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East Dunbartonshire Council

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**PLACE NEIGHBOURHOOD &
CORPORATE ASSETS
COMMITTEE**

THURSDAY, 25 JANUARY 2024

REFERENCE:

PNCA/008/24/DG

LEAD OFFICER:

**EXECUTIVE OFFICER - LAND PLANNING &
DEVELOPMENT**

CONTACT OFFICER:

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SUBJECT TITLE:

**ELECTRIC VEHICLE CHARGING
INFRASTRUCTURE**

1.0 PURPOSE

- 1.1** The purpose of this Report is to provide updates on work undertaken by the Glasgow City Region (GCR) relating to Electric Vehicle (EV) infrastructure and local EV infrastructure delivery.

2.0 RECOMMENDATIONS

It is recommended that the Place Neighbourhood & Corporate Assets Committee:

- 2.1** notes the update in this Report relating to the existing Electric Vehicle (EV) charging infrastructure network in East Dunbartonshire and work progressing with the Glasgow City Region (GCR) to identify a suitable EV charging infrastructure expansion model;
- 2.2** agrees that a Concession Model is the preferred model that will be developed further collaboratively with the GCR to deliver increased EV infrastructure provision in East Dunbartonshire;
- 2.3** agrees that the GCR Project Management Office (PMO) will act as the Lead Authority to take forward the planning and preparation stage of the Concession Model with input from the eight member local authorities within the GCR;
- 2.4** agrees that up to £70,000 of uncommitted Transport Scotland Electric Vehicle Infrastructure Fund (EVIF) allocation should be allocated over financial years 2023/2024 and 2024/2025 to the GCR PMO, acting as the Lead Authority, to use in the planning and preparation of the Concession Model;
- 2.5** instructs the Executive Officer for Land Planning & Development to engage with the Lead Authority and determine the level of allocations made within the upper limit of £70,000 over financial years 2023/2024 and 2024/2025;

- 2.6** instructs the Executive Officer for Land Planning & Development to continue to engage with the GCR PMO and other GCR local authorities, via the GCR EV Senior Officer Group, and agree on the range of matters relating to the planning and preparation of the Concession Model as outlined in the 'Next Steps' section in **Section 3** of this report;
- 2.7** instructs Officers to provide a report to a future meeting of Council or the Place, Neighbourhood & Corporate Assets Committee to present a developed Concession Model arrangement together with a recommended procurement route; and
- 2.8** instructs Officers to provide updates on local tariff collections and the development of the network via Technical Notes and Elected Member briefing sessions.

HEATHER HOLLAND
EXECUTIVE OFFICER – LAND PLANNING & DEVELOPMENT

3.0 BACKGROUND/MAIN ISSUES

3.1 Report **PNCA/056/23/DG** was presented at Council in June 2023 and approved the implementation a local electric vehicle charging tariff from the 2nd October 2023. Council instructed Officers to continue working with the GCR to examine expansion models for electric vehicle charging infrastructure.

