



## Mayor and Cabinet

**Approval to procure for the supply, installation and maintenance of cycle parking; and to procure for the provision of electric vehicle charging points service.**

**Date:** 12 June 2024

**Key decision:** Yes.

**Class:** Part 1.

**Ward(s) affected:** All wards

**Contributors:** Martha Lauchlan, Transport Planner; Miltyanna Antone, Parking Policy Officer

## Outline and recommendations

There is a corporate priority to make Lewisham 'cleaner and greener', aiming to reduce reliance on cars and make journeys by foot or bike easier and more attractive. Cycle hangars are a key tool to achieving this, removing the barriers to cycling for many residents and providing a secure cycle storage solution to meet the high demand across the borough.

The electric vehicle infrastructure is key to encouraging a switch to zero-emission vehicles.

The purpose of this report is to request permission to proceed with two procurement exercises for cycle parking infrastructure and electric vehicle charging point operators.

It is recommended that Mayor and Cabinet:

- Approve the use of the NHS Sustainable Transport and Infrastructure Framework Agreement Lot 2 Cycle Parking & Infrastructure
- Approve the procurement route of a cycle storage solution via mini-competition between the four suppliers on Lot 2 of the NHS Framework (APCOA Parking UK Ltd, Bailey Street Furniture Group Ltd, Cyclehoop Ltd and Falco UK Ltd)
- Approve the award of contract to the preferred service provider to deliver cycle parking and infrastructure for a period of 3 years with the option to extend for up to 1 year, provided the contract value is within authorised limits of a maximum of £2.2m and dependent on the total funding available.
- Delegate authority to the Executive Director for Place (in consultation with the Director of Law and Corporate Governance and the Transport Planner) to select the preferred service provider for cycle parking infrastructure in accordance with the selection and award criteria published in the tender documentation and agree final form of contract
- Approve a joint application to LEVI with Royal Borough of Greenwich for up to an estimated £2.8m funding, to be matched funded by external providers
- Approve the procurement route of an open tender with the Royal Borough of Greenwich to form a contract(s) for a period of 15 years at an estimated value of £8.5m at no cost to the Council.
- Authorise the Executive Director of Place or Director of Public Realm to enter into agreement with the Department for Transport related to the receipt of the LEVI funding

## **Timeline of engagement and decision-making**

### **Cycle hangar procurement:**

30<sup>th</sup> April: Corporate procurement board

1<sup>st</sup> – 21<sup>st</sup> July 2024: Tender live

22<sup>nd</sup> – 26<sup>th</sup> July 2024: Tender evaluation

August 2024: Approval of Framework Agreement Award report – delegated decision

September 2024: New framework agreement to commence

### **Electric vehicle charging procurement:**

19<sup>th</sup> July 2024: Deadline for LEVI application

Timeline for tender process is subject to LEVI application outcome

## **1. Summary**

- 1.1. There is a corporate priority to make Lewisham ‘cleaner and greener, reducing the reliance on cars and making journeys by foot or by bike easier and more attractive. Lewisham Council is committed to enabling more active travel and there are a number of programmes to improve the quality of the walking and cycling experience for residents and visitors in Lewisham.
- 1.2. One of the biggest barriers to cycling for residents is a lack of space and/or security for the storage of cycles, particularly given the number of flats and converted houses in the borough.
- 1.3. Cycle hangars are an optimal solution to this, providing secure cycle storage on street for residents. A typical cycle hangar takes up only half a car parking space and can store six standard bicycles. This makes them an efficient and cost effective measure for cycle storage for up to six households per hangar.
- 1.4. The Council receives a high number of requests for cycle hangars each month and at the time of writing has more than 1,500 individual requests for a hangar across the borough.
- 1.5. Rapidly increasing the number of cycle hangars available across the borough will help to meet demand and enable residents to cycle, while also contributing to improved air quality, increased physical activity, and a reduction in the number of unnecessary car journeys.
- 1.6. As well as standard cycle hangars, there is a desire to provide additional cycle parking infrastructure, for example cycle hangars for adapted cycles such as cargo bikes or tricycles, Sheffield stands, and cycle hubs.

- 1.7. The purpose of this report is to seek approval from Mayor and Cabinet to utilise Lot 2 of the NHS Sustainable Transport and Infrastructure Framework Agreement for Cycle Parking & Infrastructure and conduct a mini-competition between the four available suppliers (APCOA Parking UK Ltd, Bailey Street Furniture Group Ltd, Cyclehoop Ltd and Falco UK Ltd).
- 1.8. The contract for a period of 3+1 years will be awarded under delegated authority by August 2024, which will give sufficient time for the implementation and start date of September 2024.
- 1.9. In addition, the Council receives a high number of requests for on-street electric vehicle charging points and at the time of writing has more than 800 requests.
- 1.10. There is a growing market for electric vehicles and as part of the Council's efforts to tackle the climate emergency and improve air quality, it is important that we expand our network of electric vehicle charging points to provide residents with the confidence to switch to EVs.
- 1.11. Officers intend to submit a joint bid with Royal Borough of Greenwich to the Local Electric Vehicle Infrastructure (LEVI) scheme for up to an estimated £2.8m funding. As part of the scheme, this would be match funded by external providers, with no revenue implications to the Council.
- 1.12. This reports seeks approval from Mayor and Cabinet to undertake two procurement processes; for the provision of cycle parking infrastructure and also to obtain a service contract for electric vehicle charging facilities. This will be in line with requirements of the LEVI Scheme, by which the Council is anticipating to receive funding to proceed with electric vehicle charging point installation projects.
- 1.13. A report will be presented to Mayor and Cabinet following procurement of an electric vehicle charging point operator(s) to award the concession contract.

