

# CAPITAL INVESTMENT BUSINESS CASE

Local Electric Vehicle Infrastructure Implementation (LEVI)



## EXECUTIVE SUMMARY

*The Executive Summary is a short summary of the Business Case and should be the last section you complete, this will enable you to extract or only the key facts from relevant sections i.e. 'project on a page'. The summary is a 'snapshot' of the business case which will need to tell the story and sell the proposal.*

The Low Carbon Team have made a bid into the Local Electric Vehicle Infrastructure Fund from the Department for Transport. Along with investment from the private sector this will see Electric Vehicle (EV) charging infrastructure implemented in Plymouth, primarily aimed at supporting residents who don't have access to off-street parking. We have bid for the full amount of the £2.415m allocation to Plymouth and have received confirmation that we have been successful for the full amount.

The ambition is to install different types of EV chargers:

- 100 Pavement Channels: Install channels in the pavement that would enable residents to run a cable from an electricity supply in their house. This is new for Plymouth and would initially be done on a trial basis.
- 600 Pedestal and/or Flush Fitting 7kW chargers (servicing 1,200 EV charging bays). These will be publicly available chargers installed in on streets and in car parks and in areas where residents do not have access to off-street parking.

This initiative will be supplemented with private investment from EV charge point operators. The procurement process will vary according to the type of charger:

- Pavement Channels will be bought off the shelf for a fixed price
- Pedestal chargers will offer a fixed amount of money to the bidders as a contribution from the LEVI fund to install a minimum number of chargepoints in specified areas in the city. This will be split into two lots by geographical area to ensure healthy competition in the city.

This approach will ensure that we remain on budget as our capital outlay is fixed, transferring the risk of cost over-runs to the charge point operators.

## SECTION I: PROJECT DETAIL

|  |  |   |  |
|--|--|---|--|
| <b>Project Value (indicate capital or revenue)</b> | <b>£ 2,415,000</b>                                     | <b>Contingency (show as £ and % of project value)</b> | N/A  |
| <b>Programme</b>                                   | Transport  | <b>Directorate</b>                                    | Growth   |
| <b>Portfolio Holder</b>                            | Cllr Mark Coker, Strategic Planning and Infrastructure | <b>Service Director</b>                               | Paul Barnard (Strategic Planning & Infrastructure) |
| <b>Senior Responsible Officer (client)</b>         | Jonathan Bell  | <b>Project Manager</b>                                | John Green   |
| <b>Address and Post Code</b>                       |  | <b>Ward</b>   | Citywide   |

**Current Situation:** *(Provide a brief, concise paragraph outlining the current situation and explain the current business need, problem, opportunity or change of circumstances that needs to be resolved)*

The EV uptake in Plymouth has been slower than the UK average, with electrification of only 1.3% of our 130,000 registered cars and vans as of 2022 compared to over 3% across the UK. Affordability and insufficient financial incentives, along with perceived range anxiety have been some of the key barriers to EV uptake in Plymouth.

Enforcement of the Zero Emission Vehicle (ZEV) Mandate from 2024 will fuel EV uptake in Plymouth and across the UK. We forecast penetration of electric cars and vans within Plymouth's registered vehicles is expected to be about 6% in 2027, rapidly expand to almost 50% by 2034 (60,000 EVs) and approach 100% by 2050.

There is a clear business need to provide EV charging infrastructure in the city to ensure residents, workers and visitors to the city have ample provision for charging their EVs and that a lack of EV charging facilities are not seen as a barrier to transitioning to EVs. The LEVI fund gives PCC the opportunity to roll out EV charging infrastructure, particularly for those without access to off-street parking, without any capital investment from PCC. The existing public EV charge points in Plymouth, with more to come through the Mobility Hubs project, are super-fast chargers aimed at visitors who need to charge their cars quickly. There is however a lack of slower chargers which are needed in more residential areas where residents can charge their cars more cheaply overnight.

