

Title:	Appointment of a contractor for the provision, installation, operation and maintenance of Electric Vehicle Charging Units for four North East Local Authorities
Report of:	Funding and Programmes
Portfolio:	Transport

Report Summary

In 2023 the former North East Joint Transport Committee secured £19.5m from the second round of the Government’s Levelling up Fund to deliver a transport decarbonisation package of investment. Within this package 92 EV chargers are to be installed. The Investment is being delivered through two mechanisms, contracts directly served by scheme promoters and through the subject of this report, a joint contract for four Tyne and Wear Authorities (Gateshead, Newcastle City Council, North Tyneside Council and Sunderland City Council). The purpose of this report is to outline the procurement activity to deliver this investment and associated next steps.

Recommendations

The Chief Executive, North East Combined Authority is recommended to authorise entering into a contract with Zest Limited to the value of £1,219,136.90 to deliver 27 EV chargers across four Tyne and Wear Authorities (Gateshead, Newcastle City Council, North Tyneside Council and Sunderland City Council).

A. Context

The Levelling up Fund programme seeks to deliver a step change the quality and reach of zero carbon transport options. This includes Electric Vehicle Charging Points at locations that are less accessible by private car.

The North East Procurement Organisation (NEPO) framework was established with input from transport officers from the North East CA and across the region in anticipation of forthcoming EV investment. This framework was utilised to procure the supply of EV charges across four Tyne and Wear Authorities utilising Levelling up Funding. Given the recently negotiated framework rates, advice from the North East CA service level agreement procurement provider was that a negotiated direct award presented the most viable option.

Officers tendered to the first ranked supplier, who did not respond, as such a further tender opportunity was issued to the second ranked supplier Zest Limited. An Invitation to Tender exercise was completed and the returns evaluated by a panel of evaluators from the participant local authorities, this ensured a quality submission and value for money.

It is noted that given the collaborative nature of the contract, North Tyneside Council have elected to utilise the contract opportunity to deliver 9 chargepoints funded through the On Street Residential Chargepoint scheme. North Tyneside have confirmed via the letter attached that they have the funding and capital to proceed.

B. Impact on North East Combined Authority Objectives

The delivery of zero carbon transport options is a means of delivering a fairer and greener North East, including a greener transport network. The chargepoints delivered through this contract will be

accessible to members of the public in locations that are convenient for top up charging and are sited at key destinations in the four local authorities participating in the NEPO contract.

C. Key risks

Reputational and Performance risk clauses have been inbuilt into the contract to minimise the impact on the North East CA and its constituent authorities. A key risk is the ability to deliver the programme to time and budget, mechanisms have been built into the contract, to ensure that if necessary the programme can flex subject to internal approvals to meet programme objectives.

The supplier has been procured on a seven-year maintenance programme to maintain the infrastructure as reliability and operational integrity is essential. At the end of the seven-year period there are options to extend or retender the contract.

The risk of not awarding this contract will cause delay in the delivery of this infrastructure against the required timescales associated with Levelling up Funding which requires chargepoints to be installed by 31st March 2026. Failure to award the contract would result in the four Tyne and Wear Local Authorities needing to separately procure services which would potentially impact on the value for money of the programme.

D. Financial and other resources implications

The budget for the services associated with the contract is capped at £1,219,136.90. Resources of up to £1,110,681.00 have been secured from the Levelling up Fund Round 2 which was awarded to the Combined Authority in 2023 to deliver 18 chargers. Resources of up to £232,334.45 are available from North Tyneside Council to deliver 9 ORCS sites as confirmed in the appended s151 letter. The supplier Zest is providing 10% match funding. Through procurement, we have achieved savings of approximately £124,000, it is proposed this funding is retained within the programme for contingency purposes and allocated towards the end of the programme if underspend arises.

Within the mechanisms of this contract, the constituent contracting authorities are entitled to a revenue share to ensure programme management and delivery support, this is initially 2% of all revenue generated with the rate rising should usage exceed expectations.

All participating authorities have sought internal approvals to proceed upon the contract being awarded via the site ordering process as detailed below.

E. Legal implications

The contract has been developed utilising the NEPO framework terms and conditions with the contract reviewed and approved by Gateshead Legal via a Shared Legal Agreement (SLA).

Clear roles and responsibilities have been established around the design and development of the infrastructure including ensuring compliance with Health and Safety and CDM regulations.

The contract will be signed by North East CA who act as the funder of the LUF programme, all three parties (North East CA, the Contracting Authority and the Chargepoint Operator) will order from the contract. Upon delivery and commissioning a satisfaction certificate will be signed by all three parties. At this stage, the contract will be between the Contracting Authority and the Chargepoint operator for the maintenance and operational of the infrastructure for seven years.

F. Equalities implications

The North East CA follows the Public Sector Equality duty and this report has due regard to the need to achieve the objectives set out under s149 of the Equality Act 2010. In June 2024 the North East CA adopted equality objectives to reflect the different roles of the Combined Authority as an

employer, a commissioner and deliverer of services, and a civic leader. In relation to this activity sites are designed to be accessible in their design and their location. In addition, additional social and added value has been secured through the contract including the use of the local supply chain, apprenticeships and volunteer activity.

G. Consultation and engagement

The Levelling up Fund programme was agreed and developed through the former Joint Transport Committee, the North East CA cabinet approved the allocation of funding to procure EV chargers utilising the NEPO framework at its meeting on the 11th June 2024. Local Authorities have been actively engaged and involved in the development of proposals throughout.

H. Appendices

North Tyneside Council: s151 letter

I. Background papers

None

J. Contact officers

Jonathan Bailes (Head of Transport Programmes), North East CA, Jonathan.Bailes@northeast-ca.gov.uk

K. Glossary

- CDM: Construction (Design and Management) Regulations.
- Contracting Authority: Local Authority;
- LUF: Levelling up Fund Round 2;
- NEPO: North East Procurement Organisation;
- ORCS: On Street Residential Chargepoint Scheme:

L. Sign-off

1) Cabinet Member: Yes	2) Director/Head of Service: Yes	3) Director of Finance and Investment: Yes	4) Monitoring Officer: Yes
---------------------------	-------------------------------------	---	----------------------------------