

<b>SUBJECT:</b>	<b>Proposed Electric Vehicle Charging Tariff at Council Sites</b>
<b>MEETING:</b>	<b>ICMD</b>
<b>DATE:</b>	<b>16<sup>th</sup> August 2023</b>
<b>DIVISION/WARDS AFFECTED:</b>	<b>ALL</b>

**1. PURPOSE:**

1.1 To consider the financial implications and agree the charging tariff per kw/h for electric vehicle charging owned and operated by the Council at its operational sites.

**2. RECOMMENDATIONS:**

- 2.1 That we adopt a kw/h charge of 50p for the financial year 2023/24, acknowledging that this will result in a level of subsidy for staff and members of the public using the chargers.
- 2.2 Future charging tariff decisions to be delegated to the Chief Officer in consultation with the Cabinet Member.

**3. KEY ISSUES:**

- 3.1 As part of the Council's decarbonisation agenda, 7kw electric vehicle charging infrastructure (EVCI) has been installed in public car parks in collaboration with the CCR and grant funding. The EVCI is operated by Connected Kerb and the kw/h unit rate for users is currently 35p but will shortly be rising to 50p. Other providers of EVCI include Gwent Energy who currently charge 50p and Dragon Charging who currently charge 65p.
- 3.2 A clear priority of the Council is to support the transition of vehicles from internal combustion engines (ICE) to electric vehicles for both the Council's operational fleet and grey fleet. EVCI has been installed at County Hall via the Council's re:fit programme which will be available to colleagues and members of the public.
- 3.3 Prior to switching on the EVCI at County Hall there needs to be an agreed charging tariff. A sensitivity analysis has been undertaken to ascertain the cost to the end user and the Council and is illustrated in the table below. The modelling has been undertaken on the assumption that each charger would be used for 6 hours ( 2 \* 3-hour sessions), 5 days a week for 51 weeks of the year. Achieving these charging rates will in part be dependent on effective car park management to ensure that vehicles do not remain at the charging points once they are fully charged.

	Cost recovery	MCC Proposed	Connected Kerb (Previous)		Connected Kerb (new)	Gwent Energy	Dragon Charging
Public / staff rate per kWh	57.2	50.0	35.0	45.0	50.0	50.0	65.0
Connection fee	£ -	£ -	£ -	£ -	£ -	£ 1.00	£ 0.50
<b>Net income (minus transaction fees, energy costs, VAT)</b>	£ -	-£ 597	-£ 1,835	-£ 1,010	-£ 597	-£ 204	£ 838
Annual Costs							
Back office	£ 600						
Servicing	£ 1,500	-£ 2,697	-£ 3,935	-£ 3,110	-£ 2,697	-£ 2,304	-£ 1,262
User cost per session	3 hours, 21 kWh	£ 12.02	£ 10.50	£ 7.35	£ 9.45	£ 10.50	£ 11.50
Example session hours	6	£ 24.04	£ 21.00	£ 14.70	£ 18.90	£ 21.00	£ 22.00
	42 kWh						£ 27.80
Gross income p.a. (inc VAT)	£ 6,130	£ 5,355	£ 3,749	£ 4,820	£ 5,355	£ 5,865	£ 7,217
Transaction fees p.a.	£ 460	£ 402	£ 281	£ 361	£ 402	£ 440	£ 541
Transaction fees per session	£ 0.90	£ 0.79	£ 0.55	£ 0.71	£ 0.79	£ 0.86	£ 1.06

3.4 As is evident from the above table, if we are to adopt 50p per kWh in line with the tariff charged at other public sites, the Council will incur a loss of £2,697 (based on the outlined assumptions) for the financial year 2023/24. Officers are concerned that if we adopt a cost recovery model we will dis-incentivise the use of electric vehicles and we will be disadvantaging those officers and community members who do not have the ability to charge at their home and benefit from their domestic energy tariff.

3.5 The cost model will need to be reviewed when the Council has confirmation of its electricity costs for 24/25, and officers will continue to track the tariff rates of commercial providers operating at Council owned sites. The usage data will be used to test the baseline assumptions when considering the 24/25 tariff rate.

#### 4. EQUALITY AND FUTURE GENERATIONS EVALUATION (INCLUDES SOCIAL JUSTICE, SAFEGUARDING AND CORPORATE PARENTING):

This report has no impact on corporate parenting and an EQIA has been completed which indicates that the positive benefits of promoting electric vehicles will outweigh the financial subsidy in the first year.

#### 5. OPTIONS APPRAISAL

5.1 The Council could choose to set the charging tariff at a cost recovery, income yielding or subsidised rate. To achieve an income the tariff would need to be a minimum of 65p, and it is considered that this will deter users from accessing the EVCI. In addition, this rate is higher than a domestic tariff rate and will therefore disproportionately impact on those users who do not have access to off street charging.

5.2 The cost recovery model would require a charge of 57.2 kwh which is still considered to be cost prohibitive at a time when we are promoting the transition to ULEV vehicles. The recommended option is 50p per kWh, to be reviewed when the electric unit rates have been confirmed for 24/25.

