originally applied for in Spring 2018 with Cabinet approval having been given on 4 December 2017. At that same time Cabinet approved that authority for this funding spend be delegated to the Service Director of Energy Services, or equivalent, in consultation with the Director of Finance.

**Finance Business Partner: Jemma Prince, Finance Business Partner, 23 July 2020**

**2. Legal Advice:** The submission of the grant application does not raise any particular legal issues. If successful, the procurement process must be conducted in line with the 2015 Procurement Regulations and the Councils own procurement rules. Legal services will advise and assist officers with regard to the conduct of the procurement process and the resulting contractual arrangements. The recommendation seeks approval to spend the funding, notwithstanding that it may involve contracts valued above the key decision threshold.

**Legal Team Leader: Husinara Jones, Team Leader/Solicitor, 23 June 2020**

**3. Implications on IT:**

No anticipated impact to IT Services

**IT Team Leader: Simon Oliver; Director, Digital Transformation**

**4. HR Advice:**

No HR implications evident.

**HR Partner:**

**James Brereton, 23<sup>rd</sup> June 2020**

<b>EDM Sign-off</b>		
<b>Cabinet Member sign-off</b>		
<b>For Key Decisions - Mayor's Office sign-off</b>		

<b>Appendix A – Further essential background / detail on the proposal</b>	<b>NO</b>
<b>Appendix B – Details of consultation carried out - internal and external</b>	<b>NO</b>
<b>Appendix C – Summary of any engagement with scrutiny</b>	<b>NO</b>
<b>Appendix D – Risk assessment</b>	<b>NO</b>
<b>Appendix E – Equalities screening / impact assessment of proposal</b>	<b>NO</b>
<b>Appendix F – Eco-impact screening/ impact assessment of proposal</b>	<b>NO</b>
<b>Appendix G – Financial Advice</b>	<b>NO</b>
<b>Appendix H – Legal Advice</b>	<b>NO</b>
<b>Appendix I – Exempt Information</b>	<b>NO</b>
<b>Appendix J – HR advice</b>	<b>NO</b>
<b>Appendix K – ICT</b>	<b>NO</b>