



**Item: 3**

**Development and Infrastructure Committee: 1 April 2025.**

**Electric Vehicle Charge Point Tariff Review.**

**Report by Corporate Director for Neighbourhood Services and Infrastructure.**

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**1. Overview**

- 1.1. Orkney Islands Council (the Council) manages and operates 31 Electric Vehicle (EV) charging points across Mainland Orkney and Linked Isles, installed using funding from the Scottish Government.
- 1.2. A routine review of the current tariffs for use of the public charging network for electric vehicles in Orkney, which were introduced in May 2019, and reviewed in 2022, has been undertaken.
- 1.3. Income from the tariffs does not currently cover the cost of managing and maintaining the EV charging infrastructure.
- 1.4. The average tariff throughout other local authorities in Scotland for fast or slow charge point is now 44p and for a rapid charge point is now 61p per kWh. This is less in the HITRANS area, with rates of 40p and 55p respectively. The table below shows the current tariffs within the HITRANS EV partnership area.

Local Authority	Charger Type		
	Slow	Fast	Rapid
Argyll & Bute Council	£0.45	£0.45	£0.45
Comhairle Nan Eilean Siar	£0.45	£0.45	£0.59
Orkney Island Council	£0.30	£0.30	£0.38
Shetland Island Council	£0.47	£0.49	£0.59

- 1.5. Orkney Islands Council is part of a collaboration agreement with HITRANS and other island authorities. Amongst other things this looks at how best to try and deliver the future needs of EV charging network.

- 1.6. Since the introduction of charge points back in 2011 there has been no additional staff or budgetary resource assigned to this ever-increasing pressure on Roads staff.
- 1.7. A summary of charger usage for the last three financial years is attached as Appendix 1 to this report.

## **2. Recommendations**

- 2.1. It is recommended that members of the Committee:
  - i. Agree that the charging structure in respect of the Council's EV charging infrastructure, outlined at Option 2 (paragraph 4.4) be implemented with effect from 1 June 2025.

## **3. Background**

- 3.1. When EV chargers were first installed, Transport Scotland covered electricity costs.
- 3.2. Tariffs were introduced in May 2019, and the use of the chargers noticeably dropped but have since increased again. The tariff was last reviewed in 2022.
- 3.3. Prior to the introduction of tariffs and the subsequent increase there was engagement with EV users, however as the Electric Vehicle revenue budget is showing a significant overspend and this proposal brings tariffs in line with the Scottish average, it was felt that there was no requirement this time around.
- 3.4. Many EV owners have the capacity to charge their vehicles at home and will be inclined to do so if the costs are less than using a charging point. Local owners without access to home charging, and visitors to Orkney with EVs do rely on the public charging network.
- 3.5. Recovering the full cost would require fees far more than the cost of domestic electricity resulting in a likely fall in usage. It is therefore a careful balance to ensure that the tariff is attractive to users but reduces the burden on the Council.
- 3.6. Increasing the use of electric vehicles is a Scottish Government objective, supported by the Council.

- 3.7. ChargePlace Scotland (CPS) network will cease to operate by the end of 2025. This means that local authorities will be required to move their charging infrastructure to another charge place operator. For the HITRANS collaboration this process is still being worked through.
- 3.8. Low tariffs prevent private sector investment. Future back-office costs may be significantly more than we currently pay CPS.
- 3.9. If the network is still under Council control the tariffs will be reviewed again in 12 months when it is clearer what direction the charge place network in Scotland has taken.

## **4. Options Appraisal**

- 4.1. There are three proposed options available:
- 4.2. Option 1
  - i. Retain the current tariff structure.
  - ii. Rapid Chargers - 38p per kWh, minimum charge of £3.00, maximum stay 1 hour. Overstay penalty is £1/minute. Fast and Slow - 30p per kWh, minimum charge of £1.50, maximum stay 4 hours. Overstay penalty between 08.00 and 18.00 is £5, there is no overstay fee between the hours of 18.00 and 08.00.
- 4.3. Choosing this option will mean the budget continues to be significantly overspent.
- 4.4. Option 2
  - i. Introduce new tariff to bring our tariff structure closer in line with the national average.
  - ii. Rapid Chargers - 55p per kWh, minimum charge of £3.00, maximum stay 1 hour. Overstay penalty is £1/minute. Fast and Slow - 40p per kWh, minimum charge of £1.50, maximum stay 4 hours. Overstay penalty between 08.00 and 18.00 is £5, there is no overstay fee between the hours of 18.00 and 08.00.
  - iii. This equates to a 32% increase for a rapid charger and 33% increase for slow or fast chargers.
- 4.5. This option will help to recover a portion of the current budget overspend but will continue to make the charging network available to EV users. With electricity costs set to continue to rise however this will need to be reviewed again in 2026/27, if the network remains under Council control.

