

## RECORD OF EXECUTIVE DECISION

Tuesday, 15 November 2022

**Decision No:** (CAB 22/23 35417)

DECISION-MAKER:	CABINET
PORTFOLIO AREA:	Cabinet Member for Housing and the Green Environment
SUBJECT:	Introduction of Fees for Council's Public Electric Vehicle Chargers
AUTHOR:	Steve Guppy

### THE DECISION

- (i) To end the free to use offer at SCC's public EV chargers and introduce a fee-paying service at an introductory rate of £0.45/kwh (inclusive of VAT) from the 12th December 2022. Future fees will be reviewed routinely and updated where necessary to ensure income is aligned with costs.
- (ii) For those chargers SCC currently provides for the dedicated use by SCC licensed taxi and private hire vehicles, to delegate authority to the Executive Director of Place, following consultation with the relevant Cabinet Member, to relax the current access restriction and/or introduce fees at a future date and when satisfied that this sector has sufficient charging infrastructure available to support its transition to EV's.

### REASONS FOR THE DECISION

SCC is under no statutory or grant agreement obligation to maintain a free to use service. When the council first introduced EV chargers in 2018, they were offered on a "free to use" basis for a limited period to incentivise early take up of EV's in the city at a time when they were not as an attractive proposition to drivers as they have become today. The growth of the EV market is now accelerating in the UK, driven by the 2030 restrictions on the sale of new petrol and diesel vehicles. SCC has seen a seven-fold increase in energy consumption at its public chargers in 2022 whilst it has also experienced a four-fold increase in its energy costs since 2020. The cost for maintaining this service at current energy costs (October 2022) and consumption rates is approximately £13,505 per month. This is placing a pressure on SCC's finances and restricting its ability to further invest into its charging infrastructure at a time when the priority needs to shift towards providing a service at a scale to satisfy future demand.

Two rapid chargers are currently offered exclusively to SCC licensed taxi and private hire vehicles on a free to use basis as part of the council's Local NO2 Plan and efforts to reduce taxi related emissions. Currently only 3 EV's are licensed in the city and registered to use the chargers. Although SCC has

been able to stimulate a significant shift towards lower emission hybrid vehicles in recent years, further effort is required to support this sector transition to full EV's and to realise their wider benefits. This is already underway as part of the Hants 2025 Project and would benefit from retaining these chargers on a free to use and exclusive access basis until there are further practical charging options available and the viability of running an EV is more widely accepted.

### **DETAILS OF ANY ALTERNATIVE OPTIONS**

Do not implement a fee for use of SCC's Public EV Chargers. The public charging network is currently using approximately 36,500 kwh of energy per month (measured July-September 2022) at an estimated cost of £13,505 (based on unit energy cost of £0.37 kwh from October 2022). There is capacity for further uptake and energy consumption. The energy costs are forecast to increase to £0.45 kwh. If the use of our chargers remained at 36,500kwh per month, the cost to the Council would be £16,425per month (£197,100 per Anum) and would represent a significant pressure on council finances.

Introduce fees for charging at SCC Public EV Chargers at a different rate. An introductory rate of £0.45 kwh (£0.38 kwh excluding VAT) would offer a commercially competitive rate that is comparable to other providers (see paragraph 35) and would contribute significantly towards energy costs (see paragraph 36). If this rate is not sufficient to recover costs it can be adjusted accordingly and in accordance with the Officer Scheme of Delegation. Any surplus generated after operator and energy costs are paid can be used accommodate any future increases in energy costs and support ongoing maintenance charging network. Future fees will be adjusted to ensure this pricing strategy is maintained and that may include raising or lowering fees in response to the market price that SCC can secure.

Shut down SCC's public EV charging service. The widespread adoption of EV's is key component of the UK's Net Zero Strategy. As the increase in private and commercial EV ownership expands so does the need for charging these vehicles. Many users do not have ability to charge at home or work and there is an expectation that local authorities will play a key role in delivering the public charging infrastructure needed to satisfy future demand. SCC is currently the biggest provider of public EV charging in Southampton and will need to maintain this to ensure the transition to EV's is otherwise not hindered in the city. DETAIL 6. When SCC first introduced EVC's in 2017, sales of Battery Electric Vehicle.

### **OTHER RELEVANT MATTERS CONCERNING THE DECISION**

None

**CONFLICTS OF INTEREST**

None

**CONFIRMED AS A TRUE RECORD**

We certify that the decision this document records was made in accordance with the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 and is a true and accurate record of that decision.

Date: 15<sup>th</sup> November 2022

Decision Maker:  
The Cabinet

Proper Officer:  
Judy Cordell

**SCRUTINY**

Note: This decision will come in to force at the expiry of 5 working days from the date of publication subject to any review under the Council's Scrutiny "Call-In" provisions.

Call-In Period expires on

Date of Call-in *(if applicable) (this suspends implementation)*

Call-in Procedure completed *(if applicable)*

Call-in heard by *(if applicable)*

Results of Call-in *(if applicable)*