## **2. Recommendations**

- 2.1. It is recommended that Mayor and Cabinet:
- 2.2. Approve the use of the NHS Sustainable Transport and Infrastructure Framework Agreement Lot 2 Cycle Parking & Infrastructure
- 2.3. Approve the procurement of a cycle storage solution via a mini competition between the four suppliers on Lot 2 of the NHS framework agreement (APCOA Parking UK Ltd, Bailey Street Furniture Group Ltd, Cyclehoop Ltd and Falco UK Ltd)
- 2.4. Approve the award of contract to the preferred service provider to deliver cycle parking and infrastructure for a period of 3 years with the option to extend for up to 1 year, provided the contract value is within authorised limits of a maximum of £2.2m and dependent on the total funding available
- 2.5. Delegate authority to the Executive Director for Place (in consultation with the Director of Law and Corporate Governance and the Transport Planner) to select the preferred service provider for cycle parking infrastructure in accordance with the selection and award criteria published in the tender documentation and agree final form of contract

- 2.6. Approve a joint application to LEVI with Royal Borough of Greenwich for an estimated £2.8m funding, to be matched funded by external providers
- 2.7. Approve the procurement of electric vehicle charging point providers via an open tender exercise with the London Borough of Greenwich to form a contract(s) for a period of 15 years at an estimated value of £8.5m at no cost to the Council.
- 2.8. Authorise the Executive Director of Place or Director of Public Realm to enter into agreement with the Department for Transport related to the receipt of the LEVI funding

### 3. Policy Context

- 3.1. The contents and recommendations of this report are consistent with the Council's policy framework, as well as wider regional and national policies and priorities, as outlined below:
- 3.2. **Corporate Strategy (2022-2026)** – This sets out what the Council plans to deliver for residents between 2022-2026. The recommendations of this report will help to support the implementation of the Corporate Strategy, namely making Lewisham 'cleaner and greener, where the Council has committed to enable more active travel and aim to reduce reliance on cars.
- 3.3. **Future Lewisham (2021)** – This outlines the Council's ambitions for the future and priorities as the borough recovers from the impact of the Covid pandemic. One of the core themes of the plan is to create a 'greener future', building on the observed increase in walking and cycling seen locally, and all the other ways our environment benefitted from behaviour changes during the pandemic. The other core theme is 'a healthy and well future' and recognises that good health and wellbeing is dependent on many determinants including physical activity and air quality.
- 3.4. **Climate Emergency Action Plan (2020)** – This sets out the Council's ambition for Lewisham to be a carbon net-zero borough by 2030. More than 25% of the borough's carbon emissions come from transport, including vehicles travelling in or through the borough. Within the action plan, one of the key policies is to move to a decarbonised transport network through encouraging modal shift and managing parking.
- 3.5. **London Environment Strategy (2018)** – This strategy brings together approaches to every aspect of London's environment, integrating air quality, green infrastructure, climate change mitigation and energy, waste, adapting to climate change, ambient noise, and the low carbon circular economy. It recognises that poor air quality is the "most pressing environmental threat to the future health of London" and sets out a roadmap to zero emission road transport which includes reducing car use.
- 3.6. **Mayor of London's Transport Strategy (2018)** – This has an overarching aim of reducing dependency on cars and sets strategic targets for 80% of journeys in London to be made by walking, cycling and public transport by 2041 and for all Londoners to do at least 20 minutes of active travel each day by 2041.