#### 4.6. Option 3

- i. Introduce a new tariff structure to cover the ongoing electricity costs and the maintenance and management of the public charging network in Orkney.
- ii. Rapid Chargers - 90p per kWh, minimum charge of £3.00, maximum stay 1 hour. Overstay penalty is £1/minute. Fast and Slow - 70p per kWh, minimum charge of £1.50, maximum stay 4 hours. Overstay penalty between 08.00 and 18.00 is £5, there is no overstay fee between the hours of 18.00 and 08.00.
- iii. This would equate to a 137% increase for a rapid charger and 133% increase for slow or fast chargers.

4.7. Any significant increase in the tariffs will inevitably result in a drop in usage and lead to less income coming through the charging network. Whilst electricity usage would drop the need for maintenance would continue and a significant fall in income could mean this fixed cost would not be met.

4.8. This option would raise the charges well in excess of other comparable authorities and have a negative impact on the good work that has been done, in partnership with the Orkney Renewable Energy Forum and REFLEX, to normalise the choice of an EV both for residents and visitors to Orkney. This could lead to a reduction in visitors who would rely on the CPS network, and impact on the Council's commitment to supporting Net Zero initiatives.

4.9. The preference is for Option 2, which will help to recover a portion of the current budget overspend yet still make the charging network available to EV users.

4.10. It is proposed that any new tariffs would be implemented at the earliest possible opportunity following the General Meeting of the Council on 7 May 2025.

#### **For Further Information please contact:**

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#### **Implications of Report**

- 1. Financial** – The EV charging network is budgeted at a deficit of £2,100 for financial year 2024/25, which shows the income is not sufficient to cover the costs. At the end of January 2025, the overspend on the budget was £67,764 and projected to be £92,388 by the end of the financial year. The main reason for the increased overspend is due to increased utility costs and repairs to the EV charging equipment. In addition, in previous years some grant funding has been made available to assist with maintenance costs, in particular renewal of service agreements, however no

grants have been received in financial year 2024/25. A summary of income and expenditure for the last three years is attached as Appendix 2 to this report.

2. **Legal** – None.
3. **Corporate Governance** – None.
4. **Human Resources** – None.
5. **Equalities** – None.
6. **Island Communities Impact** – An Island Communities Impact Assessment has been undertaken and is attached as Appendix 3 to this report.
7. **Links to Council Plan** - The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Council Plan strategic priorities:
  - Growing our economy.
  - Strengthening our Communities.
  - Developing our Infrastructure.
  - Transforming our Council.
8. **Links to Local Outcomes Improvement Plan** - The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Local Outcomes Improvement Plan priorities:
  - Cost of Living.
  - Sustainable Development.
  - Local Equality.
  - Improving Population Health.
9. **Environmental and Climate Risk** - increasing the use of electric vehicles is a Scottish Government objective and is supported by the Council.
10. **Risk** – that the increased tariff will result in a reduction in the use of the EV charge point network.
11. **Procurement** – None.
12. **Health and Safety** – None.
13. **Property and Assets** – None.
14. **Information Technology** – None.
15. **Cost of Living** – Any increase would have an impact on household costs, there would be less of an impact if the Officer recommendation is agreed.

### **List of Background Papers**

None

### **Appendices:**

Appendix 1 - Charger Usage Summary 2022 – 2025.

Appendix 2 – Summary of Income and Expenditure 2022 – 2025.

Appendix 3 – Island Communities Impact Assessment.

