

ELECTRIC VEHICLE CHARGING STRATEGY UPDATE

1.0 EXECUTIVE SUMMARY

- 1.1 Argyll and Bute Council has increased its network of public Electric Vehicle Chargers (EVC) since the last time this was reported to Environment, Development and Infrastructure Committee (EDI) from 28 to 37 thanks mainly to an investment of nearly £400,000 through the HITRANS FASTER project. Since formally adopting the EVC expansion plan in December 2022 officers have engaged with Scottish Government through Transport Scotland with a view to accessing funds from the £30million Electric Vehicle Infrastructure Fund (EVIF) but unfortunately, at the time of writing this report, we have not yet had any funding allocation or formal feedback on our submission. It is understood that no Local Authorities have yet received funding from the new fund.
- 1.2 As EVC becomes increasingly popular, and as the ban on new internal combustion engine vehicles approaches, there is a clear need for a comprehensive roll out of charging points and arrangements to sustainably manage and maintain these.
- 1.3 This report provides an update under various headings:
- EVC expansion plans and the Scottish Government's Electric Vehicle Infrastructure Fund (EVIF)
 - Maintenance of the current network
 - Update on network expansion
- 1.4 Background information including previous committee reports is available on the Council website [here](#).
- 1.5 In December 2022 the EDI Committee considered a report on the EVC strategy and formally agreed the development methodology and expansion list following a public consultation and development of the expansion list through a Member Seminar. That reports with its various appendices is available [here](#) at agenda item 6.

- 1.6 It is recommend that the Environment, Development and Infrastructure Committee is asked to:
- Consider and note the ongoing work to develop and manage the EVC network.
 - Agree that Officers should continue to engage with Transport Scotland on future funding options through the new Electric Vehicle Infrastructure Fund and that a specific Member Seminar will be arranged on EVC when there is clarity on how that fund will operate and be allocated.

2.0 RECOMMENDATIONS

2.1 The Committee is asked to:

- Consider and note the ongoing work to develop and manage the EVC network.
- Agree that Officers should continue to engage with Transport Scotland on future funding options through the new Electric Vehicle Infrastructure Fund and that a specific Member Seminar will be arranged on EVC when there is clarity on how that fund will operate and be allocated.

3.0 DETAIL

3.1 EVC expansion plans and national Electric Vehicle Infrastructure Fund (EVIF)

- 3.1.1 A detailed methodology was presented to the June 2021 meeting of this committee, then discussed at a Member Seminar in September 2021 which led to changes to the original proposed methodology. The original draft had sites to be prioritised large towns to small, whereas feedback from the seminar meant that we changed the prioritisation to focus on small villages/towns first on the basis that larger towns already have at least one charger. We had also originally proposed to cut off at settlements smaller than 1,000 population but following feedback we included villages with a smaller resident population than that but acknowledging that tourist traffic is significant. An updated draft list and methodology was then presented to the December 2021 meeting.
- 3.1.2 The agreed draft development methodology and site list went out to public consultation to ensure that communities had the opportunity to be involved in the process of deciding where future public EVCs installations should be across the Council area, and how that network should be developed and prioritised.
- 3.1.3 We received 254 responses from across Argyll and Bute; and as well as giving views on specific questions, respondents also provided more than 500 comments. The full consultation findings report is appended to the last report to EDI at Appendix 3 and an overview of themes from the consultation is at Appendix 4 of that same agenda item. These can be accessed [here](#).