- 3.7. **Transport Strategy and Local Implementation Plan (2019-2041)** – The objectives of this strategy is for travel by sustainable modes to be the most pleasant, reliable and attractive option for those travelling to, from and within Lewisham; for Lewisham’s streets to be safe, secure and accessible to all; for Lewisham’s streets to be healthy, clean and green with less motor traffic; and for Lewisham’s transport network to support new development whilst providing for existing demand.
- 3.8. **Air Quality Action Plan (2022-2027)** – This outlines the Council’s five year strategy to improve air quality in the borough and across London. This includes objectives for cleaner transport policies, such as encouraging more trips to be made by walking, cycling or public transport to reduce car use.
- 3.9. **Lewisham’s Electric Vehicle Infrastructure Implementation 2023-2026:** This Lewisham’s second strategy for electric vehicle infrastrucure, outlining the updated actions and targets in set in place to help Lewisham meet its wider local and national targets, such as Lewisham’s Air Quality Action Plan 2022-2027 and the Environment Agency’s reaching net zero by 2030. Since the Council has adopted this strategy, we have been working on an Electric Vehicle Charging Point Implementation Policy to set processes in place for any installations taking place in the borough and the operation of charging points following installations.
- 3.10. **Cycle Strategy (2017)** – This sets out the Council’s vision for cycling to be a safer and more attractive option for travel. This includes via schemes such as Healthy Neighbourhoods where space is made available for people to enjoy streets without motor vehicles, particularly near schools, to help those walking and cycling.
- 3.11. **Physical Activity Strategy (2023)** – This sets out how the Council will work in partnership with organisations and communities across the borough to increase the number of opportunities for residents of all ages and abilities, to become more physically active.
- 3.12. **London Net Zero 2030: An Updated Pathway** – In 2022, the Mayor of London commissioned Element Energy to analyse the possible pathways to achieving net zero. The Mayor has indicated an Accelerated Green Pathway will be followed in order to achieve net zero, for which one of the key requirements is a 27% reduction in car vehicle kilometres travelled by 2030.
- 3.13. **Mayor of London’s Accelerated Green Pathway:** This report also aligns with the Mayor of London’s Accelerated Green Pathway to becoming net zero by 2030, specifically to reduce and end the sale of fossil fuel cars, by promoting the switch to electric vehicles for motorists by providing an electric vehicle infrastructure and to help the UK to reach its climate targets.
- 3.14. **Gear Change (2020)** – This strategy sets out the actions required at all levels of government to increase walking and cycling in England, in order to improve air quality, combat climate change, improve health and wellbeing, address inequalities and tackle congestion on our roads.

## 4. Background

### Cycle Parking

- 4.1. Lewisham Council has been working to encourage residents, businesses and visitors to the borough to make more journeys by walking, cycling and public transport.
  - 4.2. One of the biggest barriers to people cycling is the lack of secure cycle parking, especially a lack of safe storage space at home. If residents do not have an easily accessible place to store their bike, they are much less likely to cycle.
  - 4.3. Cycle hangars are an optimal solution to this, providing secure cycle storage on street for residents. A typical cycle hangar takes up only half a car parking space and can store six standard bicycles. This makes them an efficient and cost effective measure for cycle storage for up to six households per hangar.
  - 4.4. There is high demand for cycle hangars across the borough. Residents are directed to register their interest for a hangar via a form on the Council's website and at the time of writing there are currently more than 1,400 residents on the waiting list.
  - 4.5. A previous contract for the supply, installation and maintenance of cycle hangars was in place between 2018-2022.
  - 4.6. With corporate commitments to reduce the reliance on cars and high demand for cycle hangars, it is imperative that a new contract is put in place to continue the delivery of secure cycle parking infrastructure. This may include cycle hangars for standard bicycles and adapted cycles (e.g. cargo bikes or tricycles), Sheffield stands, or cycle hubs.
  - 4.7. The number of cycle hangars that can be delivered each financial year will be based on confirmed funding. This will come from multiple sources including Local Implementation Plan (LIP) funding allocated by Transport for London (TfL), the Highways capital programme, S106, Climate Action Investment funding, NCIL, the Sustainable Streets programme, and Parking revenue.
- ### Electric Vehicle Charging Points
- 4.8. At present, the Council has multiple service contracts with various third party service providers many of which are either expiring, or have already expired. Therefore there is a need for the Council to procure a reliable service contract through an open procurement process to ensure the Council is providing electric vehicle charging service continuously .
  - 4.9. There are 211 charging points in operation throughout the borough. The most recent installations have less than a year to run on the 8-year contract with Source London, TotalEnergies Charging Solutions UK.
  - 4.10. Our current electric vehicle charging point operators are:
    - Source London (trading name of TotalEnergies Charging Solutions UK, original contract under Limited BluePoint London Ltd)
    - Ubitricity Distributed Energy Systems UK Limited
    - Chargemater Limited (also known as BP Pulse)
    - LEVI (Local Electric Vehicle Infrastructure)

- 4.11. The Office for Zero Emission Vehicles (OZEV) have made £36 million of LEVI funding available to support local authorities to work with the chargepoint industry, to improve the roll out and commercialisation of local charging infrastructure.
- 4.12. Lewisham Council has partnered with the Royal Borough of Greenwich to access LEVI funding. The partnership has been informed it has an indicative allocation of £2.8m, although a formal bid is to be submitted by 19th July 2024 and officers are yet to receive a formal allocation of funding. The funding will be split with the Royal Borough of Greenwich and move forward with an open joint tender. This will fund a large part of slow chargers in residential areas, with the possibility of installing a number of fast and rapid chargers. Delivery figures of charge points will be ascertained through the application for LEVI funding and procurement exercise.
- 4.13. OZEV has made clear they expect local authorities to secure additional private investment from the operators chosen, which would at least 50% match funding. There will be no revenue implications to the Council.
- 4.14. The key advantage is that implementation of an electric vehicle infrastructure complies with the Council's Strategic and Air Quality Action plans, London-wide Air Quality and Transport Policies.
- 4.15. Furthermore, there is potential to generate income to the Council through concession payments from the contract(s) with charging point operators.
- 4.16. It is recommended that the Council carries out an open procurement exercise to allocate new operator(s) to continue providing a service to electric vehicle motorists, and to allow for an infrastructure to facilitate encouragement to motorists to switch to zero emission vehicle. This aligns with the Council's Air Quality Action Plan 2022-2027.
- 4.17. The LEVI Scheme promotes market competition, and therefore a multi-operator system with concessions contract is the desired outcome for a successful application.
- 4.18. It is to be noted that the Council will bare no costs with the installation of charging points, and the operator(s) is expected to provide match funding alongside the funding that is provided, under the terms of applications. This is widely known across the industry and will support an enhanced network of electric vehicle charging points with additional funding from the private sector. There is growing demand for electric vehicle charging points in the borough, and an enhanced network will provide confidence to residents to make the switch to electric vehicles.
- 4.19. OZEV have provided Heads of Terms to be considered by the Council which can be viewed in Section 16.2.