**Proposal:** *(Provide a brief, concise paragraph outlining your scheme and explain how the business proposal will address the current situation above or take advantage of the business opportunity) and (What would happen if we didn't proceed with this scheme?)*

The LEVI project will be critical in realising the city's Electric Vehicle Charging Infrastructure Strategy (EVCIS) Vision to:

- 'Facilitate a smooth transition to electric and low carbon forms of transport by ensuring long term investment into the development and provision of public EV charging infrastructure that is both commercially viable as well as spatially equitable, accessible, reliable and affordable for people who live, work and visit Plymouth'.

It will also enable the delivery of a number of key EVCIS actions under Objective 2 (Invest in and deliver a high-quality network of public EV charging infrastructure), including:

- ‘Lead delivery of at least 500 EV chargepoints on public land by 2027, and provide passive infrastructure for an additional 1,000 EV chargepoints utilising the Local Electric Vehicle Infrastructure (LEVI) fund’.
  - ‘Trial innovative EV charging solutions....in a target area and based on the lessons learnt from the trial consider wider roll out across Plymouth’.
- The LEVI project will support the delivery of the following Local Transport Plan policies as incorporated into the city’s Joint Local Plan (see <https://www.plymouth.gov.uk/sites/default/files/JLPAadoptedVersion.pdf>) as developed with neighbouring councils and Plymouth Plan (see <https://www.plymouth.gov.uk/approved-plymouth-plan>):
- Theme 2: A Green City (sub-section 5): A transport system is provided that responds to emerging technological changes for electric and low carbon forms of transport.
  - Policy HEA6: Delivering a safe, efficient, accessible, sustainable and health-enabling transport system (sub-section 7): Investing in and promoting the growth of an electric vehicle charging network encouraging electric vehicle take-up and use.
  - Strategic Objective 2: Delivering a growing city (sub-section 8): Delivering a sustainable transport network that supports Plymouth’s long-term growth while at the same time addressing existing carbon emissions.
  - Policy INT6: Enhancing Plymouth's 'green city' credentials (sub-section 3): Reducing transport related carbon emissions by offering an efficient, accessible and attractive choice of sustainable travel options for all sectors of the community, visitors, businesses and commuters.
- PCC will continue to liaise with Devon County Council and other neighbouring local authorities on its plans for EV charge points.

Charge Point operators that are awarded the contract will be given a 15 year lease with a possibility of a 1 year extension. As they install their charge points they will remain under the ownership of the charge point operators. At the end of the contract PCC will have the option to either take ownership of these assets (at nil cost to PCC) or to instruct the charge point operator to remove them. The local connection assets will be owned by the District Network Operator (DNO), but the responsibility for maintaining them will lie with the Charge Point Operator. At the end of the contract any maintenance contract with the DNO will revert to PCC. The pavement channels will be under the ownership of PCC. At the end of the contract PCC may decide to sell them to the residents if the trial gets the go ahead to continue.

If we do not go ahead with this scheme now, Plymouth will lose this grant funding of £2.415m. Furthermore, Plymouth will remain behind in the uptake of EVs as residents do not have the confidence they will be able to get access to easily available and affordable EV charging. This in turn will have a negative effect on local air quality and carbon emissions as people continue to choose petrol and diesel cars when they upgrade their vehicles.

Without this scheme those without access to off-street parking, often the less affluent residents, will be disadvantaged. Residents with off-street parking will be able to charge EVs cheaply using their own electricity supply, whilst those who don’t will be reliant on substantially more expensive EV charging stations, the nearest of which may be located quite some distance from their home.

There is no hard deadline for spending the LEVI grant funds but we will be monitored against the project plans that we have submitted with the bid. The funding requirements listed in section 4 reflect these project plans. Furthermore we have a deadline of 14<sup>th</sup> June to finalise our application and procurement documentation with LEVI.

