



**REPORT TO: ECONOMIC DEVELOPMENT AND INFRASTRUCTURE
SERVICES COMMITTEE ON 8 FEBRUARY 2022**

SUBJECT: CHARGES FOR ELECTRIC VEHICLE CHARGING

**BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND
FINANCE)**

1. REASON FOR REPORT

- 1.1 To inform the Committee of proposals to vary the mechanism for payments for the use of public electric vehicle charge points.
- 1.2 This report is submitted to Committee in terms of Section II (F) (17) of the Council's Scheme of Administration relating to traffic management.

2. RECOMMENDATION

2.1 It is recommended that Committee:

- (i) **notes that a wider Electric Vehicle Strategy focussing on further developing the public charging network and transitioning the council's fleet of vehicles to ultra-low emission vehicles will be brought to a future meeting; and**
- (ii) **approves the recommended changes to tariffs for charging vehicles at council operated charge points as specified in paragraphs 4.1 and 4.2.**

3. BACKGROUND

- 3.1 In September 2017, as part of the Scottish Government's Programme for Government, The First Minister announced that all petrol and diesel vehicles would be phased out in Scotland by 2032. The underlying vision of a significant reduction in greenhouse gas emissions will be accompanied by marked improvements in local air quality, noise pollution and public health. Electric Vehicles (EVs) are the main solution at his time, and are widely expected to continue to play an important role in achieving the 2032 target.
- 3.2 This runs in parallel with opportunities to reduce the total number of vehicles on the road through increased active travel, public transport and co-operative models of car ownership.

- 3.3** As at 30 September 2021 there are approximately 645,000 Ultra Low Emission Vehicles (ULEVs) in the UK, with 39,000 in Scotland – broadly a 50/50 split between battery electric vehicles and plug in hybrid vehicles. This figure is increasing, with the number of vehicles having doubled in the last 18 months.
- 3.4** Moray Council declared a Climate Change Emergency in June 2019 and have a target to become carbon neutral by 2030.
- 3.5** Following discussion at Economic Growth, Housing and Environmental Sustainability Committee on 8 June 2021 (para 8 of the minute refers) officers agreed to review charging tariffs and put forward a wider EV Strategy. The wider strategy is being progressed by external experts, with a view to present a draft strategy to this Committee in the first part of 2022.
- 3.6** At present, the provision of charging infrastructure is being led by the Public Sector. This allows for a fair and equitable network to be established, and confidence in mode shift encouraged. However, it is not solely the responsibility of local authorities to provide infrastructure for residents and visitors, but rather any organisation that encourages travel by personal vehicle should be making provision for electric vehicles, including, but not limited to, retail operations, leisure facilities, visitor attractions and employers. Aside from a small number of examples, Scotland benefits from having a single, national network with consistent access and governance protocols in the form of Charge Place Scotland (CPS).
- 3.7** Notwithstanding the forthcoming strategy which will focus on the future for infrastructure provision across the public network and the council's own fleet of vehicles it is proposed to consider amendments to the charging tariff for implementation in April 2022
- 3.8** Moray Council has 26 charge points which have been funded by the Scottish Government ChargePlace Scotland grant fund. From their first introduction in 2014, Council endorsed the use of a flat tariff to enable cost recovery. The current tariff is a flat fee of £3.80 per charge, regardless of the type of charger, or consumption.
- 3.9** Originally Moray Council was the only council to take payment for the use of public EV charging points. This situation has evolved, and now 12 other local authorities have introduced tariffs.

3.10 The following table summarises the charges made by other local authorities in Scotland:

| Council | Connection Fee | Consumption Fee | Other Charges |
|----------------|----------------|--|--|
| Aberdeen City | £0.38 | £0.19 kWh | Pay for Parking as per car park charge |
| Aberdeenshire | - | £0.21 kWh | |
| Argyll & Bute | - | £0.25 kWh | Minimum fee £1.80. Penalties for overstay and misuse |
| CnES | - | £0.20 kWh | Minimum fee £1.00. Overstay charge |
| Dundee City | £0.38 | £0.15 kWh | |
| East Lothian | - | £0.16 kWh Destination Charger £0.30 kWh Journey Charger | Minimum £1. Overstay charge |
| Falkirk | - | £0.25 kWh | Minimum £1. Overstay charge |
| Fife | £1.60 | £0.15 kWh | Overstay charge |
| Midlothian | - | £0.16 kWh Destination Charger £0.30 kWh Journey Charger | Overstay charge |
| North Ayrshire | - | £0.19 kWh Destination Charger £0.30 kWh Journey Charger | Overstay charge |
| Orkney | - | £0.25 kWh £0.20 kWh | Minimum £1 |
| Highland | - | £0.30 kWh £0.20 kWh | Minimum £1. Overstay charge |

