

South West Wiltshire Area Board

14th September 2022

Subject: New Electric Co Car Club for Mere

Purpose of Report

1. To agree that Wiltshire Council enters into a Grant Agreement with Co Cars (as attached) to deliver a new electric Co Car Club for Mere.

Relevance to the Council's Business Plan

2. The South West Wiltshire Area Board's current Action Plan, heavily influenced by local public insight and the council's Business Plan includes an environmental theme as a top local priority.

Background

3. The Area Board earmarked £10k from its community area grants budget in March 2022 towards the setting up of a new electric car club in Mere. Since then, investigations have progressed, bringing this project closer to implementation, including the signing of a Grant Agreement between relevant parties.

Main Considerations for the Area Board

4. The Unitary Cllr for Mere and the local Community Engagement Manager (CEM) have been working with Mere Town Council, Co-Cars, and legal, highways and strategic assets officers from Wiltshire Council, to clarify what is needed to set up the car club and to ensure the area board's decision to commit funding is done so in the correct way.
 - (a) Mere residents have responded positively to a survey to assess local support for the car club. 67 responses were received, which equates to an approximate 2% engagement rate, with the majority expressing support for the project.
 - (b) The area board funding is to be structured as a grant to Co-Cars to be awarded in accordance with the Area Board Funding and Grant Criteria and Co-Cars will agree separate arrangements with Econetiq for the installation and management of the EV chargers. The Council's involvement will be limited to the grant funding and the operating risk sits with Co-Cars, and any financial arrangements/margins would be agreed between Co-Cars and Econetiq.

- (c) On this basis, the Council (with the authority of the Area Board) will enter into a Grant Agreement with Co-Cars. A copy of the draft Grant Agreement is attached at Appendix A of this report. The terms of the Grant Agreement is based on Wiltshire Council's standard form Grant Agreement. Within that Grant Agreement we have set out the details of the scheme (what we expect Co-Cars to spend the money on) and any scheme conditions (including that any income is capped at £5million across schemes funded by the Council across Wiltshire and that the Council is free to operate similar schemes in Mere). Co Cars have suggested a few minor amendments to the originally drafted Grant Agreement, and legal advice has been sought on those amendments. Legal advice confirms that the proposed amendments are non-material changes.
- (d) If this scheme is likely to expand and other Area Boards are interested, then the Council will need to consider the aggregate value of the arrangements across Wiltshire. If the relevant threshold (currently just over £5.3 million) is reached (which, for the avoidance of doubt, includes the income that they generate from the scheme as well as the grant funding from Wiltshire Council) then the Council would have to consider running a tender as this is likely to be construed as a concession arrangement for the purposes of procurement law.
- (e) If it became a concession arrangement, the Council is lawfully required to competitively procure concessions where the value of the concession exceeds the relevant threshold which is currently just over £5.3million.
- (f) An arrangement will be a concession if it meets the following criteria (as set out in Regulation 3 of the Concession Contracts Regulations 2016):
1. Contract for pecuniary interest in writing;
 2. The Council entrusts the provision and the management of services to one or more economic operators;
 3. The right to exploit the services (e.g. make money);
 4. Transfer of the operating risk encompassing demand and/or risk (including no guarantee will recoup investment); and
 5. Part of the risk shall involve the vagaries of the market (i.e. any potential loss would be more than nominal and negligible).
- (g) We have assurance from Co-Cars, that even over a 10 year period, the Mere Car Club would not meet the £5.3m concession threshold. As this proposed arrangement is below the threshold, in compliance with the Council's Constitution, there is flexibility in how this arrangement can be structured which is why the grant structure has been proposed.
- (h) Wiltshire Council will grant a lease of the land to the Town Council. This lease will allow the Town Council to enter into a licence or such other property agreement with Co Cars or Econetiq as may be considered appropriate to enable the project to proceed.

Project Timetable

5. The estimated timetable is:

Grant Agreement Signed	October 2022
£10k Area Board funding transferred to Co Cars	Within 28 days of Grant Agreement being signed
E-chargers & electricity supply in place	Jan 2023
Car delivered to Mere	Feb 2023
Project launch	March 2023

Recommendations

6. To approve the terms of and authorise entry into the Grant Agreement between Wiltshire Council and Co Cars for the Mere Car Club project
7. To delegate to the Strategic Engagement and Partnerships Manager, after consultation with the local unitary councillor authority to extend the date of the project launch (capped at a 6 month extension), should delays occur to the estimated timetable above.

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