- 3.1.4 The list is based on theoretical locations based on feedback and knowledge to date. It is anticipated that as the list is worked through there could be infrastructure limitations due to limited grid capacity across many locations in Argyll and Bute or technical considerations which may prevent development at a specific site. Although the development methodology provides for different priority bands, until such time as there is clarity on the possible future funding options it is not possible to develop a method to determine how that funding should be allocated to sites within the priority bands e.g. how sites are prioritised within the priority bands against available funding. As and when there is clarity on external funding a further report will come forward for Members to agree funding allocations.
- 3.1.5 The Environment, Development and Infrastructure Committee at its meeting in December 2022 agreed the following –
1. *agreed the development and prioritisation methodology at Appendix 1 to the submitted report, and the 55 site electric vehicle charging expansion list at Appendix 2 of the submitted report, noting that the expansion plan was supported by three-quarters of respondents to the electric vehicle charging public consultation; and*
 2. *noted that Officers would continue to engage with Transport Scotland on future funding options through the new Electric Vehicle Infrastructure Fund and that a specific Member Seminar would be arranged on electric vehicle charging when there was clarity on how that fund would operate.*
- 3.1.6 Since then Officers have been engaging with Transport Scotland through the Scottish Futures Trust to understand more about how the national fund will operate and how we might access it. The Scottish Government's vision for EVC expects that £60million of investment will be made in EVC, with that investment to be 50% publicly funded by Scottish Government, with the other 50% coming from private finance.
- 3.1.7 It is not clear how the private element will work – it is recognised that Local Authorities should have flexibility to develop a long term delivery model for their area which takes into account their own circumstances and each Local Authority's level of appetite for future involvement in the delivery and management of an EVC network. In an Argyll and Bute context, what is clear is that there is limited commercial appetite for large scale EVC development. While we have had the odd ad hoc approach from private companies these have tended to be somewhat niche and site specific e.g. a possible pilot venture to convert streetlights to EVC which did not develop beyond early discussions; and discussions with a private provider who is seeking to install EV infrastructure in a specific location in order to support a specific service provision, electric buses from Oban to Edinburgh. On the face of it, it seems likely that if there were genuine commercial opportunities of scale available within our area we would have been contact by potential providers/private sector partners. There are also instances of private supermarkets providing EVC for their customers in their own car parks, which is of course welcomed but does not, by its very nature, align with any overarching public transport development strategy.

- 3.1.8 Our experience of private interest is similar to that of other rural Local Authorities we are in discussion with through professional networks. In many parts of Argyll and Bute the infrastructure costs will be high to connect to the grid and/or to upgrade capacity. It is therefore likely that any vision which includes an equitable level of provision to ensure that no communities are disadvantaged/face barriers to EVC access is likely to fall on the public sector.
- 3.1.9 We have received informal feedback from Scottish Future Trust in the summer of 2023 that they would like us to provide a greater amount of evidence to show market failure in Argyll and Bute. With this in mind we have joined a procurement exercise called a PIN, which stands for Prior Information Notice, with various Councils across the Northern Roads Collaborative area. We are currently awaiting feedback from that exercise.
- 3.1.10 Our EVIF submission was considered by the EVIF Advisory Panel which comprises representatives from Transport Scotland, Scottish Future Trust and the Energy Savings Trust, in October 2023. We have not as yet had any formal feedback from that meeting although in dialogue with Transport Scotland in early January they advised that we should receive this shortly. A feedback letter was received in mid-February. This letter outlined a completely new formal application process which we will now work through, along with some generally positive informal feedback on the information we submitted previously.
- 3.1.11 It is unfortunate that we do not yet have clarity on what funding allocation we will receive from EVIF as the Council is not in a position to make any long-term decisions on the delivery of EVC in Argyll and Bute without more information on the amount of funding we will receive. The latest feedback highlighting a structured application process with guidance notes is, however; to be welcomed. The recommendation from the December 2022 EDI report regarding a future Member Seminar once there is clarity on the position is also recommended in this report as, unfortunately, the position remains largely the same as it was then.
- 3.1.12 Officers will urgently look to complete the new EVIF application and will continue to liaise with Transport Scotland and the Scottish Futures Trust, and will also continue to explore any private finance options that may be available to us. It is not possible to say with any certainty what our EVIF allocation might be – it would be prudent at this stage to begin to consider what the Council may wish to do if the allocation is less than we might require to deliver our expansion plan. If that is the case there would be a number of options to consider:

Option	Comments
Revise/reduce the scope of the plan	It would be sensible to revisit the strategy when there is clarity on funding, however; reducing its scope would not be consistent with the agenda to decarbonise transport due to the climate emergency. Across all public infrastructure we need significantly more and better EV