#### 6. REASONS:

6.1 Commuting and business mileage forms part of the carbon emission baseline assessment that is reported annually to Welsh Government. Given the requirement to achieve net zero by 2030 the Council needs to consider all aspects of its emissions and implement strategies to reduce and remove the carbon emitting activities. Whilst office-based colleagues can work in a hybrid manner, they will still need to attend the offices for Council meetings etc.

Our frontline colleagues have no opportunity to work in a hybrid manner and must travel to their work base on a daily basis. The availability of affordable EVCI will support colleagues to transition their personal vehicles, which is supplemented by the re-launched Tusker scheme.

## **7. FINANCIAL CONSIDERATIONS**

- 7.1 If the 50p per kWh is adopted it is anticipated that the Council will incur a loss of £2,697 for the financial year 23/24. This figure may reduce as the estimated loss is based on 51 weeks usage, conversely if the usage figures are lower than anticipated, the losses will increase due to the fixed overheads of £2,100.
- 7.2 The Decarbonisation Team are responsible for the project and will be responsible for both income and any losses arising for the use of the EVCI. Any losses which cannot be met by the outperformance of the renewables income will be managed as part of the wider directorate budget and budget recovery plan.

## **8. CONSULTEES**

Communities & Place DMT

## **9. BACKGROUND PAPERS: None**

## **10. AUTHOR:**

Debra Hill-Howells Head of Decarbonisation, Transport & Support Services

## **CONTACT DETAILS**

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## Integrated Impact Assessment document (incorporating Equalities, Future Generations, Welsh Language and Socio Economic Duty)

<p><b>Name of the Officer</b></p> <p>Debra Hill-Howells</p> <p><b>Phone no:</b> 0775 851405 <b>E-mail:</b> debrahill-howells@monmouthshire.gov.uk</p>	<p><b>Please give a brief description of the aims of the proposal</b></p> <p>To agree the kWh charge for EVCI installed at MCC operational sites that are available to staff and members of the public</p>
<p><b>Name of Service area</b></p> <p>Decarbonisation</p>	<p><b>Date</b></p> <p>3<sup>rd</sup> July 2023</p>

1. **Are your proposals going to affect any people or groups of people with protected characteristics?** Please explain the impact, the evidence you have used and any action you are taking below.

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Age	None	None	None
Disability	None	None	None
Gender reassignment	None	None	None

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Marriage or civil partnership	None	None	None
Pregnancy or maternity	None	None	None
Race	None	None	None
Religion or Belief	None	None	None
Sex	None	None	None
Sexual Orientation	None	None	None

## 2. The Socio-economic Duty and Social Justice

The Socio-economic Duty requires public bodies to have [due regard to the need to reduce inequalities of outcome which result from socio-economic disadvantage when taking key decisions](#) This duty aligns with our commitment as an authority to Social Justice.

	Describe any positive impacts your proposal has in respect of people suffering socio economic disadvantage	Describe any negative impacts your proposal has in respect of people suffering socio economic disadvantage.	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
<p><b>Socio-economic Duty and Social Justice</b></p>	<p>The proposed kWh rate of 35p per kWh will assist in reducing the disparity between those who are able to charge their vehicle at home and benefit from a lower domestic tariff and those that do not have access to off street parking and therefore unable to charge their vehicles at home.</p> <p>It will encourage the take up of electric vehicles as members of staff can access a salary sacrifice scheme.</p>	<p>People who are able to charge their vehicles at home are likely to be paying a lower unit rate for their electricity than the proposed 35p per kWh.</p>	<p>MCC staff can access a salary sacrifice scheme to assist them in purchasing an electric vehicle. The fleet team are also investigating the potential to introduce a loan scheme for those colleagues who do not want to lease a vehicle or are unable to benefit from the salary sacrifice scheme.</p> <p>Usage will be monitored throughout the year and the tariff will be reviewed at the end of the current financial year to reflect the Council's electricity unit rate for 24/25.</p>

### 3. Policy making and the Welsh language.





How does your proposal impact on the following aspects of the Council's Welsh Language Standards?	Describe the positive impacts of this proposal	Describe the negative impacts of this proposal	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts
<p><b>Policy Making</b></p> <p>Effects on the use of the Welsh language,</p> <p>Promoting Welsh language</p> <p>Treating the Welsh language, no less favourably</p>	None	None	None
<p><b>Operational</b></p> <p>Recruitment &amp; Training of workforce</p>	N/A	N/A	N/A
<p><b>Service delivery</b></p> <p>Use of Welsh language in service delivery</p> <p>Promoting use of the language</p>	Communication can be undertaken through the medium of Welsh.	None	None


**4. Does your proposal deliver any of the well-being goals below?** Please explain the impact (positive and negative) you expect, together with suggestions of how to mitigate negative impacts or better contribute to the goal. There's no need to put something in every box if it is not relevant!



Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
<b>A prosperous Wales</b> Efficient use of resources, skilled, educated people, generates wealth, provides jobs		Tariff will be subsidized in the financial year 23/24 to encourage the use of the EVCI and mitigate the financial impacts for those who are unable to charge their vehicle at home.
<b>A resilient Wales</b> Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)	Supports transition from ICE to electric vehicle which will reduce the carbon emissions of the operational and grey fleet.	
<b>A healthier Wales</b> People's physical and mental wellbeing is maximized, and health impacts are understood	None	
<b>A Wales of cohesive communities</b> Communities are attractive, viable, safe and well connected	Increased accessibility to EVCI for staff and Usk residents / visitors	
<b>A globally responsible Wales</b> Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	Improved EVCI infrastructure will support the wider community to transition to net Zero by reducing transport emissions which is the biggest carbon emitter in Monmouthshire.	
<b>A Wales of vibrant culture and thriving Welsh language</b> Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation	None	
<b>A more equal Wales</b> People can fulfil their potential no matter what their background or circumstances	The provision of EVCI at a cost of 35p per kWh will provide improved access to staff and the wider public to transition to electric vehicles.	

5. How has your proposal embedded and prioritized the sustainable governance principles in its development?

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 <p>Balancing short term need with long term and planning for the future</p> <p><b>Long Term</b></p>	<p>The proposal is to subsidise the cost of charging for electric vehicles at MCC operational sites. The EVCI at County Hall will be accessible to members of the public as well as staff and will therefore support the wider community to transition their vehicle to electric. There is a forecast financial loss in 23/24.</p>	<p>It is proposed that the financial loss is offset against any excess income generated by the solar farm</p>
 <p>Working together with other partners to deliver objectives</p> <p><b>Collaboration</b></p>	<p>The EVCI has been installed as a result of the re:fit scheme working with SSE and the tariffs will be agreed at the Communities &amp; Place DMT.</p>	
 <p>Involving those with an interest and seeking their views</p> <p><b>Involvement</b></p>	<p>As this is an operational matter.no consultation has been undertaken beyond MCC officers. The proposed charging structure has been compared to alternative providers.</p>	
 <p>Putting resources into preventing problems occurring or getting worse</p> <p><b>Prevention</b></p>	<p>N/a</p>	

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 <p>Considering impact on all wellbeing goals together and on other bodies</p>	<p>It is considered that the proposal will generate a wider benefit as it will provide EVCI for staff and the wider community. The charging rate proposed, whilst higher than domestic energy tariffs, is in line with the cheapest rate available in other public sites within Monmouthshire.</p>	

6. Council has agreed the need to consider the impact its decisions has on the following important responsibilities: Corporate Parenting and Safeguarding. Are your proposals going to affect any of these responsibilities?

	Describe any positive impacts your proposal has	Describe any negative impacts your proposal has	What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?
Safeguarding	None	.	
Corporate Parenting	None		

7. What evidence and data has informed the development of your proposal?

A sensitivity analysis on the financial impacts of the proposed charging tariffs.

		Cost recovery	Connected Kerb			Gwent Energy	Dragon Charging
Public / staff rate per kWh		57.2	25.0	35.0	45.0	50.0	65.0
Connection fee		£ -	£ -	£ -	£ -	£ 1.00	£ 0.50
Net income (minus transaction fees, energy costs, VAT)		£ -	-£ 2,661	-£ 1,258	-£ 267	£ 700	£ 1,950
Annual Costs	Back office	£ 600	-£ 4,761.02	-£ 3,357.57	-£ 2,366.89	-£ 1,399.81	-£ 149.67
	Servicing	£ 1,500					
User cost per session	3 hours, 21 kWh	£ 12.02	£ 5.25	£ 7.35	£ 9.45	£ 11.50	£ 14.15
Example session hours	6	£ 24.04	£ 10.50	£ 14.70	£ 18.90	£ 22.00	£ 27.80
	42 kWh						
Gross income p.a. (inc VAT)		£ 6,130	£ 2,678	£ 3,749	£ 4,820	£ 5,865	£ 7,217
Transaction fees p.a.		£ 460	£ 201	£ 281	£ 361	£ 440	£ 541
Transaction fees per session		£ 0.90	£ 0.39	£ 0.55	£ 0.71	£ 0.86	£ 1.06

**8. SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?**

The proposed charging rate of 35p per kWh will improve accessibility to electric vehicles for those who are unable to charge their vehicles at home.

The proposed tariff will result in a forecast loss to MCC in the financial year 23/24.

**9. ACTIONS: As a result of completing this form are there any further actions you will be undertaking? Please detail them below, if applicable.**

What are you going to do	When are you going to do it?	Who is responsible
Proposal to be considered by Communities & Place DMT	July 2023	

**10. VERSION CONTROL: The Equality and Future Generations Evaluation should be used at the earliest stage, such as informally within your service, and then further developed throughout the decision-making process. It is important to keep a record of this process to demonstrate how you have considered and built in equality and future generations considerations wherever possible.**

Version No.	Decision making stage	Date considered	Brief description of any amendments made following consideration
1	Proposal to be considered as an ICMD decision	16 <sup>th</sup> August 2023	
2.			