**Why is this your preferred option:** *(Provide a brief explanation why this option is preferred) and (Explain why this is a good capital investment and how this would be an advantage for the Council) and (explain how the preferred option is the right balance between the risks and benefits identified below).*

The only other viable options are to do nothing or to do less – ie. do not accept any grant money or only accept a smaller grant and roll out fewer charge points. This implications of the do nothing option are highlighted above, and a scaled back option would have the same issues, just to a lesser extent than the do nothing option.

From a financial perspective, PCC would likely find that it will be forced to ‘catch up’ at some point and fund the money itself to rollout EV charging as people are eventually forced to switch to EVs as petrol and diesel cars are phased out. This would put considerable financial pressure on PCC in future years.

**Option Analysis:** *(Provide an analysis of ‘other’ options which were considered and discounted, the options considered must be a ‘do Nothing’ and ‘do minimum’ and ‘viable alternative’ options. A SWOT – Strength, Benefit, Opportunity, Threat analysis could be attached as an appendix).*

**Do Nothing Option** Do not apply for the fund and do not rollout additional EV charging infrastructure.

**List Benefits:** Low carbon team can focus on other deliverables.

**List Risk / Issues:** Short term: With a lack of EV charging infrastructure in the city motorists will be unhappy as they start queuing or driving elsewhere to charge their EVs. Some people will also be deterred from getting an EV and Plymouth will fall even further behind the rest of the UK in terms of EV uptake.  
Long term: The business need for more EV infrastructure will become overwhelming and PCC will need to try and find the funds from elsewhere as the LEVI grant will no longer be available. This could put serious downward pressure on PCC finances.

**Cost:** N/A – but potentially PCC will need to fund this in future

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| <b>Why did you discount this option</b> | This will hinder the 2030 net zero ambition and likely put huge financial pressure on the council in future. |
| <b>Do Minimum Option</b>                |  |
| <b>List Benefits:</b>                   |  |
| <b>List Risk / Issues:</b>              |  |
| <b>Cost:</b>                            |  |
| <b>Why did you discount this option</b> |  |
| <b>Viable Alternative Option</b>        |  |
| <b>List Benefits:</b>                   |  |
| <b>List Risk / Issues:</b>              |  |
| <b>Cost:</b>                            |  |
| <b>Why did you discount this option</b> |  |

|   |   |
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| <b>Strategic Case:</b>  |   |
| <b>Which Corporate Plan priorities does this project deliver?</b> | a green sustainable city that cares about the environment |
|   | an efficient transport network                            |
|   | a green sustainable city that cares about the environment |
|   |   |

|                             |                    |                 |
|-----------------------------|--------------------|-----------------|
| <b>Milestones and Date:</b> |                    |                 |
| Contract Award Date         | Start On Site Date | Completion Date |
| January 2025                | March 2025         | Dec 2028        |

## SECTION 2: PROJECT RISK, OUTCOMES AND BENEFITS

**Risk Register:** *The Risk Register/Risk Log is a master document created during the early stages of a project. It includes information about each identified risk, level of risk, who owns it and what measures are in place to mitigate the risks (cut and paste more boxes if required).*

| <b>Potential Risks Identified</b>                            |   | <b>Likelihood</b> | <b>Impact</b> | <b>Overall Rating</b> |
|--|---|-------------------|---------------|-----------------------|
| <b>Risk</b>  | Difficulty in obtaining licenses for installation on Highways Maintained at Public Expense land.      | Medium            | High          | Medium                |
| <b>Mitigation</b>  | Early liaison, involvement and agreement reached with the Highways teams regarding process and sites. | Medium            | Medium        | Medium                |
| <b>Calculated risk value in £ (Extent of financial risk)</b> | £   | <b>Risk Owner</b> |               |                       |
| <b>Risk</b>  | One or more CPOs fail to deliver, or go out of business.  | Low               | Medium        | Medium                |

