

Rachel Reeves MP  
Chair, Business Energy and Industrial Strategy Committee  
House of Commons  
LONDON  
SW1A 0AA

4 May 2018

Dear Ms Reeves,

**Electric vehicles: developing the market and infrastructure inquiry**

I write following discussions with the BEIs Committee's office to outline the position of City of Wolverhampton Council with regard to local authorities' role in developing the electric vehicle market and the barriers which we face.

City of Wolverhampton Council recognises the health and environmental benefits of the move towards electric vehicles as well as the economic opportunities which are of particular importance to the West Midlands, a centre of research, development and manufacturing for the UK automotive industry. This is reflected in a range of policy documents including the Strategic Economics Plans for the West Midlands and the Black Country, the Black Country Ultra Low Emission Vehicle Strategy, the council's Corporate Plan and City Vision 2030 plus the work of the Low Emissions Towns and Cities Partnership. As part of the Low Emissions Towns and Cities Partnership, the four Black Country councils have adopted a Supplementary Planning Document on Air Quality which requires electric vehicle charging infrastructure in all new developments. More details of these documents can be provided upon request.

The council also recognises its role as a leader and agent of change in the transition towards a low carbon economy. It is therefore keen to play its role in promoting the transition to electric vehicles. It has undertaken a number of funding bids for support for electric vehicles and was successful in bidding to OLEV's ULEV Taxi Scheme. The main constraints we have experienced so far are outlined below:

**1. Resource constraints and technical expertise**

The financial constraints of recent years have meant that, like other local authorities, the City of Wolverhampton Council has had to focus on statutory and other core services and has lost staff and funding which might be utilised to develop and manage electric vehicle infrastructure. Given the subject and the technical knowledge required, this has made it difficult for local authorities to develop the capacity to plan, implement, manage, promote

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and fund electric vehicle infrastructure. This is particularly of relevance to targeted funds such as OLEV's Taxi Scheme and the Onstreet Residential Chargepoint Scheme.

This has been addressed by using consultants to help develop proposals and drawing on a wide range of staff to help manage and develop the council's projects. This has, however, led to a lack of continuity and delay due to a lack of dedicated staff to work on the project.

## 2. Lack of knowledge of how the market will develop

Lack of knowledge of the current market for electric vehicles and supporting infrastructure, and uncertainty about how it will develop, have made Wolverhampton cautious about installing infrastructure which may not be used immediately or prove to not meet demand as it develops.

Charging at home will always be cheaper than paying to use a public charge point. Therefore it may prove that, as infrastructure develops and battery range improves, electric vehicle car owners will charge mainly at home and only use public charge points to top up on long journeys.

While there is a need for a strategic network using rapid (50kW) chargers, there is less incentive for local authorities to install these for the public as they are significantly more expensive to purchase, install and supply with power and have limited dwell time. Drivers may buy a drink or food while their vehicle charges for 20 to 30 minutes but are not likely to spend significant sums of money, with limited benefit to the local economy.

Different incentives apply to the installation of rapid chargers for taxis and other commercial vehicles where a limited dwell time is required to allow drivers to take a break and then get back to work. Such drivers are likely to require rapid chargers in different locations, close to town and city centres and other centres of demand.

With regard to fast chargers (around 22kW), the popularity of these for local authorities is that they are cheaper to install and provide a service for drivers visiting destinations such as town and city centres, leisure centres and other attractions. Such drivers and their passengers are likely to stay longer, spend money and contribute to the local economy. If, however, improved vehicle ranges and a reduction on 'range anxiety' mean in the long run that drivers are unwilling to pay for a vehicle to be charged when it is not essential, such charge points may fall into disuse unless provided by destinations for free as an incentive to visit. This free provision may prove viable for hotels, supermarkets and private leisure destinations but is unlikely to prove a long-term model for local authority controlled locations (on-street and car parks) in town and city centres.

With regards to residential on-street charging, which Wolverhampton is examining on behalf of the Black Country councils, there is a clear need for drivers without private off-street parking to be provided with facilities to charge their vehicles. This may be provided on-street in slow chargers (around 7kW) but there remain issues about equity between residents in reserving spaces for electric vehicles when there is competition for on-street parking and the potential for conflict between residents over competition for space and use of charging points. For the government's stated aim of all private cars becoming ULEVs, we face the long-term prospect of all on-street parking in residential areas having

charge points by 2050. The implications for energy supplies, street furniture, regulation and management on the highway are still to be realised.

The other option being suggested by some commentators for residents without off-street charging is that they will use rapid chargers in 'community hubs' in areas with high levels of demand or in the equivalent of traditional petrol filling stations, perhaps on strategic routes as referred to above.

This outlines some of the issues facing local authorities in planning infrastructure and the role they will play. We already know that some early charge points have been removed due to lack of demand and charging equipment will continue to become redundant as the market and technology develop. Local authorities need to plan to minimise this and the criticism that they are likely to face over the use of public money.