## **5. Electric vehicle charging point infrastructure and projections**

- 5.1. As of January 2024, Lewisham has 201 slow chargers across the borough with Source London and Ubitricity, and 10 rapid chargers with BP Pulse.
- 5.2. One of the objectives of Lewisham's implementation plan is to install



chargepoints in residential areas so that all households are within 500m of a charge point. With LEVI scheme focusing on delivering low-speed chargers, using the LEVI funding, we are projected to have 521 chargepoints installed by the end of 2024. Objective 2 of our implementation plans is to make use of funding opportunities to provide and maintain EV chargepoints.

- 5.3. Using the NEVIS toolkit (used by OZEV to allocate funding, with expectations and projections of number of chargepoints to install per borough), Lewisham Council are expected to have the following amount of electric vehicle charging points over the next number of years throughout the borough:

Year	Total Amount of Chargers
2024	521
2025	770
2026	1040

- 5.4. To be noted, the NEVIS tool shows projections up to 2030.

- 5.5. With a growing demand for electric vehicle charging points, Lewisham Council need extra funding in order to be able to deliver further electric vehicle charging points. Under the LEVI Scheme, if the application is successful, it has been indicated that Lewisham Council and Royal Borough of Greenwich will receive an estimated allocation of up to £2.8 million. Lewisham Council and London Borough of Greenwich must submit a joint application for LEVI funding by the 19th July 2024.

- 5.6. Projections

- 5.7. NEVIS has modelled three different scenarios; slow, medium and fast uptake of EVs, to give a range of the likely number of EVs in the borough. Under the slow adoption forecast it is assumed that by 2030 70% of new car and van sales will be EV while under the medium one it is assumed that by the same date 100% of new vehicle sales will be EV. In the fast EV adoption scenario, the assumption is that by 2027 100% of new cars and vans sold will be EVs.

- 5.8. While this assumption seems overly optimistic to be realistic the number of projected EVs are less than those in the most ambitious National Grid Future Energy Scenario, Consumer Transformation. This is despite the Consumer Transformation scenario assuming that 100% EV sales will not be achieved until 2030. For this reason, we have considered that the fast sales adoption forecasts is possible to achieve. The table below shows the NEVIS range of forecast EV uptake. BEV is Battery Electric Vehicle. PHEV is Plug-in Hybrid Electric Vehicle.

Forecast number of EVs		2023	2025	2030
Fast	BEV	3,370	9,004	35,300
	PHEV	1,637	2,318	3,563
Medium	BEV	3,370	8,921	32,887
	PHEV	1,637	2,308	3,397
Slow	BEV	3,234	7,685	24,603
	PHEV	1,595	2,127	2,840

Table 7: NEVIS forecasts - number of EV car and vans registered in Lewisham.

- 5.9. With 59% of households in Lewisham not having access to off-street parking the borough could expect a grant with Royal Borough of Greenwich up to an estimated £2.8 million.
- 5.10. According to [ZapMap price index from April 2024](#), the weighted average price to charge an electric car on the public charging network was 57p per kWh on slow/fast chargers and 80p per kWh for rapid/ultra-rapid chargers.

## 6. Cycle parking programme profile and funding

- 6.1. The number of cycle hangars that can be delivered each financial year will be based on confirmed funding. This may come from multiple sources including the Highways capital programme, Local Implementation Plan (LIP) funding allocated by Transport for London (TfL), Climate Action Investment funding, S106, NCIL, and the Sustainable Streets programme.
- 6.2. There will be an allocation of £200k of Highways capital for the programme each year for the duration of the contract, totalling £800k over the 3+1 years. Any further funding made available from other sources will be used in addition to the Highways capital for the delivery of the cycle parking programme. The contract value will be a minimum of £480k and up to a maximum of £2.2m dependent on funding available.
- 6.3. There is an aspiration to deliver more cycle parking infrastructure than the £200k will fund, and officers will seek opportunities to maximise funding.
- 6.4. LIP funding is expected each financial year for cycle parking. For 2024/25, LIP funding is confirmed at £77k. This figure is expected to remain consistent over future years, however long-term funding is not known.
- 6.5. The Climate Action Investment was launched in 2023 to allow residents to invest their money in projects that benefit the local community and will be used to finance projects aimed at increasing the use of sustainable transport. There is confirmed Climate Action Investment funding of £86k for the delivery of cycle parking.
- 6.6. S106 funding has been identified in the region of £45k and further S106 may be made available. PIDs will be written to secure approval of this funding.
- 6.7. Cycle hangar delivery is a key priority for the upcoming round of NCIL funding and an allocation is expected to be received, however the figure will not be confirmed until the end of 2023/24.
- 6.8. The Sustainable Streets programme launched in 2022 with the ambition of delivering Controlled Parking Zones (CPZs) borough-wide alongside complementary sustainable transport measures, including cycle hangars. Funding is expected to be made available via this programme. The value of the contract for each year will depend on confirmed funding for that year. For the first year, i.e. 2024/25, total funding of £363k has been identified and the value of the contract will be based on this. The preferred contractor will be notified of the available funds each year.