Current EV Infrastructure Tariff in East Dunbartonshire

- 3.2** The East Dunbartonshire electric vehicle charging tariff commenced in October 2023. Since the introduction of tariffs there has been a drop in the number of recorded charging sessions. In September for example, 4261 sessions were recorded, dropping to around 2036 sessions in October and 1885 sessions in November. Immediate drops in usage of circa 50% have been reported at every local authority in the GCR upon the introduction of tariffs. This represents users who have access to alternative charging options but were previously choosing to access the public chargers to take advantage of the free electricity.
- 3.3** This information represents a new baseline of users who do not have alternatives, such as a private charger at home and those choosing to use the public network for the convenience and speed of chargers available.
- 3.4** The reduction in charger usage has reduced pressure on the charger network in East Dunbartonshire and made it easier to find an available charger when required. This reduces 'range anxiety' amongst EV owners/potential owners and will help encourage increased uptake of EVs. Based on the experience of local authorities that have had tariffs for longer, it is anticipated that the ongoing trend will be for gradually increasing charger usage as EV uptake increases and the charger network grows.
- 3.5** The income generated to-date is in the region of £25,000 from the tariff. All proceeds from the tariff will be used to fund the installation, maintenance and electricity costs of the East Dunbartonshire charger network.
- 3.6** Officers will continue to encourage further development of the EV charger network in East Dunbartonshire whilst a longer term model to manage and expand the network is established. There are currently 27 Council installed EV chargers, 7 of which have been installed over the last 12 months. These include chargers at the new Kirkintilloch Community Sports Centre, Barleybank Car Park and Hillhead Community Centre. Four new EV chargers will also soon become operational at the Allander Leisure Centre. A badly vandalised charger in Eastside Kirkintilloch requires to be replaced. Work is also ongoing to ascertain the best location for the installation of chargers at Bearsden and Hillfoot Stations, and Mugdock Park. There are currently 16 private chargers (publicly available) in East Dunbartonshire, 7 of which have been installed over the last 12 months.
- 3.7** The Council has limited developer contributions to support this in the interim. The Building Scotland (Amendment) Regulations 2022 will see increased EV charging requirements associated with new developments (including residential). The private sector will also continue to invest in EV charging infrastructure available to the public but on private land (for example supermarkets and retail parks).

Transport Scotland Funding

- 3.8** It is the policy of Transport Scotland to develop a sustainable and competitive market for EV charging and leverage private sector investment through partnership working and the implementation of tariffs on the public network.
- 3.9** In 2022, Transport Scotland launched the EVIF. This fund makes £30m available to local authorities across Scotland over four years with the aim of supporting the transition to a sustainable and competitive market for electric vehicle charging. Collaboration between local authorities, to create economies of scale and benefit from pooling resources is strongly encouraged by Transport Scotland.
- 3.10** An initial £140k was made available to each local authority to support the development of a Strategy and Expansion Plan (SEP). Officers are drawing down on the fund, and as with all other local authorities in the GCR it is expected there will be surplus that can be directed to the GCR PMO to support further work to develop the SEP. To-date around £40,000 of the Council's allocation has been drawn down. It is recommended that £70,000 can be provided to the GCR PMO as Lead Authority to support this.
- 3.11** In addition to the funding outlined above, it is expected minimum capital funding of around £2.4m will be made available from Transport Scotland to the GCR area (pending evidence of need in an agreed SEP). This funding will support the implementation of the SEP across the GCR, but it will not be enough to meet forecasted requirements in public EV Charging infrastructure. It remains to be seen whether this is an allocation split and directed to each local authority or directly as a lump sum to the GCR.
- 3.12** Of the original £30m EVIF budget, circa £15m is still unallocated. These funds will be allocated by Transport Scotland based on needs identified in SEPs, with a focus on areas which are less likely to attract private sector investment. Greater clarity is needed from Transport Scotland on how EVIF will be released to the public sector.

Strategic Expansion Plan (SEP)

- 3.13** Elected Members should be aware that the target timescale for the implementation of a solution for a long-term expansion of public sector enabled EV charging points and its management, is autumn 2025.
- 3.14** Charge Point Scotland is currently contracted by Transport Scotland to manage publicly available Council EV charge points and collect tariffs. This contract ends early 2026, with the tariff collection and management arrangement wound down through 2025. The GCR PMO is liaising with Transport Scotland to try get a better understanding of how the EV chargers under this contract will be administered and to highlight the impacts of the timing of the ChargePoint Scotland ending in 2025. The transfer of the existing infrastructure operated by ChargePoint Scotland must be considered as part of the work lead by the GCR to examine the future management and provision of EV charging infrastructure.
- 3.15** The term 'strategic provision' is used to identify the total number of publicly available EV charging points that will be required, and that are enabled by the Council.

These do not include EV chargers which are publicly accessible on private land (for example a retail park, or filling station). The Council has been working closely with the other local authorities in the GCR and the GCR PMO to examine options for expanding the strategic provision of EV infrastructure. Officers from across all eight local authorities in the GCR have been working together via the GCR EV Senior Officers Group to examine opportunities and options for increased strategic provision.

