

ELECTRIC VEHICLE CHARGING STRATEGY UPDATE

1.0 EXECUTIVE SUMMARY

- 1.1 Argyll and Bute Council has an existing network of 28 public EVCs, which are now charged for. As EVC becomes increasingly popular, and as the ban on new internal combustion engine vehicles approaches, there is a clear need for a comprehensive EVC strategy which includes both options to sustainably manage and maintain the existing network as well as developing it at pace as and when funding arises.
- 1.2 This report provides an update under various headings:
- EVC expansion plans and public consultation
 - Possible costs and future external funding options
 - Maintenance of the current network
 - Future procurement and installation
 - Update on installation work over the past 12 months
- 1.3 Background information including previous committee reports and the EV strategy Part One; Cost Recovery Model is available on the Council website [here](#).

RECOMMENDATIONS

The Committee is asked to:

Agree the development and prioritisation methodology at Appendix 1 and the 55 site EV expansion list at Appendix 2, noting that the expansion plan was supported by three-quarters of respondents to the EVC public consultation.

Note that Officers 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

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2.0 INTRODUCTION

- 2.1 This report provides an update on the work over the past year to continue the development of the Council's EVC strategy, including public consultation, and developing future options for maintenance, funding and procurement.

3.0 RECOMMENDATIONS

The Committee is asked to:

- 3.1 Agree the development and prioritisation methodology at Appendix 1 and the 55 site EV expansion list at Appendix 2, noting that the expansion plan was supported by three-quarters of respondents to the EVC public consultation.
- 3.2 Note that Officers 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

4.0 DETAIL

4.1 EVC expansion plans and public consultation [EVC strategy Part Two]

- 4.1.1 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. Appended to this report at Appendix 1 is the development methodology and the draft long list is at Appendix 2.
- 4.1.2 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.
- 4.1.3 The consultation was promoted in a variety of ways, from social media and website links and via the national EVC back office support provider Charge Place Scotland. People were informed that the consultation was taking place and a link to the online survey was provided on each of the platforms. 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.
- 4.1.4 The full consultation findings report is appended to this report at Appendix 3 and an overview of themes from the consultation is at Appendix 4.
- 4.1.5 On the basis that three-quarters of those responding to the consultation supported the proposed expansion plan and development methodology, these are therefore recommended to the committee for approval to be adopted as the Council's EVC expansion policy. This will effectively complete the second part of the five part EVC strategy.
- 4.1.6 The list is entirely theoretical, and it is anticipated that as the list is worked through there could be infrastructure limitations 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.

4.2 POSSIBLE COSTS AND FUTURE FUNDING OPTIONS

- 4.2.1 It was previously reported to this committee that the third part of the strategy would give consideration to future funding requirements and options – mapping, application, management – to deliver on the outline programme developed through Part Two.
- 4.2.2 Since then the Scottish Government has set out its [vision for electric charging infrastructure in Scotland](#). To briefly summarise, the vision expects that £60million of investment will be made in EVC, with that investment to be 50% publicly funded by SG, with the other 50% coming from private finance.
- 4.2.3 It is not clear at this stage how the private element would work, but what is clear is that the Scottish Government will provide £30million of public funding across Scotland's 32 local authorities through an Electric Vehicle Infrastructure Fund [EVIF]. This funding will be allocated through a competitive bidding process, the details of which are not yet available.
- 4.2.4 Based on historic costs, we are estimating an average EVC purchase and installation cost of £25,000. With the rise in inflation a contingency element has been built in to our estimates which gives an average cost for estimating purposes of £30,000 per site. This gives an estimated total of £1,650,000 to deliver our 55 site plan.
- 4.2.5 The Scottish Futures Trust has been tasked with supporting the Scottish Government in developing various delivery models for local authorities to consider, and they have outlined three possible delivery models, two of which indicate how private finance could potentially be levered in:

(i) Leasing sites

Local authorities consider land holdings that may be suitable for commercial charge point delivery and offer sites they own to a private partner via a long lease which affords the opportunity to install and operate charge points. The private partner retains financing, installation, and service delivery risk. It sets tariffs and retains all the revenue it generates from EV users (subject to the terms of the lease). A lease might include conditions regarding the private partner's actions, but typically allows freedom and flexibility for the private partner. Sites could be offered to the partner in bundles with a mixture of high and low income sites, but this option is more suitable for more sites with higher utilisation that require little or no public subsidy.