## 7. Electric vehicle charging point infrastructure funding

- 7.1. This report is seeking approval to submit a joint bid with Royal Borough of Greenwich to the LEVI scheme for up to an estimated £2.8m, which requires match funding of at least 50% of that value from external operators selected as part of the procurement process.
- 7.2. The contract is a concession contract for a 15-year term, divided into two parts: installation and operation. The contract value for the first three years will be an estimated £4.2m (i.e. up to £2.8m LEVI funding plus 50% operator funding) which will cover the costs of installation, and of which the Council will bare no costs.
- 7.3. The estimated total contract value for the 15-year period is £8.5m at no cost to the Council. This value is based on data using the National Electric Vehicle Insight & Support (NEVIS) tool and also using costs from a previous contract as a baseline.
- 7.4. After the first part of the contract which involves the installation, the remaining term of the contract relates to the operation of the electric vehicle charging points. During this second term, it is estimated that both Councils will receive income generated by shares and usage of the charging points, as stated above. There will be no cost implications to the Council for the operation and maintenance of the electric vehicle charging points. The supplier(s) will bare the costs of the charge for electricity.

## 8. Procurement options and route to market

- 8.1. The following options have been considered for cycle parking infrastructure:
- 8.2. The following options have been considered:
- 8.3. Do nothing (not recommended)
- 8.4. The previous contract has expired, however there are long-term targets to improve the provision of secure cycle parking and so a new contract is necessary.
- 8.5. Tender in the open market (not recommended)
- 8.6. An open procurement process for a framework agreement or contract has been considered, however there are frameworks available with the leading suppliers in London. Tendering in the open market would not be the most time and cost efficient option for procurement.
- 8.7. Use of regional or national frameworks (**recommended option**)
- 8.8. This option has been explored and a relevant framework agreement has been identified. Some suitable framework agreements have expired in recent months, e.g. by Waltham Forest. The NHS Sustainable Transport and Infrastructure framework agreement is in place from November 2023 until November 2027 and is free to access for all UK Public Sector organisations. Lot 2 of the NHS framework agreement is for Cycle Parking & Infrastructure, and has leading cycle parking suppliers, APCOA Parking UK Ltd, Bailey Street Furniture Group

Ltd, Cyclehoop Ltd and Falco UK Ltd, which are also the existing suppliers in Lewisham. The framework agreement provides a quick, simple and complaint procurement route to market for cycle parking measures for the Council and running a mini-competition between the four suppliers on Lot 2 will save valuable time and resources. The benefits of using the NHS framework agreement is dedicated support by the NHS procurement team; quality of service provision; and competitive pricing.

- 8.9. The following options have been considered for electric vehicle charging points:
- 8.10. In-House Delivery (not recommended)
- 8.11. An 'own and operate system', is not feasible as there is not enough resource or technical expertise to proceed with this option within the Council service.
- 8.12. Framework Agreement or Dynamic Purchasing System (not recommended)
- 8.13. There are some DPSs which are currently in use which have been investigated. One is the EV DPS by Oxford City Council, however Oxford City Council are not allowing use of this until further notice due to the incoming procurement legislation.
- 8.14. Another framework that has been widely used is the Crown Commercial DPS for EVs. However, this is also not available for use until further notice for the same reasons above.
- 8.15. In addition, the EV market is experiencing rapid growth as EVs become more popular in the UK and with significant funding being invested in this realm. Using an existing framework or DPS would limit the options available to the Council to receive competitive pricing and quality therefore a framework agreement or DPS is not recommended.
- 8.16. Land Lease (not recommended)
- 8.17. The Council would lease its land to an electric vehicle charge point operator under this option. Whilst this may pose low risks to the Council, the land leasing also means the Council would have less control over implementation locations and its assets. Further, this is not the most financially beneficial route for the Council to consider.
- 8.18. Do nothing (not recommended)
- 8.19. This would compromise the Council's ability to comply with its Strategic and Air Quality Action plans and London-wide Air Quality and Transport Policies.
- 8.20. The Council has a high number of requests for electric vehicle charging points from the community and is committing to encouraging residents, businesses and commuters to move towards more sustainable forms of transport.
- 8.21. With no supplier in place, the Council would not be able to meet the demand or the needs of businesses, residents and commuters.
- 8.22. Tender in the open market (**recommended option**)
- 8.23. The electric vehicle charging point market is a growing and competitive market with several operators offering different models for growth and installation. Conducting an open procurement exercise would enable the Council to seek the best offers in terms of price and quality.

