

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	4170
Author:	John Edwin Bann
Department:	Development and Growth
Contact:	John Edwin Bann (Job Title: Cycling & Roadspace Transformation Manager, Email: john.bann@nottinghamcity.gov.uk, Phone: 0115 87 64014)
Subject:	Nottingham Cycle City eCargo Initiative - funding to purchase 15 eCargo cycles as part of DfT-supported pilot project
Total Value:	£47,900.01 (Type: Capital)
Decision Being Taken:	<p>1) To establish an eCargo bike pilot project in Nottingham.2) In accordance with Financial Regulation 3.29, to dispense with Contract Procedure Rule 4.1.1. to spend £47,900.01 to purchase 15 eCargo bikes from Raleigh UK Ltd (retrospective decision - not subject to call-in).</p> <p>3) To claim the grant funding award from the Energy Saving Trust to the value of £47,900.01 upon receipt of the 15 eCargo bikes (retrospective decision - not subject to call-in).</p>
Reasons for the Decision(s)	<p>Following an application submitted at the end of March 2020, the Council has been successfully awarded £47,900.01 from the Energy Saving Trust's local authority eCargo bike grant fund.</p> <p>The proposed project will establish a small fleet of 15 eCargo cycles in Nottingham for use within the internal Council fleet, by local partners delivering sustainable travel projects and for local businesses to trial for up to three months for free as a 'try before you buy' service.</p> <p>Delivery of this project will contribute to air quality improvements in Nottingham and will contribute to objective 1.4 of the Carbon Neutral 2028 Action Plan.</p> <p>One of the requirements of the application was to include a costed quote from a supplier, which would form the basis for the amount of grant to be awarded. To fulfil this, a request was made to three separate providers to supply a quote for 15 eCargo bikes with two responses received.</p> <p>The grant funding had to be claimed for from the Energy Saving Trust by 30/11/2020. Failure to purchase the eCargo bikes and claim for the grant by this date would have resulted in the offer being withdrawn and Nottingham City Council being liable for any expenditure accrued.</p>

Briefing notes documents: eCargo Bike Grant Fund DDM appendix.docx

Other Options Considered: Alternative options to those recommended included rejection of the grant award and varying the proposals by not procuring the bikes from Raleigh UK Ltd.

The option to refuse the grant funding was rejected as doing so would mean that the Council would either have to find an alternative source of funding to purchase eCargo bikes or not purchase any at all. This would inhibit the ability of the council to deliver on objective 1.4 of the Carbon Neutral Action Plan which indicates the councils desire to support and enable sustainable freight in Nottingham. The grant funding available is a low risk, minimal cost option for the council enabling the purchase of 15 eCargo cycles to enable early steps to deliver on this objective.

To not approve the procurement of bikes from Raleigh at this stage would add additional delay to receiving bikes to start the project. The additional time required to allow further quotations to be sourced from alternative suppliers would likely result in missing the final claim date of the Energy Saving Trust. This is due to the current estimated delivery time for bikes from Raleigh could be up to 12 weeks, a situation that is reflected by other cycle manufacturers and suppliers due to high demand around the world because of the Coronavirus pandemic. Further the availability of a supplier of suitable eCargo bikes in Nottingham and the wider East Midlands area is limited as the market in the country is a growing one.

In addition, any costs over and above the £47,900.01 award would be ineligible to be claimed from the Energy Saving Trust and any shortfall would have to be found from elsewhere in the council budget.

Background Papers: None

Unpublished background papers: DfT eCargo bike local authority scheme Grant Offer Letter Nottingham City Council.pdf, DfT eCargo bike Grant local authority scheme - Grant Conditions and Acceptance Nottingham CC.pdf

Published Works: None

Affected Wards: Citywide

Colleague / Councillor Interests: None

Dispensation from Financial Regulations: Yes

Consultations: Date: 16/03/2020

Other:Internal Fleet Management and parks service areas External local delivery partners (Sustrans, Ridewise, Nottingham Bikeworks, University of Nottingham and Nottingham Trent University)

We have held discussions with a number of internal and external partners regarding the practicalities and methodology for delivering the project. This included specific points around promotion, training, distribution, utilisation and monitoring of the eCargo bikes. This has been done to develop a collaborative project that utilise existing council resources in an efficient manner in addition to local knowledge.

Crime and Disorder Implications:

It is not expected that there will be significant crime and disorder implications from this project, purchase or the cargo bikes or acceptance of the grant funding.

Every effort will be taken to ensure that the eCargo bikes are kept in a secure facility when not in use with the bikes to be registered and insured as fleet vehicles and thereby insured appropriately.

Equality:

EIA not required. Reasons: The project enables the Council to procure eCargo bikes and therefore local businesses to trial more sustainable logistics solutions, so there are no significant benefits or disbenefits to protected equality groups.

Social Value Considerations:

Not applicable

Decision Type:

Portfolio Holder

Subject to Call In:

Yes

Call In Expiry date:

08/04/2021

Advice Sought:

Legal, Finance, Procurement

Legal Advice: The City Council must ensure it complies with the terms of the grant funding agreement with the Energy Savings Trust. The City Council should put in place contracts with the proposed partners to ensure the partners are responsible for the maintenance and security of the bikes and to obtain the required monitoring information about bike usage for the Energy Savings Trust.

Advice provided by Andrew James (Team Leader Contracts and Commercial) on 19/06/2020 (reviewed and confirmed 30/03/21).

Finance Advice: Following the approval of this decision the capital programme will be amended accordingly.

The Head of Transport Strategy is required to ensure grant conditions are met to reduce the risk of grant clawback.

Advice provided by Tom Straw (Senior Accountant - Capital Programmes) on 18/06/2020 (reviewed and confirmed 02/03/21).