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|--|--|-------------------|--------------|--------------|
| <b>Mitigation</b>  | The procurement assessment will take into account the financial standing of the operators and the contracts with these operators will help to mitigate this risk.                | Low               | Medium       | Medium       |
| <b>Calculated risk value in £ (Extent of financial risk)</b> | £  | <b>Risk Owner</b> |              |              |
| <b>Risk</b>  | Communication and engagement with communities and businesses not undertaken effectively, leading to opposition to the creation of the charge points.                             | Low               | Low          | Low          |
| <b>Mitigation</b>  | Public facing portal for the public to suggest locations for EV charging to highlight issues for proposed sites. Dedicate someone to work on public consultation and engagement. | Low               | Low          | Low          |
| <b>Calculated risk value in £ (Extent of financial risk)</b> | £  | <b>Risk Owner</b> |              |              |
| <b>Risk</b>  |  | Select value      | Select value | Select value |
| <b>Mitigation</b>  |  | Select value      | Select value | Select value |
| <b>Calculated risk value in £ (Extent of financial risk)</b> | £  | <b>Risk Owner</b> |              |              |

### Outcomes and Benefits

#### List the outcomes and benefits expected from this project.

(An **outcome** is the result of the change derived from using the project's deliverables. This section should describe the anticipated outcome)

(A **benefit** is the measurable improvement resulting from an outcome that is perceived as an advantage. Benefits are the expected value to be delivered by the project, measurable whenever possible)

#### Financial outcomes and benefits:

As the capital costs of this project will be met by the LEVI fund and private investment by EV charge point operators there will be no impact to PCC's capital budget.

PCC will take 5% of the revenue received by EV charge point operators. This will exceed the running costs of the scheme after the LEVI capability fund has been spent, by which time costs should be minimal.

The project has the potential to impact the revenues received for parking charges. Whilst parking charges will remain the same for EV charging bays as standard bays, the EV charging bays may be bigger in size and as a result there will be fewer parking bays in total.

#### Non-financial outcomes and benefits:

The EV infrastructure implemented by the project will provide a valuable service to residents and ensure those who do not have access to off-street parking are not disadvantaged as the nation transitions to EVs.

As this helps to transition to cleaner energy this will reduce the amount of carbon produced in the city and contribute towards our net zero ambitions.

With less petrol and diesel cars on the road air pollution will be reduced and people will breathe cleaner air, promoting health and wellbeing.

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| <p>There is however the opportunity to fine motorist who park in an EV bay but are not plugged in to charge their car. This can create an additional revenue stream for the council.</p> <p>Overall the project should be self funding with a small but positive impact on PCCs finances.</p> |  |
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**SECTION 3: CONSULTATION**

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| <b>Does this business case need to go to CMT</b> | No | <b>Date business case approved by CMT</b><br><i>(if required)</i> |  |
|--|----|---|--|

**Climate Impact Assessment**

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| <b>Upload Climate Impact Wheel</b>   | This is an appendix for the decision.   |
| <b>Summary of the anticipated impact of the proposal on the climate (including any proposed mitigations and impacts beyond 2030)</b> | The driver for this project is to reduce city emissions. It will have a very positive impact for the environment, aiding the transition from petrol and diesel to electric vehicles. Carbon emissions will be reduced and air quality improved. |

**Have you engaged with Procurement Service?**

Yes

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| <b>Procurement route options considered for goods, services or works</b> | <p><b><u>Procurement Options</u></b></p> <p><u>Flush Fitting chargers and Pedestal chargers</u></p> <p>In line with the Council’s Contract Standing Orders, this requirement is classed as a High Value / High Risk Procurement, and as such, the estimated value including the successful concessionaire's total turnover generated over the duration of the contract will exceed the relevant EU threshold and is subject to the full public procurement regime as set out in the Public Concession Contract Regulations 2016 (CCR 2016).</p> <p>Whilst CCR2016 does not stipulate different procurement procedures, subject to compliance with certain key principles and requirements it provides the Council with a level of freedom to choose how to organise its procurement. It has been recommended by the Procurement Service to utilise one of the six EU procurement procedures available as a baseline, two of which have been considered for this requirement as follows:</p> <p><b><u>Open Procedure</u></b></p> |
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With the Open Procedure, any interested bidder may submit a bid. The Council is free to use this procedure, which can be applied to both contracts and framework agreements. However, in some cases it can be beneficial to choose a procedure (such as the Restricted procedure) where the number of bidders can be reduced at the selection stage based on their capability and capacity, especially if the Council does not have enough resources (such as time) to conduct a full Open Procedure.

The Open Procedure is best used where the requirements are typically straight forward, with a relatively simple selection and award process, or it is anticipated that only a small number of suppliers will respond to the advertised Contract Notice.

The practicality of the Open Procedure will depend upon the potential number of bids received and the nature of the evaluation criteria. If the Council receives many bids, the evaluation of all compliant bids is likely to be time consuming.

### **Restricted Procedure**

This is a two-stage procedure. Stage 1 is a pre-selection stage and is used to de-select suppliers. Stage 2 is the tender stage and is used to determine a successful supplier to whom a contract will be awarded. A minimum of five suppliers must be invited to tender and in all other cases a minimum of three must be invited to Stage 2. The Restricted Procedure should be used for procurements where market analysis has indicated many bidders are likely to be interested in participating. In this case it is beneficial to use this procedure where the number of bidders can be reduced at the selection stage based on their capacity, capability, and experience to perform the contract. Like the Open Procedure the Council are free to use this procedure, in any circumstances and for any type of contract. The contract will be awarded to the most economically advantageous tender (MEAT).

### **Timescales to Consider**

Time limits for the receipt of tenders must take account of the complexity of the concession contract requirement and the time required for the market place to compile and submit tenders. The minimum time limit for the receipt of tenders is 30 days from the date on which the concession notice is published within the Find a Tender Service (FTS).

Time limits for receipt of tenders may be reduced by five days where submission by electronic means is allowed.

For the Restricted Procedure, the minimum time limit for Stage 1 – receipt of SQ is 30 days from the date on which the contract notice is sent for publication within the Find a Tender Service (FTS).

If requirements are urgent, and a longer time limit is impractical as a result then the tender period may be reduced to 15 days.



For Stage 2 – Tender Stage, the minimum time limit from Invitation to Tender to receipt of Tenders is 30 days.

Time limits for receipt of tenders may be reduced by five days where submission by electronic means is allowed.

If requirements are urgent, and a longer time limit is impractical as a result then the tender period may be reduced to 10 days.

### **Other Options**

In line with the Council's Contract Standing Orders there is also the option to use Predetermined EU & UK compliant Dynamic Purchasing Systems (DPS) and Framework Agreements.

Pre-existing DPS and Framework Agreements tend to be a favourable means of acquiring goods and services, as they lend themselves to collaborative procurement and enable the requirements of many organisations to be aggregated, thereby securing economies of scale, whilst at the same time eliminating the need for the Council to run separate competitive tendering exercises for each requirement, reducing the amount of time and effort required to procure the requirement.

Whilst there is an increasing number of DPS and Frameworks Agreements available, the Oxford City Council (OCC) has been considered as a potential route to market.

OCC has developed an award-winning, unique DPS tailored for the fast-paced, innovative, and ever-growing world of electric vehicle infrastructure. This adaptive take on a procurement framework offers greater flexibility enabling access to nascent technology as well as the best business models. The DPS spans the entire breadth of electric vehicle (EV) implementation from turnkey services to consultancy and offers potential tender award times as quick as ten days and is open to all public sector bodies.

Some of the key features and benefits the DPS offers include: -

- Suppliers may join the DPS at any point during its validity if they satisfy the selection requirements and none of the grounds for exclusion apply.
- Contracting authorities must not impose any limit on the number of suppliers that may join a DPS.
- Existing suppliers can be removed due to poor performance.
- Suppliers may reapply, if previously not accepted, at any time during the term of the DPS.
- Built using the past 4 years' of Go Ultra Low Oxford learnings.
- Quality as well as regulatory and contractual compliance built in
- Pre-qualified suppliers are all compliant with Local Electric Vehicle Infrastructure (LEVI), On-street Residential Chargepoint Scheme (ORCS) and Office for Zero Emissions Vehicles (OZEV) standards.

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|   | <ul style="list-style-type: none"> <li>• All solutions are smart and interoperable - Local Electric Vehicle Infrastructure (LEVI) and On-street Residential Chargepoint Scheme (ORCS) ready.</li> <li>• Set of pre-agreed contract terms so no expensive legal costs, business model agnostic.</li> <li>• Numerous high-quality suppliers already DPS members - both big and small.</li> <li>• Dynamic system means new suppliers can be on-boarded monthly so ensuring the latest technical solutions, business models and approaches are available.</li> <li>• DPS application process easy to use, new suppliers welcome.</li> <li>• Free for Public Sector to use, supplier pays a small percentage to use DPS but only when awarded a call off contract.</li> </ul> <p><u>Pavement Channels</u></p> <p>If the requirement is below the Agreement on Government Procurement (GPA) threshold then in line with the Council's Contract Standing Orders endeavour to seek at least three formal Quotations (non-verbal) / tenders; Two from PL Postcodes where possible through either; -</p> <p>Nationally advertise opportunity.<br/>Invitation only opportunity (minimum 3 tenders sought)</p>  |
| <p><b>Procurements Recommended route.</b></p> | <p><u>Flush Fitting chargers and Pedestal chargers</u></p> <p>Following research of the current market place for this requirement and understanding the approach from other Local Authorities the recommended procurement route for this opportunity is to adopt the use of the OCC DPS. However, there is a current Legal issue with using the OCC DPS for Concession arrangements which OCC are trying to resolve with Central Government. Given the current expected timeframes set by LEVI, if a resolution to this issue is not timely, the fall-back position would be to adopt the use of the Open Procedure and run a traditional procurement exercise.</p> <p><u>Pavement Channels</u></p> <p>In line with the Council's Contract Standing Orders endeavour to seek at least three formal Quotations (non-verbal) / tenders; Two from PL Postcodes where possible through either; -</p> <p>Nationally advertise opportunity.<br/>Invitation only opportunity (minimum 3 tenders sought)</p> <p>If there is, a change in circumstances and the recommended procurement route cannot be undertaken or no longer represents best value for the Council any subsequent procurement route undertaken will be in accordance with the Council's Contract Standing Orders and Procurement Law.</p> |

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| <b>Who is your Procurement Lead?</b>   | Paul Williams – Category Lead for Transport, Waste & Environment |  |
| <b>Is this business case a purchase of a commercial property?</b>                | No   |  |
| <b>If yes then provide evidence to show that it is not 'primarily for yield'</b> |  |  |

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| <b>Which Members have you engaged with and how have they been consulted</b><br><i>(including the Leader, Portfolio Holders and Ward Members)</i> | Councillor Tudor Evans OBE (Leader of the Council)<br>Councillor Mark Coker (Cabinet Member for Strategic Planning and Transport) |
|--|---|

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| <b>Confirm you have taken necessary Legal advice, is this proposal State Aid compliant, if yes please explain why.</b> | This has been reviewed with legal internally who have provided a sign off code of LS/2269/KT/290224 |
| <b>Who is your Legal advisor you have consulted with?</b>  | Karen Trickey   |

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| <b>Equalities Impact Assessment completed</b> <i>(This is a working document which should inform the project throughout its development. The final version will need to be submitted with your Executive Decision)</i> | Yes |
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## SECTION 4: FINANCIAL ASSESSMENT

**FINANCIAL ASSESSMENT:** *In this section the robustness of the proposals should be set out in financial terms. The Project Manager will need to work closely with the capital and revenue finance teams to ensure that these sections demonstrate the affordability of the proposals to the Council as a whole. Exact amounts only throughout the paper - not to be rounded.*

