

South West Wiltshire Area Board

16th March 2022

Subject: New Electric Co Car Club for Mere

Purpose of Report

1. To confirm funding for 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 £11k from its community area grants budget in March 2021 towards the setting up of a new electric car club in Mere. Since then, investigations have progressed, bringing this project closer to implementation.

Main Considerations for the Area Board

4. The Unitary Cllr for Mere and the local Community Engagement Manager (CEM) has 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. Within that Grant Agreement we would 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).

- (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.
- (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.

Recommendations

- 5. To confirm £10k capital funding to the Mere Car Club project, subject to the Grant Agreement with Co-Cars meeting the requirements detailed in this report.
- 6. To note that the CEM and Mere Unitary Councillor will continue to work with Mere Town Council and Co-Cars to agree where, how and when the Car Club will start.
- 7. To note that the resident survey undertaken demonstrates sufficient support for the club to go ahead.