ID	Display Name	Site	2022-23			2023-24			2024-25 April to Jan			2024-25 Projected		
			Sessions	kWh	Users	Sessions	kWh	Users	Sessions	kWh	Users	Sessions	kWh	Users
50572	50719	East Kirk Car Park, Kirkwall	490	6986.86	49	731	9295.346	60	587	7298.99	45	704.4	8758.788	54
50791	50791	Great Western Road Car Park, Kirkwall	19	222.12	7	44	614.793	20	11	65.81	7	13.2	78.972	8.4
52408	52408	Great Western Road Car Park Rapid (2)	2077	32899.16	329	1941	32022.83	342	1672	26402.91	328	2006.4	31683.49	393.6
52409	52409	Great Western Road Car Park AC22 Dual (4)	556	7122.785	118	718	10366.1	167	547	8589.745	124	656.4	10307.69	148.8
52410	52410	Great Western Road Car Park AC22 Dual (3)	372	5008.367	113	453	6593.416	139	396	6327.027	135	475.2	7592.432	162
52411	52411	St Rognvalds House AC7.4 Dual	0	0	0	16	136.202	6	17	231.429	10	20.4	277.7148	12
52414	52414	Stromness Care Home AC22 Dual	50	832.929	11	14	205.951	9	10	83.279	5	12	99.9348	6
52415	52415	Stromness Ferry Terminal Rapid (Triple Outlet)	58	685.53	14	58	973.941	18	71	1034.1	21	85.2	1240.92	25.2
53306	53306	Ferry Road Long Stay Car Park (2)	442	7027.463	152	690	9897.386	191	498	8671.511	185	597.6	10405.81	222
53307	53307	Ferry Road Long Stay Car Park (3)	284	4323.639	105	0	0	0	267	3131.756	74	320.4	3758.107	88.8
53829	53829	Waterfront East Car Park	422	5680.55	104	782	13295.61	145	599	10100.39	136	718.8	12120.47	163.2
54260	54260	Maitland Place Car Park Rapid	314	4364.748	111	322	5969.096	111	215	3895.344	84	258	4674.413	100.8
54261	54261	Maitland Place Car Park AC22	90	952.034	45	41	529.869	29	63	657.301	35	75.6	788.7612	42
54262	54262	Burray School (Old) Car Park AC22	101	1406.34	29	157	2923.731	44	44	733.481	24	52.8	880.1772	28.8
54263	54263	Church Road Car Park, Orkney	117	556.354	59	166	3167.457	78	183	3572.982	80	219.6	4287.578	96
54264	54264	Ferry Road Long Stay Car Park	126	2045.74	59	258	3673.173	93	248	3878.77	74	297.6	4654.524	88.8
60074	60074	Orkney Islands Council Papdale East Park	2	0.97	1	287	4251.932	34	330	5455.01	35	396	6546.012	42
CMU1526	51527	Kirkwall Travel Centre	9	58.81	2	3	45.9	1	12	2.044	2	14.4	2.4528	2.4
EFA50888	50888	Old Academy Business Centre, Stromness	278	4534.09	48	590	12048.19	59	256	5194.516	55	307.2	6233.419	66
EFA50890	50871	Ferry Road Long Stay Car Park, Orkney	173	2219.458	72	193	2783.119	76	179	2367.404	90	214.8	2840.885	108
EFA50891	51002	The Pickaquoy Centre, Kirkwall	639	6196.846	107	716	6601.515	120	350	3708.26	91	420	4449.912	109.2
EFA50892	50892	Great Western Road Car Park, Kirkwall	1770	25378.95	289	1683	27711.05	290	1552	22437.08	268	1862.4	26924.49	321.6
EFA50895	50895	Church Road Car Park, Orkney	629	11299.69	126	544	9955.894	116	471	7802.118	111	565.2	9362.542	133.2
EFA50896	50896	Ferry Road Long Stay Car Park, Orkney	673	10968.02	187	905	16196.82	264	747	13652.9	219	896.4	16383.48	262.8
EFA50897	50897	Dounby Primary School, Orkney	386	6773.92	77	257	4289.431	77	227	3813.403	69	272.4	4576.084	82.8
EFA50898	50898	Houton Ferry Terminal, Orkney	0	0	0	37	705.762	19	18	261.001	15	21.6	313.2012	18
EFA50899	50629	Great Western Road Car Park, Kirkwall	288	3076.352	119	287	4246.056	124	231	3584.353	86	277.2	4301.224	103.2

	2022-23		2023-24		2024-25*		12 month Projected	
	Income	Expenditure	Income	Expenditure	Income	Expenditure	Income	Expenditure
Charge Place Scotland	£35,117		£53,031		£34,195		£41,034	
EDF	£13,823	£52,994	£7,474	£74,163	£7,965	£100,716	£9,558	£120,859
EVIF Resource and W/M Funding			£45,064					
IM Server		£1,476		£796				
Meter Charges		£653		£1,135		£1,770		£2,124
Recurring Costs		£405		£331		£517		£620
Repairs/Maintenance		£1,068	£11,906	£25,723		£13,742		£16,490
Sundry Creditor	£1,341	£3,681	£3,681	£6,870	£6,870		£8,244	
Miscellaneous		£4,771	£2,061	£25,109	£0	£49	£0	£59
<b>Total</b>	<b>£50,281</b>	<b>£65,048</b>	<b>£123,217</b>	<b>£134,127</b>	<b>£49,030</b>	<b>£116,794</b>	<b>£58,836</b>	<b>£140,152</b>
<b>Balance</b>		<b>£14,767</b>		<b>£10,910</b>		<b>£67,764</b>		<b>£81,316</b>
					<i>* up to end of January 2025</i>			