### CAPITAL COSTS AND FINANCING

| Breakdown of project costs including fees surveys and contingency | Prev. Yr.<br>£000 | 24/25<br>£000 | 25/26<br>£000 | 26/27<br>£000 | 27/28<br>£000 | 28/29<br>£000 | Future Yrs.<br>£000 | Total<br>£000 |
|---|-------------------|---------------|---------------|---------------|---------------|---------------|---------------------|---------------|
| Payments to Pedestal CPOs   |                   | 200           | 1,000         | 600           | 200           | 0             | 0                   | 2,000         |
| Pavement Channels   |                   | 0             | 200           | 0             | 0             |               |                     | 200           |
| Contingency   |                   | 0             | 0             | 0             | 215           | 0             | 0                   | 215           |
| <b>Total capital spend</b>  |                   | <b>200</b>    | <b>1,200</b>  | <b>600</b>    | <b>415</b>    | <b>0</b>      | <b>0</b>            | <b>2,415</b>  |

### Provide details of proposed funding: *Funding to match with Project Value*

| Breakdown of proposed funding | Prev. Yr.<br>£000 | 24/25<br>£000 | 25/26<br>£000 | 26/27<br>£000 | 27/28<br>£000 | 28/29<br>£000 | Future Yrs.<br>£000 | Total<br>£000 |
|-------------------------------|-------------------|---------------|---------------|---------------|---------------|---------------|---------------------|---------------|
|-------------------------------|-------------------|---------------|---------------|---------------|---------------|---------------|---------------------|---------------|

|                      |  |            |              |            |            |          |          |              |
|----------------------|--|------------|--------------|------------|------------|----------|----------|--------------|
| LEVI grant           |  | 200        | 1,200        | 600        | 415        | 0        | 0        | 2,415        |
|                      |  |            |              |            |            |          |          |              |
|                      |  |            |              |            |            |          |          |              |
| <b>Total funding</b> |  | <b>200</b> | <b>1,200</b> | <b>600</b> | <b>415</b> | <b>0</b> | <b>0</b> | <b>2,415</b> |

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| <b>S106 or CIL</b><br><i>(Provide Planning App or site numbers)</i>                                     |  |
| <b>Which alternative external funding sources been explored</b>   | There will be some additional revenues received as PCC will charge the CPO a percentage of the revenue. These projections will be compiled together with the CPO once the CPO has been appointed. The revenue will be used to cover PCC's costs for managing day to day aspects of running the scheme.   |
| <b>Are there any bidding constraints and/or any restrictions or conditions attached to your funding</b> |  |
| <b>Tax and VAT implications</b>   | <p>The income received by the Council, based on a proportion of the Charge Point Operator's income, will be subject to VAT at the 20% standard-rate. VAT invoices should be raised promptly, as set out in the agreement with the CPO, so that VAT is accounted for at the correct time, and income reflected in the accounts.</p> <p>The VAT incurred on costs relating to the project will be fully recoverable and there will be no adverse impact on the Council's partial exemption position.</p> |
| <b>Tax and VAT reviewed by</b>  | Sarah Scott  |
| <b>Will this project deliver capital receipts?</b><br><i>(If so please provide details)</i>             | <p>The receipts from the LEVI grant as detailed above.</p> <p>In addition at the end of the pavement channel trial, if deemed a success, PCC may sell the pavement channels to residents, creating small capital receipts.</p>   |

## REVENUE COSTS AND IMPLICATIONS

### *Cost of Developing the Capital Project (To be incurred at risk to Service area)*

|   |     |
|---|-----|
| <b>Total Cost of developing the project</b>   | £   |
| <b>Revenue cost code for the development costs</b>  |     |
| <b>Revenue costs incurred for developing the project are to be included in the capital total, some of the expenditure could be capitalised if it meets the criteria</b> | Y/N |
| <b>Budget Managers Name</b>   |     |