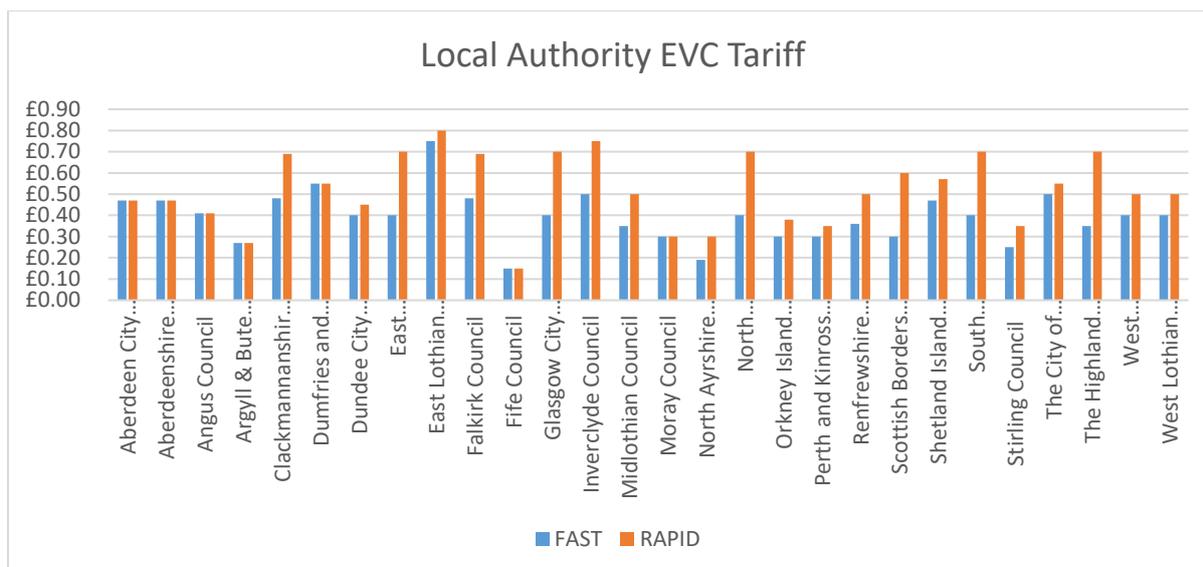
	chargers to support the changeover to electric vehicles
Council investment in EVC to make up any shortfall	A business case can be developed to look at if or how this could be self-financing across the whole asset group, with some busier assets likely to generate a surplus to cross-subsidise assets which are required in more rural areas to provide equitable provision but which by their nature are likely to operate at a loss This option would likely need to be accompanied with a significant increase in EVC fees for users
Explore externalising the network to a private provider	There has been limited private interest so far, but this is something we can further explore, although Officers have concerns that such a model would not provide an equitable provision. We could explore externalising some sites and retaining others but this would lead to a mixed model which could have the effect of having a two tiered system of access to EVCs with different fees in place.

3.2 Maintenance of the Network/Fault Issues

- 3.2.1 Fault reporting is simple for the EVC user; it can be done via the Charge Place Scotland (CPS) phone number which is on all units or their online form. Once received it is assigned a ticket number and various back office troubleshooting is undertaken to try and bring the unit back into use remotely. If this communication fails an engineer is scheduled with a Service Level Agreement (SLA) of 48hrs, unfortunately the SLA is rarely met due to a combination of staff over commitments and our geography. This is not uncommon across all Local Authorities. We are finding that providers price based on the 48hrs service standard but submit a lower price for a 72hrs standard. Given that the 48hrs is rarely met we are likely to alter our maintenance contracts in the future to a more realistic timeline which will also provide best value. If the fault can be fixed within the warranty agreement this is carried out and if not a quote for the work is provided directly to the Council for approval and authorisation. Once the fault is rectified the back office system is updated. Overall we are seeing improvements thanks to our approach which provides for continuity between the day to day and the long term strategy development
- 3.2.2 We have been proactive with the management and maintenance of fault and issues through the Project Officer post which also works on strategy development as well as supporting other key projects like Route Optimisation. We are monitoring faults and adding service disruptions to the Council's website, liaising

closely with providers to stay up to date on faults that run longer than the SLA and have recently brought a number of chargers under a single maintenance contract.

