

Southend-on-Sea Borough Council

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Market Engagement Opportunity

Market Engagement for provision of 100% electric cars

Southend-on-Sea Borough Council
Civic Centre
Victoria Avenue
Southend-on-Sea
Essex
SS2 6ER

April 2020

Southend-on-Sea Borough Council (the Council) is seeking to engage with the market to gain an understanding of the capacity and appetite to relaunch and reinvigorate the car club and to engage with households and business to grow the facility into a vibrant profitable operation covering the whole of the town.

Background

Southend-on-Sea has had an all-electric car club running for approximately two years. Originally introduced as part of the Innovate UK project Motionhub, the car club consisted of eight cars deployed in the centre of Southend and two cars used as pool cars at the Civic Centre for the Council. The pool cars were heavily occupied in comparison to the former which failed mostly due to the lack of successful marketing campaign.

Currently, the car club has been reduced to only two pool cars and with the Covid-19 crisis, usage had withdrawn completely. Nevertheless, the eight car charging infrastructure is still intact and available.

Proposed Facility

The Council wish to understand the ability to find a partner who will work with them to grow the operation over a long term contract. At this stage, the Council is not proscriptive about how this can be achieved, except that the facility needs to build upon what is already available:

- Eight electric vehicle (EV) charging points linked to eight reserved car park spaces in the centre of town
- Established need for pool cars within the Council with evidence of unspent demand.
- A declaration and intent to reach net zero emissions in Southend by 2030 with a soon to be published action plan to achieve this
- Strong plans for wider EV charging infrastructure

The Council is prepared to invest to support a minimum level of provision in Southend-on-Sea for the first 18 months, although the primary objective is that the service should become self-sufficient as quickly as possible. In general terms, the Council is seeking a return in the form of a revenue or margin share in exchange for investment. The Council also has some additional funds available during 20/21 to help to expand the facility. In the long term, the Council may be prepared to be a co-investor should the right proposition be available with a strong chance of success with a commercial return.

Engagement.

The Council is keen to engage with companies who would be interested in relaunching the car club working with the Council to grow the usage and fleet into a self-sufficient operation. It will be important that the fleet consists principally of Battery Electric Vehicles in the town centre but other low emission vehicles and links to other local facilities would be considered to service the wider requirement.

The objectives of this engagement would be:

- To understand the practicalities and appetite for the industry to work with the Council as a long term partner to grow the facility into a self-sufficient operation with potential for income generation
- To understand the ways in which marketing and vehicle supply can be deployed to meet the objective of maximum utilisation and growth
- To understand what short and long term impacts the car club industry is experiencing and anticipates from Covid-19 on operations, on future sales and on profitability of such shared asset schemes
- To understand the likely levels of Council funding that would be sought and the revenue/profit share models that could be available
- To understand data/mapping tools that are available to could be developed to support the rollout and to maximise the impact of existing/new vehicles or to explore the industry appetite to work together to develop such tools.

Funding

The Council has funding of up to £67,000 to support a relaunch of the car club and to secure a minimum level of five electric vehicles deployed in the centre of town for 18 months. It is not a requirement that potential providers use all of this funding but any proposal that includes Council funding should include a revenue or profit sharing element to provide a return over time.

The Council also has available £40,000 available within its Innovate UK NetX project to grow the scheme but this funding cannot be used to establish the basic provision and must be spent by March 2020 (a 3 month extension may be possible but cannot be confirmed at present).

The funding should be focussed on expanding the areas of deployment for the electric vehicles, increased vehicle numbers and marketing with particular focus on increasing take-up in households that cannot afford their own electric vehicles or to use the fleet to encourage households to invest in their own electric vehicles whilst promoting the car club. Furthermore, some funds could be used to engage ways in which to grow the car club and/or electric vehicles marketplace particularly where it would encourage the take-up and use of the NetX equipment which is a device to allow multiple vehicles to charge simultaneously from the same EV charge point.

Market Engagement Process

This is not a call for competition. As such any future procurement process will be compliant with the Public Contract Regulations (2015 (updated 2016)). This includes but is not limited to advertising and fair treatment of economic operators regardless of their involvement in this Market Engagement.

The Council is interested to understand the level of market interest to become a long term partner and grow the facility into a self-sufficient operation with potential for income generation based on outlines, requirements and budget above.

The issuing of this document and the carrying out of this Market Engagement does not commit the Council to commencing any related procurement process or to a single means of procurement. In case of an unsatisfactory level of competition in the market able to fulfil the Council's requirements, the Council reserves the right to direct award this contract without commencing a procurement process.

Market Engagement Expressions of Interest

The written confirmation of your company's interest in taking part in this process and its response to the Market Engagement Question should be returned to the Council via email to procurementadvisors@southend.gov.uk

Your company's information to confirm interest (if this opportunity is procured in the future) must be received by the Council before:

12pm Friday 15th May 2020

The market engagement events will be undertaken w/c 18th May via the MS Teams meetings following your company's expression of interest.