### *Ongoing Revenue Implications for Service Area*

|   | Prev. Yr.  | 23/24<br>£  | 24/25<br>£ | 25/26<br>£        | 26/27<br>£              | 27/28<br>£ | Future Yrs. |
|---|--|---|------------|-------------------|-------------------------|------------|-------------|
| <b>Service area revenue cost</b>  |  |   |            |                   |                         |            |             |
| <b>Other</b> (eg: maintenance, utilities, etc)                                      |  |   |            |                   |                         |            |             |
| <b>Loan repayment</b> (terms agreed with Treasury Management)                       |  |   |            |                   |                         |            |             |
| <b>Total Revenue Cost (A)</b>   |  |   |            |                   |                         |            |             |
| <b>Service area revenue benefits/savings</b>  |  |   |            |                   |                         |            |             |
| <b>Annual revenue income</b> (eg: rents, etc)                                       |  |   |            |                   |                         |            |             |
| <b>Total Revenue Income (B)</b>   |  |   |            |                   |                         |            |             |
| <b>Service area net (benefit) cost (B-A)</b>  |  |   |            |                   |                         |            |             |
| <b>Has the revenue cost been budgeted for or would this make a revenue pressure</b> | The implementation costs will go to a different GL code, utilising the LEVI capability fund. Once up and running the ongoing internal costs will be very small – a fraction of one person. There will also be revenue from the CPO, providing an income for PCC. However, we don't yet know what this revenue will be – it will be determined with the CPO once appointed. Whilst it should comfortably exceed the minimal outgoing costs it would not be prudent to forecast an income at this stage. |   |            |                   |                         |            |             |
| <b>Which cost centre would the revenue pressure be shown</b>                        |  | <b>Has this been reviewed by the budget manager</b> |            |                   |                         | Y/N        |             |
| <b>Name of budget manager</b>   |  |   |            |                   |                         |            |             |
| <b>Loan value</b>   | £  | <b>Interest Rate</b>                                | %          | <b>Term Years</b> | <b>Annual Repayment</b> | £          |             |
| <b>Revenue code for annual repayments</b>   |  |   |            |                   |                         |            |             |
| <b>Service area or corporate borrowing</b>  |  |   |            |                   |                         |            |             |
| <b>Revenue implications reviewed by</b>   | Emma White – from the revenue implications explained by Iain I am satisfied there will not be a revenue pressure.  |   |            |                   |                         |            |             |

**Version Control:** (The version control table must be updated and signed off each time a change is made to the document to provide an audit trail for the revision and update of draft and final versions)


| Author of Business Case | Date       | Document Version | Reviewed By                         | Date       |
|-------------------------|------------|------------------|-------------------------------------|------------|
| Iain Miller             | 31/05/2024 | v 1.0            |                                     |            |
| Iain Miller             | 10/06/2024 | V 1.1            | Finance, Procurement, Legal         | 17/06/2024 |
| Iain Miller             | 24/06/2024 | V 1.2            | Lynn Walter, Emma White             | 09/07/2024 |
| Lynn Walter             | 09/07/2024 | VI.3             | Paul Barnard, Mark Coker            | 30/08/2024 |
| Iain Miller             | 24/09/2024 | VI.4             | N/A – updated with sign off details |            |

## SECTION 5: RECOMMENDATION AND ENDORSEMENT

### Recommended Decision

**It is recommended that the Leader of the Council:**

- Approves the Business Case
- Allocates £2,415,000 for the programme into the Capital Programme, funded by the DfT LEVI grant
- Authorises the procurement process for the programme
- Delegates the authority to authorise the procurement process to the Service Director for Strategic Planning and Infrastructure
- Delegates the authority to award of the contract to the Service Director for Strategic Planning and Infrastructure where they would not already have the authority to award it within the scheme of delegation.

|  |   |                                       |             |
|--|---|---------------------------------------|-------------|
| <b>Councillor Tudor Evans OBE, Leader of the Council</b> |   | <b>Paul Barnard, Service Director</b> |             |
| <b>Either email dated:</b>                               |   | <b>Either email dated:</b>            | 30 Aug 2024 |
| <b>Or signed:</b>  |  | <b>Signed:</b>                        |             |
| <b>Date:</b>   | 4 October 2024  | <b>Date:</b>                          |             |