- 3.16** Consultants Mott Macdonald were commissioned by the GCR PMO to consider opportunities for collaboration across the region, such as collective procurement and maintenance of the EV charging network as it expands. This work represents a collaborative regional approach with the aim of producing a single regional SEP that recognises the benefits of pooling resources and collaboration across the GCR.
- 3.17** Mott Macdonald has produced a range of detailed technical information in the form of a draft Public Electric Vehicle Charging Strategy and Expansion Plan for the GCR with plans for each local authority. It sets out a business case and associated request for Transport Scotland EVIF to help trigger private sector investment into growing the EV charging network. The work undertaken by the consultant has informed a draft summary SEP prepared by the GCR PMO that will highlight forecast demand, potential EV Charger locations and a recommended delivery model. Transport Scotland has requested an update on SEP be published and the draft summary SEP will be made available on the GCR website. Transport Scotland are to provide guidance on how this will be presented, and once GCR have received this guidance the draft summary SEP will be published. Members should note that identifying exact locations for EV charging points will require further work which will include consideration of local need, as well as negotiations with private sector partners to balance the local priorities with commercial viability.
- 3.18** The consultant work has provided initial forecasts for the level of publicly available EV charging potentially needed in East Dunbartonshire (and the wider GCR) over the coming years. Several data sources were considered, including data from Transport Scotland, motor industry data and housing typology profile of local authority areas. In East Dunbartonshire for example 72% of dwellings have off-street parking and the remaining 28% may be unable to install a private charger.
- 3.19** By 2030 it is expected that circa 600-650 publicly accessible EV chargers should be available in East Dunbartonshire to meet forecast demand. This forecast notes circa 200 delivered via the Council (i.e. on Council land and public road network), the remainder provided (approx. 400) in private locations (excluding residential properties).
- 3.20** Of the public sector enabled charge points, 27 currently exist. The remainder would be delivered through the model described in this Report. Of those publicly available in private locations there are currently 16 - examples of this will include charge points located in supermarkets and filling stations. These numbers could be subject to change as more chargers are introduced, for example at a leisure centre, or privately owned locations.
- 3.21** The capital investment required to achieve the strategic provision (i.e. EV chargers publicly available in public areas) in East Dunbartonshire is at this stage estimated to be £2.9m.

The feasibility modelling has suggested indicative private sector investment of £1.9m - £2.4m could be achieved, with grants and public sector investment covering the remaining amount, if required.

- 3.22** Three models for the delivery of the 'strategic provision' for the GCR have been considered. The Land Lease Model, the Public Sector Owner-Occupier Model, and the Concession Model. The Concession Model has been recommended by the consultants and the GCR EV Senior Officers Group as the model to develop further.
- 3.23** The Land Lease Model is where the public sector owns the land, the private sector has the legal rights and responsibilities of owning and operating the charging infrastructure. This includes owning the physical charging stations, related equipment, and any associated assets. A land-lease model would not give the Council substantive leverage over the roll-out of EVCI in East Dunbartonshire. This would mean limited or no control of the tariff set by the charge point operator and limited or no control over site selection.
- 3.24** The Public Sector Owner-Occupier Model is where the public sector owns and operates infrastructure, and responsibility for investment, maintenance, back-office systems etc. Whilst the public sector may receive all the income, all risk sits with the public sector. This model would require substantial investment to support the roll out of EVCI in East Dunbartonshire. The Mott Macdonald analysis showed this model could represent an additional cost of £1.9m - £2.4m for the Council. This is based on a 20%-15% return on the initial investment in an industry where the break-even point is not expected for 7-10 years.
- 3.25** This model would also require significant additional staff resources to manage the workload, including taking over the 24/7 back office support role from Charge Place Scotland when its contract ends. There are also a number of legal issues that require to be explored in a public owner-operator model, including subsidy control considerations and assessment of appropriate mechanisms to ensure any action taken was within the Council's legal powers (intra vires).
- 3.26** The recommended Concession Model is where the public sector and private sector can share the legal rights and responsibilities of owning the charging infrastructure, depending on the contractual agreement. The private sector takes responsibility for the day-to-day functioning and management of the charging infrastructure. Alternative models within this are privately operated only, where the public sector retains ownership of charging infrastructure with assets returning to the public sector at the end of the contractual period; and a privately operated with risk share approach, where ownership is shared. The Council would receive an income from the concession which provided access to public sector land assets.
- 3.27** The Concession Model would give the Council the opportunity to influence site selection and tariff rates whilst allowing the private sector partner to manage financial risk, regulatory risk and technological change risk. The private sector partners would likely hold a large portfolio (UK or Europe wide in some cases) of EVCI, providing more resilience to risk and expertise to manage these risks.
- 3.28** The Council could potentially receive a fee via a Concession Model and there may be opportunities to examine profit sharing arrangements.