As advised above, for Wolverhampton these issues have has been overcome partly by using consultants and also by engaging with suppliers and operators to understand their knowledge of the market. There is no guarantee, however, that all infrastructure we install will be well used, particularly in the early stages as ownership of electric vehicles builds.

### 3. Commercial Partnership and Procurement

Lack of understanding of the financial operating models for charge points, partnership options with regarding to sharing of revenue and income and how these can be accommodated within existing public sector procurement frameworks have caused problems for Wolverhampton and other councils.

This has been overcome by cooperation between councils and sharing of experience and procurement frameworks; for example Wolverhampton Council is named in the concession framework being developed by Nottingham City Council and Wolverhampton and other West Midlands councils are named in the contract being developed by Coventry City Council.

While OLEV grants and local authority operating subsidies are helping to build the charging network to support the development of the market, in the long term the public charge point network must become commercially viable. Local authorities will have a commercial role in the provision of charging infrastructure on their car parks and the highway, probably in partnerships with commercial operators. As part of this they need to develop expertise and operating models as they do for other commercial partnerships.

### 4. Working with District Network Operators

The District Network Operator for Wolverhampton is Western Power Distribution (WPD). WPD respond on an individual basis to requests for a charge point connection, without reference to any multiple applications or engagement in discussions about available supply constraints or alternative locations. When providing a connection offer, should major works such as an electricity substation be required, WPD can give a lengthy timescale requiring individual tasks to be completed in a consecutive order rather than concurrently. Whilst, at a national level, discussions have taken place about the need to plan strategically for electric vehicle infrastructure, there are still difficulties in engaging WPD locally to discuss this at a local authority or sub-regional level. Discussions with

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other councils suggest this is a common experience across the country, irrespective of the District Network Operator.

Although recent attempts to engage in a strategic discussion have met with some response, this remains a live issue.

#### 5. Lack of integration of networks

While OLEV funding is conditional on all funded infrastructure being 'Pay As You Go' enabled, there remains an issue with the lack of integration of networks and the different types of membership required to access charge points required by different operators or to receive the lowest charges.

This is being addressed by local authorities attempting to ensure that all charge points in which they are involved operate on a common network.

#### 6. Flexibility of Funding Streams

City of Wolverhampton Council has found officers at OLEV to be supportive, willing to provide advice and as flexible as they are able in the operation of the ULEV Taxi Schemes and the council would like to place on record its appreciation of this support and advice. The funding schemes, however, can prove lacking in flexibility over how they can be spent and in recognition of the barriers and individual circumstances experienced by different councils. Wider flexibility over use of funds, including revenue funding for areas such as technical support and project management, in addition to capital, would assist Wolverhampton and other councils in developing schemes.

The City of Wolverhampton Council is of the view that the following government support to help the development of the electric vehicle infrastructure would be of assistance:

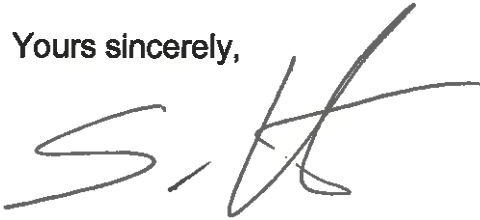
1. Greater involvement from government in bringing District Network Operators to the table to discuss and plan a strategic charge point network with councils would assist greatly in the speedier development of local authority networks. This is probably the most important area of support which government could provide.
2. Greater flexibility on funding regimes, in particular the use of revenue funding to help with technical advice, project development and other areas of expenditure would help local authorities in developing and delivering infrastructure and is also important in supporting the development of local authority networks.
3. Support for the requirement for the provision of charging infrastructure at petrol filling stations and other locations through the Automated and Electric Vehicle Bill is welcome. This complements the Black Country Air Quality Supplementary Planning Document's requirement for infrastructure in new developments. Further assistance from government in regulating to develop a single national network of charge points with universal access would assist in overcoming barriers to ownership of electric vehicles.
4. Further support from government in approaching national organisations such as supermarket chains and fast food outlets to encourage them to provide electric

vehicle charging points at their locations would also assist. There several fast food outlets on Wolverhampton's strategic highway network which would be ideal locations for rapid charge points. The work already undertaken on this by OLEV is acknowledged.

5. Whilst procurement is ultimately a matter for each council's own procedures, clearer advice on the operating models available through existing national procurement frameworks would also assist local authorities in procuring services to meet their own needs.
6. Measures to reduce the number of charging connections used by different motor manufacturers and of connector locations on vehicles would also simplify the driver experience and operation of electric vehicle charging; it is recognised however that this is more difficult as automotive manufacturers operate across national boundaries.

I hope these comments are of assistance to the Committee and thank you for the opportunity to contribute to your enquiry.

Yours sincerely,



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