Land and all below ground assets could remain in local authority ownership. The local authority could offer a "prepared site" and use its grant funding to secure network upgrades as well as any associated civils works. The local authority may wish to charge rent and/or take a share of future revenues.

(ii) Concession contracts

The risk associated with installation, maintenance, and service delivery across multiple sites, including asset utilisation, is transferred to a private partner who

finances the capital and replacement costs of new charger points after taking any grant funding into account. The private partner sets tariffs and retains the revenue it generates from EV users (subject to the terms of the concession agreement). The contract term would reflect the period required by the private partner to recoup and make a return on invested capital. At the end of the contract term the assets are expected to revert to the local authority.

Land and all below ground assets could remain in local authority ownership (which could command a rent and/or share of future revenue) or the private partner could be expected to source land from other parties. The local authority could offer some “prepared sites” and use its grant funding to secure network upgrades as well as any associated civils works.

The local authority may also decide to transfer the operation, maintenance and replacement risk of its existing charge point assets to the private partner for the duration of the contract and in turn, allow the private partner to generate income from these existing sites.

Unlike the leasing option, where the local authorities would not be involved in service delivery, the private partner’s performance in a concession contract would be monitored via a KPI Framework.

This model is expected to be deployed where private sector investment on its own is unlikely to be viable.

(iii) Local Authority Owner Operator

Local authorities set the specification, procure the capital works, and retain responsibility for the operation and maintenance of the charging network. They procure a Charge Point Management System and a customer support provider, or a full turnkey Charge Point Operator to provide the interface with the EV users, collect data, monitor performance, manage costs, process payments, and facilitate fault resolution.

Whilst capital costs are likely to be procured via a fixed price contract, and maintenance costs covered by warranties, all risk relating to capital, operation, and maintenance costs as well as charge point utilisation, income generation and customer relationship management are retained by the local authority. The local authority funds the capital costs, operation, maintenance, and repairs are funded from the tariff and income generated.

4.2.6 SFT have recognised that variations to each of these models to meet local circumstances may be required to reflect each local authority’s preferred long-term role in the delivery of public charging services. It may be the case that in some circumstances local authorities wish to consider the merits of establishing a joint venture with a private sector organisation.

4.2.7 At this stage Officers continue to engage with SFT and Transport Scotland through various forums to monitor and contribute to the development of the national vision and to ensure Argyll and Bute Council is well placed to bid for funding when the EVIF fund officially opens up. This is expected to be early 2023.

4.3 MAINTENANCE OF THE NETWORK/FAULT ISSUES

- 4.3.1 The fourth part of the strategy focusses on maintenance. Fault reporting is simple for the EVC user; it can be done via the 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 of 48hrs, unfortunately the SLA is rarely met due to a combination of manpower over commitments and our geography. This is not uncommon across all local authorities. If the fault can be fixed within the warranty agreement this is carried out and if not a quote for the work is provided by SWARCO directly to the Council for approval and authorisation. Once the fault is rectified the back office system is updated.
- 4.3.2 We have been proactive with fault and maintenance issues. We are monitoring faults and adding service disruptions to the Council's website, liaising closely with SWARCO to stay up to date on faults that run longer than the SLA and have recently gone out to tender for new maintenance and warranty contracts.
- 4.3.3 We are currently running a tender process to replace and simplify the numerous maintenance and warranty contracts that currently exist as a result of contracts being extended over the years. This new single contract will see units being added to it as their existing contract ends making it easier to manage and monitor moving forward. The new contract has been done using the Scottish Governments new Scotland Excel procurement framework and we have progressed this with our Procurement colleagues. At the time of writing this report that procurement exercise has not concluded but it may conclude prior to the Committee meeting. Once that new contract is in place and we have a detailed maintenance plan that will effectively complete this part of the EVC strategy.

4.4 PROCUREMENT AND INSTALLATION STRATEGY

- 4.4.1 Part Five of the strategy considers future procurement and installation. Previously EVC installs were procured through open tender which was time consuming. As a result of engagement with and work by Scotland Excel there are now national framework contracts which are in place which should allow for much faster call offs as and when funding arises. Once we have funding clarity it is our intention to develop a detailed programme year by year subject to a further decision by Members on funding allocations, and to look to appoint large contracts on allotted basis with optional follow on lots – this should find the balance between pace of delivery and ensuring quality.