It should be noted however that charge-point operators (CPO) will likely require influence over site selection and setting tariffs, so agreeing the correct balance between Council/CPO control and financial arrangements will be crucial to the delivery of an adequate level of EV Chargers for the area overall. The Concession Model is likely to be delivered in multi contract lots and the location, types and tariffs will be required to be agreed. A Concession Model could also give Councils options at the end of the contract to take ownership of the EV charging assets, if desired.

Next Steps

- 3.29** In order to progress with the planning and preparation of the Concession Model a Lead Authority is required. It is proposed that the GCR PMO be endorsed as Lead Authority to progress the next stage and go to market. The Lead Authority will require to form a project management team, and to work up a draft scope and other procurement documents. There are a number of key matters that GCR member local authorities will require to reach an agreed position on in order to progress to the procurement of a private sector supplier(s).
- 3.30** The GCR PMO has an indicative timetable which would see a new CPO established in autumn 2025. The new CPO would go live and take over existing EV charging assets and new installations would commence from October 2025. This programme is however very ambitious will require to be further tested.
- 3.31** More work is required to review the forecasts set out in the Mott McDonald report and identify the Council's priority EV charging locations to inform a phased approach to the roll out of EV charge points and a proportionate ask of the EVIF from Transport Scotland to help get sites ready for private sector investment.
- 3.32** Shaping the contract for a Concession Model will require a number matters to be agreed, including: the types of charging infrastructure to be included (i.e. Slow or Fast charge points); local priority locations; tariff setting measures; the distribution of any income / income sharing; and other matters such as the consideration of potential future measures such as 'off peak' tariffs, the ability to reserve chargers and special larger bays for Vans/Lorries/HGVs. These will help inform any Heads of Terms to be included in a delivery contract(s). The procurement approach must also be agreed in relation to the number of contracts to best deliver the new provision, and how implementation is phased.
- 3.33** Further exploration will also be required of the interrelationship of fleet EV charging opportunities and public EV charging infrastructure. Some initial work has been undertaken on this via the GCR workstreams. This would need to be further explored including opportunities for shared access by bus or coach operators.
- 3.34** The management and operation of the Council's existing EVCI assets, installed and attached (currently) to Chargeplace Scotland's network with warranty/maintenance contracts and repairs is done so currently by Officers. The future management and operation of these must be considered, including back office staff (currently provided through ChargePlace Scotland). A decision will need to be made on whether this asset and activity remains in-house or if existing infrastructure is offered up to third parties alongside or as part of the Concession Model arrangement.

4.0 IMPLICATIONS

The implications for the Council are as undernoted.