- 8.24. As part of the submission for LEVI funding, a condition is for local authorities to submit ITT draft documentation, that is to be reviewed by the LEVI board.
- 8.25. Guidance in the [LEVI Capital Fund information pack](#) also states that “Local authorities are expected to go out to open competition with their allocated LEVI funding to determine the best offer from the open market for the funding available. The lead local authority [Lewisham Council] must provide evidence of a competitive procurement through the tendering process. The use of existing contracts [i.e. existing frameworks or DPS] for any part of an application will only be considered by exception, on a case by case basis. Any such contract will need to have been openly tendered, and be in line with LEVI scheme rules. The local authority must provide clear reasoning and evidence value for money and additionality.”
- 8.26. Therefore, open procurement supports the Council’s bid for LEVI funding and enables competitive and value for money contract.
- 8.27. An open tender exercise with Royal Borough of Greenwich would also allow for better value for money at a higher volume and show partnership, thus strengthening our LEVI application.
- 8.28. It is likely that this would result in a contract with an operator(s) for both Councils to use, over a 15-year period.

## **9. Procurement process**

- 9.1. As part of the tender process, officers will issue a tender pack including:
- ITT
  - Form of Tender
  - Pricing Schedule
  - Specification
  - Method statements
  - Contract
  - Sustainable Code of Practice for Contractors
  - Social value monitoring matrix
- 9.2. The cycle parking procurement exercise will be open for 21 days, as officers will be making use of the framework agreement.
- 9.3. For the electric vehicle charging point procurement exercise, the tender will be open for 30 days to enable bidders to respond in sufficient detail to the proposals.
- 9.4. The evaluation of the tender for both procurement processes will be split as following:
- Product specification, delivery and resource plans, and maintenance – 45%
  - Price – 45%
  - Social value – 10%
- 9.5. The proposed procurement timetable for cycle parking infrastructure is below:

Activity	Proposed date
Publish tender documentation on the portal	July 2024
Clarification request deadline	July 2024
Tender return deadline	July 2024
Tender evaluation and moderation	July 2024
Contract award	August 2024
Contract commencement	September/October 2024

- 9.6. The procurement timetable for electric vehicle charging point infrastructure is subject to the timelines of the LEVI application. Once the application for funding has been approved, Lewisham Council and Royal Borough of Greenwich would receive 90% of the funding and would be expected to continue with an open procurement for a provider(s).
- 9.7. A report will be presented to Mayor and Cabinet following procurement of an electric vehicle charging point operator(s) to award the concession contract.

## 10. Financial implications

### Cycle Parking Infrastructure

- 10.1. This report is seeking approval to use the NHS Sustainable Transport and Infrastructure Framework Agreement Lot 2 Cycle Parking & Infrastructure to select a preferred supplier for the installation and maintenance of cycle parking.
- 10.2. The level of spend on the programme, including the contract, each year will depend on the number of cycle hangerscycle parking infrastructure installed and the total available funding in that year.
- 10.3. Funding of £363k has been identified to date for the programme in 2024/25. £200k per annum has been allocated from the current Highways resurfacing capital budget over the 3+1 year period (a total of £800k over 4 years). Other funding sources are the 24/25 TfL LIP funding, £77k, and Climate Action Investment funding of £86,225k awarded for cycle parking in the borough in 24/25. Other funding may become available over the contractprogramme period and the actual commitment will be limited to available funding.
- 10.4. This is shown in the table below:

Table showing identified funding to date

Funding Source	24/25	25/26	26/27	27/28	Total
	£'000	£'000	£'000	£'000	£'000
Highways Capital	200	200	200	200	800
LIP	77				77
Climate Action	86				86
Total	363	200	200	200	963

- 10.5. Delegated authority is being sought for the Executive Director for Place to select the preferred supplier. The exact available funding will change during the programme period, however there is a minimum commitment of £200k per year.

#### Electric Vehicle Charging Points

- 10.6. The report is also asking for approval to submit a joint funding bid to LEVI, with Greenwich Council, for the installation of electric charging points within the boroughs. The bid will be for approximately £2.8m, shared between both boroughs, and with no Council match funding required. However, at least 50% match funding is required from the external provider(s).
- 10.7. If the funding bid is successful, a contract will be procured for the installation and operation of electric vehicle charging points in the borough.
- 10.8. The contract will be a 15 year concessions contract with a total estimated value of £8.5m. This value includes the initial external funding and external match funding (£4.2m), and an estimated value of income that will be generated for the external provider(s) and Lewisham Council and the Royal Borough of Greenwich.
- 10.9. There are no revenue cost implications for the Council associated with this contract.

### **11. Legal implications**

- 11.1. Use of Framework Agreement
- 11.2. Officers are requesting approval to use the NHS Sustainable Transport and Infrastructure Framework Agreement Lot 2 Cycle Parking & Infrastructure. Under the Council's Contract Procedure Rules the Council may use a framework agreement set up by a public sector body where that framework agreement has been procured in accordance with the Public Contracts Regulations 2015 and allows for the Council to use the Framework Agreement. It appears that the framework agreement is compliant and that the Council is entitled to use the framework agreement.
- 11.3. Approval to Procure cycle storage solution and Electric Vehicle Charging Infrastructure
- 11.4. The report seeks approval to procure two external service providers, one to provide cycle storage solution and the other for the provision of electric vehicle charging infrastructure. Given the estimated contract value of both contracts they would be categorised by the Contract Procedure Rules as "Category A" contracts. The report sets out the procurement options considered and explains why the option for each is the recommended option.
- 11.5. Assuming that Mayor and Cabinet accepts the recommendation to procure both, the Contract Procedure Rules ("CPR") place requirements on how that should happen. The CPR require that when letting contracts steps must be taken to secure value for money through a combination of cost, quality and