Procurement Advice: Procurement supports this purchase as detailed in the 'decision to be taken' section of the report.

Advice provided by Paul Ritchie (Lead Procurement Officer) on 24/06/2020.

Signatures

Adele Williams (Portfolio Holder for Adult Care & Local Transport)
SIGNED and Dated: 05/02/2021
Chris Henning (Corporate Director for Development and Growth)
SIGNED and Dated: 05/02/2021
Clive Heaphy (Chief Finance Officer) - Dispensation from Financial Regulations
SIGNED and Dated: 04/01/2021
Chief Finance Officer's Comments:

Briefing Note - Nottingham Cycle City E-cargo Initiative

Funding to purchase 15 eCargo cycles as part of DfT supported pilot project

Summary

In December 2019, the Energy Saving Trust (EST) welcomed bids of up to £200,000 per authority to the local authority eCargo bike grant fund. This would support the purchase of eCargo bikes covering 100% of the purchase cost of the eCargo bikes for local businesses, as well as use within local authority fleets. Match funding was not a mandatory condition, however bids that include an allocation of formally committed match funding support would be seen as more favourable.

The Carbon Neutral 2028 Action Plan includes a specific objective relating to the cleaning of freight and logistics in Nottingham with clear reference to cargo bike solutions (Objective 1.4, action 1.4.3)

Following an application submitted at the end of March 2020, the council has been successfully awarded £47,900.01 from the Energy Saving Trust for 15 eCargo bikes. The award was based on a fully costed quote from local supplier Raleigh UK Ltd.

The Nottingham Cycle City eCargo scheme will initially establish a small fleet in Nottingham. This project will deliver three trial areas:

- Nottingham City Council's internal fleet
- Local project delivery partners:
- Local businesses via the Workplace Travel Service (WTS)

The target audiences are any organisations (business, public or voluntary sector) who have a requirement to move goods or equipment around Nottingham. We will promote the bikes at events and directly to businesses currently engaged with the Workplace Travel Service.

The project opens up access to a commercial vehicle option that is currently out of reach for both private and public-sector organisations. It will be of particular benefit to smaller organisations who may currently rely on external providers for deliveries within the city. Through an extended trial period, organisations will be able to assess – with support from the Council's Workplace Travel Service – if an eCargo bike can benefit them over a set period.

Who will lead the project?

Delivery of this project will utilise existing resources where possible

Client Lead: Cycling and Walking Infrastructure Development

Internal project support: Go Ultra Low, Workplace Travel Service, Fleet Management

External project support: Nottingham Bikeworks, Sustrans, Ridewise, NTU Business school



How much will the bikes cost?

15 eCargo bikes (12 two-wheelers, three trikes)

Total Grant request: £47,900.01

We received quotes for a range of eCargo bikes. Based on price and specification our preferred supplier will be Raleigh UK Ltd who are able to provide a range of cycles from the Dutch manufacturer Babboe.



What is the project timescale?



Who will use the bikes?

This project will deliver three trial areas:

- Nottingham City Council's internal fleet: These will be used by the authority to replace journeys around the city and in parks currently done by petrol or diesel vehicles.
- Local project delivery partners: Later this year the bikes will be made available to local partners such as Sustrans, Nottingham Bikeworks, Ridewise and the two universities.
- Local businesses via the Workplace Travel Service (WTS): These bikes will be allocated for an initial free, try-before-you-buy basis for up to three months. After this period, options to retain the cycles in the long-term will be available.

This length of trial has been offered to provide the opportunity to collect more consistent data around usage but also help to introduce a logistics vehicle that is not currently common in Nottingham and provide a substantial risk free trial. This is especially pertinent to help support local businesses following the unprecedented effects of the recent COVID19 pandemic.

The Energy Saving Trust and Department for transport will begin monitoring and evaluation of the project one year after its starting date. As part of the project monitoring, we would ask for a commitment to keeping a record of the number of miles, number of trips and approximate kg of goods moved by the bikes. We are also looking at options to enable anonymous data tracking of the eCargo bikes to support monitoring and evaluation of the project in addition to the potential to offer enhanced security. With the above data, it will be possible to review estimated financial and carbon saved by those involved in the project.

For cycles allocated via the WTS on a limited trial, there is potential for a number of organisations to try them throughout the duration of the project. We are also engaging the Nottingham Trent University Business School to facilitate focus groups to draw out qualitative data from this project.

What happens to the bikes after the trial and how will the bikes be maintained?

The eCargo bikes will remain part of the council fleet upon completion of the project and it is envisaged that they will continue to be offered on a trial or hire basis to local businesses in addition to continued use in the internal council fleet.

The project will be supported by a number of teams in transport strategy in addition to support from fleet management. The bikes will be incorporated and insured as part of the councils operational fleet.

The trial fleet will be serviced using the Council's newly constructed Nottingham Electric Vehicle Service centre (based at Eastcroft Depot). This will include valeting/cleaning of the bikes, electricity costs for charging, storage (when vehicles are not out on loan), expert follow up advice with the fleet technicians and aftercare of the vehicles (such as any necessary servicing, maintenance and repair of vehicles outside of their warranty).

Who will provide training on using the eCargo bikes safely?

Training for users of the eCargo bikes will be delivered in collaboration with Ridewise who are a local cycle training provider with their own experience of cargo bikes and the additional advice that may be needed for new users of cargo bikes.

It will be a pre-request as part of any hire/loan agreement for the bikes and for internal users that only those who have been trained to use the bikes should use them and any 'unauthorised' use will invalidate any personal or private insurance claims against the council. This will be confirmed in due course with the council legal team. A draft hire agreement has been created for discussion with legal services.

Project model