## Island Communities Impact Assessment

### Electric Vehicle Charge Point Tariff.

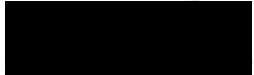
Preliminary Considerations	Response
Please provide a brief description or summary of the policy, strategy or service under review for the purposes of this assessment.	Electric Vehicle Charge Point Tariff Review
Step 1 – Develop a clear understanding of your objectives	Response
What are the objectives of the policy, strategy or service?	To review the current EV public charging network tariffs.
Do you need to consult?	No
How are islands identified for the purpose of the policy, strategy or service?	The islands are not impacted any differently at this time as there is no public charging network on the outer isles.
What are the intended impacts/outcomes and how do these potentially differ in the islands?	Increasing the current tariffs for EV charging.
Is the policy, strategy or service new?	This service was previously reviewed in 2022.
Step 2 – Gather your data and identify your stakeholders	Response
What data is available about the current situation in the islands?	Charge point usage, income and expenditure, maintenance and management and utility cost and other miscellaneous costs.
Do you need to consult?	No
How does any existing data differ between islands?	N/A
Are there any existing design features or mitigations in place?	N/A
Step 3 – Consultation	Response
Who do you need to consult with?	N/A
How will you carry out your consultation and in what timescales?	N/A

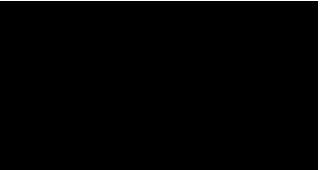


What questions will you ask when considering how to address island realities?	N/A
What information has already been gathered through consultations and what concerns have been raised previously by island communities?	N/A
Is your consultation robust and meaningful and sufficient to comply with the Section 7 duty?	N/A
Step 4 – Assessment	Response
Does your assessment identify any unique impacts on island communities?	No
Does your assessment identify any potential barriers or wider impacts?	No
How will you address these?	N/A
<p><b>You must now determine whether in your opinion your policy, strategy or service is likely to have an effect on an island community, which is significantly different from its effect on other communities (including other island communities).</b></p> <p>If your answer is <b>No</b> to the above question, a full ICIA will NOT be required and <b>you can process to Step 6.</b></p> <p>If the answer is <b>Yes</b>, an ICIA must be prepared and <b>you should proceed to Step 5.</b></p> <p>To form your opinion, the following questions should be considered:</p> <ul style="list-style-type: none"> <li>• Does the evidence show different circumstances or different expectations or needs, or different experiences or outcomes (such as different levels of satisfaction, or different rates of participation)?</li> <li>• Are these different effects likely?</li> <li>• Are these effects significantly different?</li> <li>• Could the effect amount to a disadvantage for an island community compared to the Scottish mainland or between island groups?</li> </ul>	

Step 5 – Preparing your ICIA	Response
In Step 5, you should describe the likely significantly different effect of the policy, strategy or service:	
Assess the extent to which you consider that the policy, strategy or service can be developed or delivered in such a manner as to improve or mitigate, for island communities, the outcomes resulting from it.	
Consider alternative delivery mechanisms and whether further consultation is required.	
Describe how these alternative delivery mechanisms will improve or mitigate outcomes for island communities.	
Identify resources required to improve or mitigate outcomes for island communities.	
Stage 6 – Making adjustments to your work	Response
Should delivery mechanisms/mitigations vary in different communities?	N/A
Do you need to consult with island communities in respect of mechanisms or mitigations?	No
Have island circumstances been factored into the evaluation process?	N/A
Have any island-specific indicators/targets been identified that require monitoring?	N/A
How will outcomes be measured on the islands?	N/A
How has the policy, strategy or service affected island communities?	N/A

How will lessons learned in this ICIA inform future policy making and service delivery?	N/A
Step 7 – Publishing your ICIA	Response
Have you presented your ICIA in an Easy Read format?	Yes
Does it need to be presented in Gaelic or any other language?	No
Where will you publish your ICIA and will relevant stakeholders be able to easily access it?	
Who will signoff your final ICIA and why?	Corporate Director, Head of Service is on annual leave.

ICIA completed by:	Kenneth Roy
Position:	Service Manager Roads and Grounds
Signature:	
Date complete:	12/02/2025

ICIA approved by:	Hayley Green
Position:	Corporate Director, Neighbourhood Services and Infrastructure
Signature:	
Date complete:	17/02/2025