3.11 As can be seen, the emphasis is now very much on tariffs being based directly on consumption, much as is the case with other fuel types. Some councils are differentiating between the fastest chargers – ‘journey’ chargers, and slower chargers ‘destination’ chargers, with a higher tariff for the journey chargers to discourage lengthy stays, to promote turnover for as many vehicles to use the site as possible. Given the dispersed geography of Moray’s settlements and therefore charge points, at this stage it is proposed that Moray Council offers a single tariff until there is a greater choice of charger type in each area of Moray.

3.12 The cost to the council of providing the charge points consists principally of the standing charge from the electricity supplier and the cost of the electricity supplied. Maintenance of the charger is currently covered under the funding agreement from Transport Scotland, along with the provision of the charge point itself. This position may change in future years.

3.13 The unit rate for the supply of electricity to the council is £0.15 per kWh. The standing charge for each charge point varies by site, but totals £607 per month. Maintenance is currently grant funded through the warranty programme, however, over time there is the potential for maintenance costs to be incurred.

3.14 The average vehicle takes 13.5 kWh per charge on the council’s chargers, which equates to 28p per kWh using the £3.80 flat charge.

4. PROPOSAL

- 4.1** To maintain a parallel with the £3.80 flat charge, and to make allowance for standing charges and maintenance as well as consumption, it is suggested that a tariff of £0.28 per kWh is introduced (with no connection fee). The influence of a variable tariff on consumption can then be monitored, and revisions to the tariff proposed on the basis of lessons learned. This provides the closest to no net loss / no net gain as is currently possible, although it is possible that a variable charge may influence driver behaviour in terms of time connected to the charger. £0.28 per kWh is at the upper end of the range of tariffs across Scottish local authorities – the authorities that charge £0.30 per kWh only do so for rapid chargers, and have a much lower charge (£0.16) for slower chargers. To set a higher charge presents the risk of reducing actual use of the charge points, and therefore a) suppressing confidence in the EV network and b) reducing the total income.
- 4.2** It is also proposed that a minimum charge of £1 is introduced (this would be waived if the charge supply is interrupted). Overstay charges are useful, particularly on rapid chargers to encourage turnover if there is evidence that vehicles are parked for excessive periods, but at this point there is no evidence that this is currently an issue in Moray.
- 4.3** It should be noted that further recommendations on charge point etiquette (guidelines for use) and wider policy will form part of the EV Strategy.
- 4.4** It is recommended that the tariff is reviewed after a minimum of 12 months operation to allow for trend analysis.

5. SUMMARY OF IMPLICATIONS

- (a) **Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))**
These proposals sit within the approach of the council in its Corporate Plan of looking after the world we live in, whilst supporting the priority of creating a sustainable council through a budget neutral revision to charges.
- (b) **Policy and Legal**
TBC following consultation
- (c) **Financial implications**
The proposed tariff is as close to budget neutral as can be calculated.
- (d) **Risk Implications**
There are no specific risk implications arising from this report.
- (e) **Staffing Implications**
There are no staffing implications arising from this report.
- (f) **Property**
There are no property implications arising directly from this report.

(g) **Equalities/Socio Economic Impact**

TBC following consultation

(h) **Climate Change and Biodiversity Impacts**

The proposed changes to the tariff are designed to be more flexible and reflective of the consumption of a vehicle per charge, thereby encouraging use of the public charging network. This should support the move towards more widespread use of ULEVs.

(i) **Consultations**

The Depute Chief Executive (Economy, Environment and Finance), Legal Services Manager, Principal Accountant (P Connor), Equalities Officer, Principal Climate Change Officer, and Committee Services Officer (L Rowan) have been consulted and their comments incorporated into the report.

6. CONCLUSION

6.1 Moray Council has had a flat tariff for the use of EV charge points since 2014. In order to better promote their use, and reflect the consumption of individual users, it is proposed to change the tariff to a variable tariff based on consumption of 28p per kWh.

Author of Report: Nicola Moss, Transportation Manager

Background Papers:

Ref: SPMAN-524642768-528