

DATE: 3 July 2020

SUBJECT: Go Ultra Low Rapid Charging Clusters Project – variation of design and build contract for five rapid electric vehicle charging hubs.

REPORT OF: Managing Director, Transport North East

Confidential – the report contains “exempt” information which falls within paragraph 3 of part 1 of schedule 12A to the Local Government Act 1972)

EXECUTIVE SUMMARY

A delegated decision, using the delegated authority given to the Managing Director for Transport North East in his capacity as Proper Officer for Transport, (North East Transport Committee Standing Orders, Part 5) is sought to approve, in agreement with the Chief Finance Officer, a variation to the contract with Fastned UK Limited for the design & build of five Go Ultra Low Rapid Charging Clusters.

RECOMMENDATIONS

It is recommended that the proposed variation for the inclusion of additional works and services to the contract is approved, at a cost of £86,125.

1. Background

- 1.1 The GUL Programme comprises a £4.33m funding pot for delivering interventions designed to increase the take up of EVs in the area. The Transport North East Team (TNE) is leading on the delivery of the programme with support from individual councils.
- 1.2 One element of the Programme is the delivery of five EV rapid charging clusters in the region which are to be installed, operated and maintained by Fastned UK Ltd who were procured through an open procurement process.
- 1.3 During the contract term, Fastned UK Ltd has identified cost increases which are necessary to the delivery of the contract specification, but which were not identified as the responsibility of the contractor. These additional costs total £86,125 relating to the following:
 - Kingston Park requires a new substation to be built which has extra costs for a substation foundation, GRP Substation Enclosure, and additional ducting, and associated additional design & management costs, and planning costs.
 - The change in substation location required additional Northern Power Grid works and Fastned construction costs

The additional works can be awarded direct to Fastned under the Public Contracts Regulations 2015 (reg 72) and are regarded as reasonable and provide value for money.

2. Proposals

- 2.1 It is recommended that the Managing Director, Transport North East, following approval by the Chief Finance Officer, approves the variation of the contract to include the additional works and services.
- 2.2 The additional works includes a newly built sub-station which is necessary to connect the electric vehicle charging units into the grid.

3. Reasons for the Proposals

- 3.1 To secure the delivery of the five Go Ultra Low rapid charging clusters on a value for money basis, this cost variation is necessary. Without the cost variation, the hub will not be able to be installed as there is insufficient electrical capacity at the current sub-station.

4. Alternative Options Available

- 4.1 The additional works and services are integral to the delivery of the full complement of five rapid charging clusters, and their award to the existing contractor for the programme offers best value for money. To not carry out these additional works would mean the programme could not be completed and was therefore rejected as an option.

5. Next Steps and Timetable for Implementation

5.1 Following authorisation of this delegated decision, construction will be able to commence on the building of the sub-station and the associated works. The programme delivery has the electric vehicle rapid hub being commissioned and open to the public in Autumn 2020

6. Potential Impact on Objectives

6.1 This project will assist the Combined Authority and Local Enterprise Partnership in delivering Strategic Economic Plan and the JTC's objectives.

7. Financial and Other Resources Implications

7.1 There is allowance within the budget to fund the additional costs of this contract variation.

8. Legal Implications

8.1 This variation is compliant with current national procurement legislation and will be appropriately documented.

9. Key Risks

9.1 If the variation is not agreed, the project cannot be completed as planned.

10. Equality and Diversity

10.1 There are no equality and diversity implications directly arising from this report.

11. Crime and Disorder

11.1 There are no crime and disorder implications directly arising from this report.

12. Consultation/ Engagement

12.1 Statutory Officers have been consulted regarding the necessity for this additional payment.

13. Other Impacts of the Proposals

13.1 The project is not known to have any other impacts.

14. Appendices

14.1 N/A

15. Background Papers

NORTH EAST COMBINED AUTHORITY

Delegated Decision Report



15.1 None

16. Contact Officer(s)

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17. Sign Off

- 17.1
- Head of Paid Service:
 - Monitoring Officer:
 - Chief Finance Officer: