

Report

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| Report to: | Community and Enterprise Resources Committee |
| Date of Meeting: | 4 February 2020 |
| Report by: | Executive Director (Community and Enterprise Resources) |

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| Subject: | Electric Vehicle (EV) Charging Infrastructure Trial |
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ advise Committee of an Electric Vehicle (EV) Charging Infrastructure Trial project involving Transport Scotland, Scottish Power Energy Networks (SPEN), North Lanarkshire and South Lanarkshire Councils
- ◆ seek approval for the Executive Director (Community and Enterprise Resources) in consultation with the Head of Administration and Legal Services to enter into the necessary legal or partnership agreements required to deliver this project

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the progress on the project to date be noted;
- (2) that the Executive Director (Community and Enterprise Resources), in consultation with the Head of Administration and Legal Services, be authorised to enter into the necessary legal or partnership agreements required to deliver this project; and
- (3) that it be noted that a progress report will be submitted to a future meeting of the Committee.

3. Background

- 3.1. Members will be aware of the Scottish Government's 2019 climate emergency declaration and the associated environmental challenges. The Climate Change Bill includes an ambition to reduce greenhouse gas emissions, with a net-zero emissions target by 2045.
- 3.2. Transport is currently the largest contributor to Scottish emissions and this will be tackled through a range of actions, including an ambition to phase out the need for new petrol and diesel cars and vans by 2032.
- 3.3. The recent National Transport Strategy consultation recognised the global climate emergency and the role of transport in helping to deliver net-zero emissions by 2045 as a key priority, along with how transport can play its part in building a fairer society.
- 3.4. In order to meet the Scottish Government's 2032 ambition to phase out new petrol and diesel cars, EV charging and transition to electric powered vehicles is a key delivery component.

- 3.5. These developing national strategic frameworks will influence future decisions on investment. The Scottish Government's second Strategic Transport Projects Review, the 2020 Infrastructure Investment Plan and the transport elements of the update to the Climate Change Plan will consider, assess and identify how options will support National Transport Strategy.
- 3.6. There is a need for a national implementation/delivery plan for transport across Scotland and it is expected that trial projects such as this one will assist in shaping this plan.
- 3.7. Following on from the above, there is an increasing emphasis on public sector agencies to facilitate the transition to low carbon transport. In this regard, South Lanarkshire Council has been selected by Transport Scotland and Scottish Power Energy Networks (SPEN) as one of two Local Authority delivery partners to trial a new and innovative approach in the provision of clean energy for transport. The other authority is North Lanarkshire Council.
- 3.8. The key aim of the trial is to provide a scalable project that demonstrates that a District Network Operator (DNO), in this case SPEN, can effectively deliver, implement and operate a Universal Strategic Public Charger Network. The focus of the trial will be on SPEN, however, clearly all parties will have a part to play in making it a success.
- 3.9. Working in partnership with Scottish Government, Transport Scotland, Scottish Power Energy Networks (SPEN) and North Lanarkshire Council, proposals are currently being developed to provide an enhanced network of EV public charging infrastructure across Lanarkshire. It is estimated that around £2.5m will be invested across South Lanarkshire with a similar amount in North Lanarkshire. All the capital funding will be provided by Transport Scotland with the works implemented by SPEN.
- 3.10. This project presents multiple benefits to South Lanarkshire Council in relation to carbon reduction, tackling barriers to financial inclusion and connectivity within communities. It also provides opportunities to build upon the work already delivered across South Lanarkshire in relation to EV public charging infrastructure.

4. Local Perspective

- 4.1. In order to meet the Climate Emergency challenge, the Council is already building on its Sustainable Development and Climate Change Strategy setting new ambitious timescales reflecting the growing urgency of the climate change challenge to meet or exceed the new national targets for Scotland. The Local Transport Strategy 2013 to 2023 also sets out policies and actions in relation to the support and delivery for low carbon vehicles/infrastructure.
- 4.2. To meet national and local policy ambitions and to encourage and drive change to sustainable travel modes, genuine and co-ordinated medium to long term investment is required (i.e. both capital and revenue). This includes investment in areas such as active travel, enhanced park and ride provision and in this case low carbon vehicle infrastructure. Members may recall this point was made in the recent consultation reply to the National Transport Strategy and reported to Community and Enterprise Resources Committee on 12 November 2019.

- 4.3. South Lanarkshire, similar to a number of Local Authorities, benefits from national investment in relation to Low Carbon/Electric Vehicle Charging Infrastructure funding streams which has led to the development of a public network of 57 dual chargers across key locations. However, the ad-hoc nature of funding makes it difficult to deliver this infrastructure in a co-ordinated and strategic manner.
- 4.4. While the funding to date has been welcomed, further investment and infrastructure development would benefit from an overarching national implementation/delivery plan as referenced above. It is expected that this trial project will assist the Scottish Government in developing such a plan which can perhaps then be complemented by a structured funding/implementation model for the whole of Scotland. This in turn can assist in delivering infrastructure at a local level in a more co-ordinated manner over a number of years.

5. The Project

- 5.1. Turning to the details of the project, this will see SPEN procure and install 220 electric vehicle charge points in potentially 37 locations (hubs) across South and North Lanarkshire. Some 60 of these charge points will be rapid (50kW) charge points.
- 5.2. Timescales are ambitious and the first charging hub is programmed to be completed by May 2020 and the final one by December 2020, which would subsequently see the Council enter a one year operational/evaluation period commencing from January 2021. The project will see the EV charging infrastructure network potentially triple in size within South Lanarkshire from its existing 57 dual chargers to potentially 167 dual chargers, an increase of 110.
- 5.3. The charging infrastructure will be installed in Council owned car parks and be available for public use. Locations being considered align with areas of potential demand that SPEN and Council officers are identifying and take cognisance of existing SPEN infrastructure location and capacity, available land and the need to provide public access.
- 5.4. SPEN will be responsible for these charge points from implementation until the end of the trial which is expected to be 31 December 2021, at which point responsibility of the infrastructure is expected to transfer to South Lanarkshire Council. Discussions are ongoing with respect to this particular point and transition arrangements. Officers expect that the general public will continue to be able to use the infrastructure at the end of the trial period and moving forward.
- 5.5. Officers have already been engaged in preparatory work with Transport Scotland and SPEN and an exercise is presently underway to determine optimum charging hub locations. SPEN's sub-station network is being overlaid with mapped and identified assets of the Council to align priorities and opportunities.
- 5.6. Work has also commenced in relation to drafting legal agreements and necessary lease and licence arrangements for access to and for the use of Council assets/land. These agreements and arrangements will seek amongst other matters to confirm locations, responsibilities, timescales, and future responsibility of the infrastructure and ensure any risks are allocated and minimised appropriately.

5.7. Indicative timescales for the next steps are as follows:-

| Action | Timescale |
|--------------------------------------|---------------------------------------|
| Drafting/signing of Legal Agreements | January 2020 to March 2020 (Ongoing) |
| Site identification/agreement | January/February 2020 (Ongoing) |
| Lease/Licence Agreements | February 2020 to April 2020 (Ongoing) |
| Phased implementation | April 2020 to December 2020 |
| Operational/Evaluation Period | January 2021 to December 2021 |

5.8. As set out earlier, the key aim of the trial project is to demonstrate that a DNO (i.e. SPEN) can effectively deliver, implement and operate a Universal Strategic Public Charger Network.

5.9. In order to develop the project further and meet ambitious timescales, it is considered appropriate to report to Committee at this time to update members and seek approval to enter into the necessary legal and partnership agreement. It would also be the intention to report to Committee at a future date on progress, possibly towards the end of 2020, prior to the trial formally commencing. In the meantime, officers will seek to keep members informed of roll out of the EV charging hubs in the coming year.

6. Employee Implications

6.1. There are at this stage no significant employee implications associated with the recommendations in this report as the work to date will continue to be undertaken by existing employees.

6.2. Moving forward, officers intend to explore the potential for increased resources to assist with the project implementation and monitoring with Transport Scotland.

7. Financial Implications

7.1. There are no significant financial implications associated with the implementation of the associated infrastructure as this capital cost (expected to be around £2.5m) is being funded entirely by Transport Scotland via SPEN. Maintenance costs will also be covered in the short to medium term by a five year maintenance agreement.

7.2. However, the ongoing electricity costs are expected to fall to the Council in the short term. At present, the Council operates 57 chargers over 31 locations and annual electricity costs are in the region of £25k. This is on the basis that electricity is provided at no cost to the public and there are no extra connection charges to use the units.

7.3. While the future model for electric vehicle charging is likely to involve a connection charge and tariff per kwh it is considered that in the short term at least (e.g. 2 to 3 years) electricity should continue to be provided free to the user as this will continue to encourage the uptake of EVs.

7.4. Overall, electricity cost to the Council is expected to rise from the present £25k per annum for our existing 57 dual chargers to close to £160k with the inclusion of the further 110 chargers associated with this trial project. In the short term, the additional costs will be managed as an additional financial pressure within the Resource. Going forward these additional costs will be considered as part of future budget strategies.

7.5 As the uptake of EV continues to rise in future years the Council will look to review the current position of providing electricity free of charge. In considering this a number of issues would have to be considered; the position taken by other local authorities, ensure that any momentum in encouraging the uptake of EV's is not reversed through the introduction of a tariff, establishing a revenue stream to allow the maintenance of the infrastructure and in turn reduce a future budget pressure on the Council.

7.5. Post the five year maintenance period and as technology develops discussion will be required with Transport Scotland and/or partners in relation to continuing investment to upgrade or replace this infrastructure when necessary and to conduct any statutory safety checks. Essentially this infrastructure would likely become part of the roads and transportation assets and require to be funded in the long term.

8. Climate Change, Sustainability and Environmental Implications

8.1. These proposals will have positive environmental impact as the introduction of EV charging infrastructure will encourage the use of more sustainable low carbon modes of transport.

9. Other Implications

9.1. Given the pace of the project it should be borne in mind that certain information is unavailable at this present time (e.g. specific locations for the infrastructure). It will only be through further development work and approval of legal agreements that locations and other matters will be confirmed or clarified.

9.2. While there are some risks involved in this approach these are considered to be low and acceptable given the level of investment that will be secured for South Lanarkshire.

10. Equality Impact Assessment and Consultation Arrangements

10.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore no impact assessment is required.

10.2. There is no requirement to undertake any consultation at this time in terms of the information contained in this report.

Michael McGlynn
Executive Director (Community and Enterprise Resources)

6 January 2020

Link(s) to Council Values/Ambitions/Objectives

- ◆ Improve the quality of life of everyone in South Lanarkshire
- ◆ Improve the road network, influence improvements in public transport and encourage active travel
- ◆ Work with communities and partners to promote high quality, thriving and sustainable communities

Previous References

- ◆ None

List of Background Papers

- ◆ None

Contact for Further Information

If you would like inspect any of the background papers or want any further information, please contact: -

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