- 4.1** Service to Customers – The tariff has now been in place for two months and the initial increase in calls and enquiries to the Council should have passed. Chargeplace Scotland has a 24/7 call centre that provides the support for faults/repairs on chargers and as much as possible enquires will be redirected to that service.
- 4.2** Workforce (including any significant resource implications) – a dedicated resource is now in place in order to support the delivery of the local EV charging infrastructure and engage with relevant national and regional work streams. As the GCR collaborative approach is developed there will be an increasing need for Procurement and Legal teams to provide support.
- 4.3** Legal Implications – The Report recommends new contractual agreements be set up under a Concession Model with the private sector. Legal input, advice and analysis will be needed to develop the Concession Model which will include preparing a procurement approach and draft contract documentation for consideration by Members at a future committee.
- 4.4** Financial Implications – The Report recommends a path to maximise private sector investment. It should be noted however, there may still be a requirement for initial investment from the public sector. Transport Scotland will continue to offer grant funding, such as the EVFI, but this is representing a decreasing portion of the total funding requirements as the Council moves towards a self-sustaining financial model. Officers will continue to examine other possible external funding streams for any potential funding gap.
- 4.5** Procurement – The Report recommends private sector partner(s) are procured to provide new EVCI under a collaborative GCR concession model. Procurement resources will therefore be required to engage with the planning and preparation of the Concession Model, and to develop the appropriate arrangement for the procurement of a private sector supplier/operator (s).
- 4.6** ICT – n/a
- 4.7** Corporate Assets – consideration will be required as to whether existing Council owned EV Charging infrastructure management is transferred as part of any Concession Model.
- 4.8** Equalities Implications – accessibility of the network will be considered as local implementation plans evolve including the Council's local place areas.
- 4.9** Corporate Parenting – n/a
- 4.10** Sustainability – The increased provision of EV charging points supports the aims and objectives of national and local sustainable transport policy.
- 4.11** Other – n/a

5.0 MANAGEMENT OF RISK

The risks and control measures relating to this Report are as follows:-

- 5.1** A risk exists in relation to the ongoing and increased cost to the Council for the provision of existing publicly available EV charging infrastructure. The current arrangement with ChargePlace Scotland and introduction of the tariff will help manage these costs.
- 5.2** A risk exists that costs to operate the existing EV infrastructure become higher than the tariff income due to changes in the market places, energy costs etc. In this scenario the Council could operate at a loss and be required to underwrite these additional costs until the tariffs are adjusted. Tariffs will be adjusted annually as part of the Council's budget setting process. In the event of a significant change in the costs associated with operating the EV charger network, Officers will report this for authority to alter the tariff rates to reflect the market changes.
- 5.3** The collaborative regional approach is recommended to help determine and implement increased long term public EV charging infrastructure provision. A risk is present in relation to adequate provision being made in areas the Council deems necessary, given the requirement for commercial viability and potentially alternative priorities identified by private sector partners. To mitigate there will be close engagement with GCR and other member local authorities through the Senior Officers Group in setting the terms for any concession model contract.
- 5.4** There is a risk that the required 'strategic expansion' is at a cost that cannot be met through current funding. The models recommended to expand the public EV infrastructure regionally and locally seek to minimise the risk and cost to the Councils going forward in sharing the risk with the private sector partner (s).
- 5.5** There is a risk that with the closure of the ChargePlace Scotland contract in 2026 there could be a gap in management and tariff collection until new arrangements are put in place. To mitigate these, arrangements are being considered as part of the development of the Concession Model. Consultation continues with Transport Scotland to highlight the risks associated with the closure of the ChargePoint contract at this timescale.

6.0 IMPACT

- 6.1 ECONOMIC GROWTH & RECOVERY** - A well-developed charging network will support the local economy. Working collaboratively as part of the GCR will help move to a cost recovery system, which will make the charger network sustainable and promote future growth.
- 6.2 EMPLOYMENT & SKILLS** - n/a
- 6.3 CHILDREN & YOUNG PEOPLE** - n/a
- 6.4 SAFER & STRONGER COMMUNITIES** - n/a
- 6.5 ADULT HEALTH & WELLBEING** - n/a

6.6 OLDER ADULTS, VULNERABLE PEOPLE & CARERS - n/a

6.7 CLIMATE CHANGE - The increased provision of EV charging points will provide an alternative to fossil fuels to operate motor vehicles and is one measure which can contribute to the reduction of carbon emissions created through transport.

6.8 STATUTORY DUTY - n/a

7.0 POLICY CHECKLIST

7.1 This Report has been assessed against the Policy Development Checklist and has been classified as being an operational report and not a new policy or change to an existing policy document.

8.0 APPENDICES

8.1 None