competition, and that competitive tenders or quotations must be sought depending on the size and nature of the contract (Rule 5). The requirements of the CPR would be satisfied by use of the recommended framework agreement for cycle hangers and an open procurement for the Electric Vehicle Charging Infrastructure. As Category A contracts, it would be for Mayor and Cabinet to take a decision on the award of any contract. Given the potential spend on the contract for Cycle Storage Solution the Public Contracts Regulations 2015 as amended by the Public Procurement (Amendment etc) (EU Exit) Regulations (“the Regulations”) will apply. In relation to the Electric Vehicle Charging Infrastructure the Concession Contracts Regulations 2016 will apply.

11.6. Approval to Award Cycle Storage Solution

11.7. This report proposes that Mayor and Cabinet approve the award of a contract for Cycle Storage Solution. This report further proposes that Mayor and Cabinet instruct the Executive Director for Place (in consultation with the Director of Law and Corporate Governance and the Transport Planner) to give effect to this decision by applying the selection and award criteria to determine and enter into contract with the preferred service Provider.

11.8. The decision to award the contract contained in this report is a Key Decision under Article 16.2 (1) of the Constitution as it has a value of more than £1.5 million (capital). It is therefore required to be contained in the current Key Decision Plan and the Council’s Key Decision procedure must be followed.

11.9. Provided that the final contract value is within authorised limits set out in the Part 2 report and the preferred service provider is selected in accordance with the selection and award criteria published in the tender documentation, then the selection by Executive Director of the preferred service Provider in accordance with Mayor and Cabinet’s direction will not be a Key Decision. For audit purposes a written record should be kept setting out how the selection process has been applied and the preferred service provider selected, and officers from Legal Services should be consulted as necessary throughout the selection and award process.

11.10. Electric Vehicle Charging Infrastructure Contract

11.11. This is a concession contract, which means that the Council do not pay for the service. The contractor receives payment from a third party. The Council will receive an income from the Contractor over the duration of the contract. The value of the contract means that the Concession Contracts Regulations 2016 will apply.

11.12. A concession contract is a contract for the supply of works or services to the Council where the consideration for the contract consists of either the contractor’s right to exploit the works (that is the Council makes no payment), or that right together with payment from the council; and where the concessionaire takes some risk.

11.13. Concession contracts are covered by different legal requirements than those applicable to other contracts, including regarding the estimated expenditure threshold.



11.14. Concession contracts are still subject to competition in accordance with the Concession Contracts Regulations 2016 and the Contract Procedure Rules. The relevant Category for determining the procurement route under these Contract Procedure Rules will be calculated by calculating the total turnover of the concessionaire generated over the duration of the contract (net of value added tax) including any payment from the Council the estimated consideration which would have been given if the entire cost of the services had been paid for by the Council.

11.15. Application for LEVI Grant funding

11.16. In accordance with the Council's Constitution any application for external funding that exceeds £1 million must be approved by Mayor and Cabinet.

## 12. Risk Implications

12.1. Key risks are contained in the table below:

Risk	Mitigation
Delays to procurement timeline	Mitigation for this risk started early with ongoing discussion between all relative internal parties, communication of timescales.
Affordability	There is uncertainty about long-term funding from TfL for cycle hangars, however alternative funding sources have been identified to support the delivery of this measure, including S106 and the Climate Action Investment fund. The evaluation of price will 45% to ensure that affordability is a high priority when evaluating tenders.
Performance issues	Robust KPIs and performance monitoring will be set within the specification and built into the contract. Proactive communication with the preferred supplier will take place to ensure these KPIs are met.
Length of supply chain impacts delivery and service	It is intended that the highest scoring supplier will be the Council's preferred supplier, with other suppliers available to utilise if the preferred supplier is unable to meet specific demands or timescales.
Cycle hangars are vandalised	The contract will include maintenance of cycle hangars which will cover repairs in the event of vandalism. There will be KPIs for maintenance timescales.
Hangars fail to attract users	The selection of locations for new units is based on demand from resident requests. There is high demand across the borough and this risk is deemed low. Cycle hangars

	are not permanent structures and can be relocated if necessary.
Issues faced during transition period as maintenance of hangars is brought in-house	Exit strategy to be put in place with incumbent contractor to ensure smooth transition. Officers have also had discussions with other boroughs who have brought
Electric Vehicle Charging Points are vandalised	The contract will include maintenance of electric vehicle charging points which will cover repairs in the event of vandalism. There will be KPIs set within the contract and a helpline to report vandalised electric vehicle charging points.
Asset ownership at the end of the contract	Heads of Terms by LEVI have a preference that assets are owned by Local Authorities at the end of contracts. This is widely known across the industry as an expectation and will be part of the contract
Customers unable to make payments/or other issues	There will be a 24/7 helpline available to customers which will be provided by the operator. This will be included in the contract but is also now a requirement under the Public Charging Point Regulations 2023.