4.5 UPDATE ON ASSET MANAGEMENT AND EXPANSION

- 4.5.1 A summary of the work to deliver installations, relocate charger and explore new EVC opportunities is summarised in the table below:

Item	Funding	Comments
HITRANS FASTER project	c. £372,000	This is a fund administered by HITRANS directly. This is a detailed piece of work which is covered fully at Appendix 5 of this report.
Dunoon Grammar pilot	The Power Networks Demonstration Centre [PNDC] at Strathclyde University were managing a project which aimed to gain data in order to improve the maintenance and repair of EVC. The academic and Industrial research and development scheme funded from the Infrastructure Solutions for Zero Emission Vehicle fund, provided by the Office for Zero Emission Vehicles (OZEV).	<p>It was planned that Argyll and Bute would receive 4 fully funded EV charge points, including the costs of hardware, installation and operation (excluding metered energy costs). Unfortunately the opportunity was lost due to the project funding tight timescales and the additional layer of complexity to the sites due to them being managed by third parties.</p> <p>It is important to note this was not wasted exercise, a lot of learning was gained and that knowledge and future planning will now be applied to future installs like the one noted below at Oban High School.</p>
Relocation of Helensburgh Pier EVCs	Helensburgh Waterfront Development	This has been a highly resource intensive project to support, with calls on the project team's time along with colleagues from Infrastructure Design to assist in relocating the Helensburgh EVC from their previous position near the old leisure centre to the new leisure facility car park. There has been 6+ months of intense modification work required to ensure the EVCs are reinstated to full working capacity and in line with Transport Scotland specification. Unfortunately at the time of writing there remain some snagging issues with the relocated chargers which are being picked up directly with the contractor.
Council business chargers	£130,000 from Switched on Fleets	<p>Successful installs at Jackson's Quarry depot, Oban, and an additional unit at Helensburgh Civic Centre</p> <p>Working on a scheme to install a charger at Oban High School if a suitable agreement can be reached with ABC Schools who manage the school on behalf of the Council.</p>
Tarbert	£47,000 from SSEN	This would provide a charger in Tarbert [an identified site within the Expansion

		Plan] funded through SSEN at no cost to the Council. This is a community benefit from the power installation projects in the area. Funding has now been secured.
Tighnabruaich	£63,000 from Transport Scotland	This is a legacy scheme from the previous Local Authority Install Programme
Arrochar	Any costs absorbed in EVC budget	We are relocating the EVC that currently sits within Luss Estates carpark, Arrochar. The Council did lease this carpark but when that agreement ended in 2021 the EVC was effectively nested in a third party site which had different access arrangements from our other EVCs. There is an outline proposal for an improvement project at the Glen Loin 2 car park and we had been hoping to synchronise the proposed works there with the move of the EVC, but it now appears that that project won't proceed in earnest for some time depending on other funding applications. With that in mind we are making arrangement to move the EVC now, so that it is publically available in the adjacent car park in advance of future works to that site.

5.0 CONCLUSION

- 5.1 If Members adopt the long list of public sites and the delivery methodology, which were supported by three-quarters of those responding to the public consultation, this will become Council policy and will be the list of sites to be worked through as and when external funding arises.
- 5.2 A significant amount of work has gone into the development of the EVC strategy and the Council is now well placed to deliver on further EVCs and to have robust systems in place to manage the network. How the strategy develops from this point will largely depend on clarity on future funding.

6.0 IMPLICATIONS

- 6.1 Policy – EVC strategy would be formally adopted as Policy and will guide development of EVC as and when future funding arises.
- 6.2 Financial – cost recovery model is covering electricity costs; capital costs currently 100% externally funded.

- 6.3 Legal – none
- 6.4 HR – none
- 6.5 Fairer Scotland Duty:
 - 6.5.1 Equalities - protected characteristics
 - 6.5.2 Socio-economic Duty - none
 - 6.5.3 Islands – gaps in the network are prioritised through the public programme.
- 6.6 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 greener transport system.
- 6.7 Risk – in terms of future options, there may be risks associated to a commercial model.
- 6.8 Customer Service – Working to ensure a better maintenance and warranty contract which will increase network reliability and provide a better service for our customers.

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APPENDICES

- Appendix 1 – EVC Infrastructure Development Methodology
- Appendix 2 – Proposed EVC Expansion List
- Appendix 3 – Consultation Responses
- Appendix 4 – EVC Consultation Headlines and Key Themes
- Appendix 5 – HITRANS FASTER Project