- 3.2.3 Due to the nature of funding awards in the past, piecemeal, year on year amounts, and in the absence of a strategy pre 2021, the network has a mixture of maintenance arrangements. Transport Scotland have previously provided funding to extend existing warranty packages, and prior to the strategy being in place this is what was done. The warranty and maintenance packages have proven not to be entirely reliable, with part replacement falling out with the standard contract Terms and Conditions, and costs falling on the Council to bear, with these costs being managed through the existing budget/fee recovery model. In effect the warranty and maintenance contracts cover what is internal to the units but not the items which are external. This year our non-contract spending on EVC maintenance has been c.£9k. As warranty and maintenance packages have ended we have looked to bring as many assets as possible under a single umbrella contract. We have been limited with some of the assets as the units previously installed could only be maintained by a single company. Over the course of 2023 we have successfully brought 13 chargers into a single robust all-encompassing maintenance contract with clear Key Performance Indicators.
- 3.2.4 Across Scotland Local Authorities are experiencing external funding for maintenance dry up with the cost burden falling to Local Authorities. With this in mind we have been planning for the long-term in how to make our network sustainable, which is why we recommended a fee increase for financial year 24/25. Previously our fee structure covered electricity costs to the Council and a small element to cover the non-contract spend mentioned above, whereas going forward our fee structure will need to cover asset management costs in addition to the other costs of the network.
- 3.2.5 The Council's approach to date has largely been to utilise external money coming through the Scottish Government, HiTrans etc. It is assumed that Members would wish to continue with this approach although it may be that Members would consider investing limited Council resources directly into the provision of additional charging points.
- 3.2.6 The current charge per kWh is £0.29. As part of the Budget process in February, this charge proposed to increase to increase to £0.45 per hour from April. This increase covers increased electricity charges from utility companies, ongoing maintenance and is designed to provide a small surplus which can be reinvested into replacement of charging units. This moves our charges more towards a market rate although is still some way short of supermarkets in Argyll and Bute, for example, who charge 79p per kWh in some cases. Below is a table showing the 2023/24 EVC tariffs across Local Authorities. .



3.3 Update on Network Expansion

3.3.1 The full, live expansion list is available at Appendix 1 of this report, with changes colour coded. A summary of the work to expand the network is provided in the table below, which is in addition to the significant work to develop better day to day management arrangements for the existing network. The team continue to liaise with government agencies and other Local Authorities, and represent the Council on national groups, to ensure they are at the forefront of developments in what is a fast growing industry. Significant work is also being undertaken with colleagues in Procurement to let various contracts and look at developments, liaise with framework suppliers and installers etc. Ultimately we will look to have a single contract for installs once the position on EVIF is clear, which will drive consistency across the network.

Item	Funding	Comments
HITRANS FASTER project	c. £400,000	<p>This has delivered 8 rapid chargers at the following locations:</p> <ul style="list-style-type: none"> • Two at Dunoon Coal Pier; • Two at Rothesay Pier, Isle of Bute; • One at Tarbert Harbour; • One at Ledaig Car Park, Tobermory, Mull; and • Two at Corran Halls Public Car Park, Oban

Council business chargers	£157,000 from Switched on Fleets	<p>Successful installs at Jackson's Quarry depot, Oban, and an additional unit at Helensburgh Civic Centre</p> <p>Out to tender for installs at the Hub Offices at Union Street, Rothesay and Kintyre House, Campbeltown to support the office rationalisation project.</p> <p>These chargers have the effect of increasing the public network as it means there are specific chargers for Council business use which relieves pressure on the public network. We have also been working with NHS and other public partners about use of each other's chargers with a view to developing a wider partnership approach to fleet decarbonisation.</p>
Tarbert	£45,000 from SSEN	Funding has now been secured for this and is in the Council's accounts. We are currently out to tender for this as part of the same exercise for the above office installations.
Tighnabruaich	£63,000 from Transport Scotland	This scheme was delivered in 2022/23

4.0 CONCLUSION

- 4.1 A significant amount of work is ongoing to develop a network which will support decarbonisation and lead to cleaner, greener transport. How the strategy develops from this point will largely depend on clarity on future funding and will need to be the subject of future discussions, report and decisions.

5.0 IMPLICATIONS

- 5.1 Policy – EVC strategy expansion plan and development methodology has been formally agreed in December 2022. It may be the case that this needs to be revisited depending on the outcome of the EVIF application.
- 5.2 Financial – cost recovery model is covering electricity costs and have been recommended for adjustment to cover asset management costs which were previously externally funded; capital costs currently 100% externally funded.
- 5.3 Legal – None.
- 5.4 HR – None.
- 5.5 Fairer Scotland Duty:
 - 5.5.1 Equalities - protected characteristics – None.
 - 5.5.2 Socio-economic Duty – None.
 - 5.5.3 Islands – Gaps in the network are prioritised through the public programme.
- 5.6 Climate Change – Implications for climate change through EVC strategy are very positive. Expanding our public network will encourage people to transition to electric vehicles, reducing CO2 emissions and moving towards a cleaner, greener transport system.
- 5.7 Risk – In terms of future options, there may be risks associated to a commercial model.
- 5.8 Customer Service – Work to ensure a better maintenance and warranty contract is increasing network reliability and providing a better service for our customers.
- 5.9 The Rights of the Child (UNCRC) – None arising from this report.

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APPENDICES

Appendix 1 – updated EVC expansion list