### 13. Equalities implications

#### 13.1. Cycle parking infrastructure

13.2. A 2021 survey showed that nearly half of Londoners actively considering taking up cycling have nowhere secure to store a cycle at home. Without it, people are less likely to own a cycle or use it regularly ([Cycling action plan 2, TfL 2023](#)).

13.3. The lack of parking at home disproportionately affects some minority groups, particularly people living on low incomes, who are more likely to live in high-density housing, as well as disabled people and ethnically diverse people. Cycle hangars are an optimal solution to the lack of space and security for cycle parking.

13.4. Research by TfL showed that 17% of disabled Londoners sometimes use a cycle to get around London, compared to 18% for non-disabled Londoners ([Travel in London: Understanding our diverse communities, TfL 2019](#)). In addition, 75% of disabled cyclists find cycling easier than walking ([Assessing the needs and experiences of disabled cyclists, Wheels for Wellbeing 2018](#)), and 81% of Londoners are able to ride a cycle including 76% of disabled people ([Cycling action plan 2, TfL 2023](#)).

13.5. Despite this, disabled people are significantly under-represented in the number of people who cycle regularly. This may be a result of many barriers, so the Council is committed to reducing the physical barrier of a lack of safe and secure cycle storage.

13.6. To date, all cycle hangars installed in Lewisham have been for standard

bicycles. This contract will enable the supply of cycle hangars for cargo bikes or adapted cycles to accommodate different types of bikes and support all users.

- 13.7. Electric vehicle charging points
- 13.8. A full EIA will be prepared once the charging point locations are agreed upon, and operators are appointed.
- 13.9. It is likely that blue badge holders and those that identify as disabled may be impacted by the installation of electric vehicle charging points.
- 13.10. On October 2022 the British Standards Institute published a specification for accessible charging infrastructure; PAS1899:2022. Officers will incorporate these voluntary standards within future supplier contracts so that all new charge point installations meet the minimum requirements regarding the physical charge point design, charge point placement and public realm around the Charge point. Existing charge points will be upgraded to meet the accessibility standards as the assets are replaced.
- 13.11. As EVs become more commonplace there will be a need to ensure that an adequate number of charge points are dedicated to disabled users. To meet the needs of Blue Badge holders, we will install dedicated bays for blue badge holders.

## **14. Climate change and environmental implications**

- 14.1. There is a legal requirement on the local authority to work towards air quality objectives under Part IV of the Environment Act 1995 and relevant regulations made under that part. Amendments made in the Environment Act 2021 aim to strengthen these duties by giving them greater clarity on the requirements of action plans enabling greater collaboration between local authorities and all tiers of local government.
- 14.2. Encouraging more journeys to be made by cycling rather than private transport will help to keep traffic and congestion to a minimum and improve air quality, helping to achieve the objectives set out in the Council's Air Quality Action Plan and Climate Emergency Action Plan (see Section 3 of this report).
- 14.3. A better electric vehicle infrastructure network will promote the use of electric vehicles throughout the borough resulting in decreased carbon emissions throughout the borough.
- 14.4. This report will result in positive climate change and environmental implications as it will allow the Council to proceed with cycle parking and electric vehicle infrastructure to further promote a greener and cleaner Lewisham, in line with the Council's priorities and Air Quality Action Plan 2022-2027.

## **15. Crime and disorder implications**

- 15.1. One of the major barriers to cycling is a lack of space and security for cycles to be stored. The provision of secure cycle storage is deemed to have a positive impact on the reduction of bike theft.

## 16. Health and wellbeing implications

- 16.1. The provision of cycle parking, whether it be secure cycle storage on-street for long-term parking or Sheffield stands and cycle hubs for short-term parking, can support residents and visitors to cycle in the borough.
- 16.2. Safe and secure cycle storage can enable cycling to be a viable and attractive option for travel. This can contribute to a reduction in the number of unnecessary car journeys, improved air quality and increased physical activity.
- 16.3. The Council's ability to encourage lower emissions throughout the borough can be crucial to ensuring that any health implications revolving around respiratory issues can be mitigated and lowered.
- 16.4. A cleaner and greener community can also be beneficial to the overall health and wellbeing of the residents and commuters throughout Lewisham.

## 17. Background papers

- 17.1. [Lewisham's Electric Vehicle Infrastructure Implementation Plan 2023-2026](#)
- 17.2. [Heads of Terms](#) – LEVI
- 17.3. [KPI Framework](#) - LEVI
- 17.4. [PAS 1899:2022](#)

## 18. Glossary

Term	Definition
Cycle hangar	Infrastructure for secure cycle storage. A standard cycle hangar takes up half a car parking space and can store six bicycles.
LEVI (Scheme)	Local Electric Vehicle Infrastructure (Scheme)
LIP	Local Implementation Plan
NEVIS Tool	National EV Insight & Support <a href="https://newtab.cenex.co.uk">edge://newtab (cenex.co.uk)</a>
OZEV	Office for Zero Emission Electric Vehicles
ORCS	On-street Residential Chargepoint Scheme
PHEV	Plug-in Electric Vehicle
TfL	Transport for London

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