

The role of local government and its cross-sectoral partners in financing and delivering a net-zero Scotland

Submission by the Scottish Retail Consortium

Retailers and EV charging points

- The retail industry is committed to playing its part in reaching net zero and is taking its responsibilities seriously. In November 2020, leading retailers operating across the UK came together through our sister organisation the BRC to launch the Climate Action Roadmap (the map is available at <https://brc.org.uk/climate-roadmap/section-1-context/11-about-the-climate-action-roadmap/>), which aims to bring the retail industry and its supply chains to net zero by 2040. There are five Pathways to the Roadmap, setting out recommendations to decarbonise across all retail operations, including vehicle logistics. The industry is already investing in greener technologies and retailers which own their fleets are implementing best practice for drivers to reduce emissions.
- Indeed, prior to this Climate Action Roadmap the sector was a leader in reducing the environmental impacts of its own direct operations through its 'A Better Retailing Climate' initiative, which amongst other things helped reduce carbon emissions from deliveries to stores
- Many retailers are investing in EV chargepoints in their owned (publicly-accessible) car parks. Indeed, research carried out by the RAC and Zap-Map in November 2021 found that supermarkets across the UK had added nearly 1,000 chargepoints since the start of 2020. As of November 2021, there were 2,059 chargepoints at supermarket sites, up 85% from January 2020 (1,112). Findout more about the research at <https://media.rac.co.uk/pressreleases/supermarkets-add-nearly-1000-ev-charge-points-since-early-2020-3140023>)
- Other research undertaken by Electrifying.com found that supermarkets currently have chargepoints installed at up to 45% of stores – many supermarkets have entered into partnerships with chargepoint suppliers to deliver further chargepoints in car parks in the years ahead. Find out more at <https://www.electrifying.com/blog/article/best-supermarkets-for-electric-car-charging>.
- In the annexe, I attach the BRC's (our sister organisation) written response from late last year to the UK's Office for Zero Emission Vehicles which may also be of use/interest, and alights on actions local authorities might be able to take.

David Lonsdale
Director

BRC response to the UK Government Office for Zero Emission Vehicles – Future of transport regulatory review: zero emission vehicles

ABOUT THE BRC

The British Retail Consortium (BRC) is the trade association for retail in the UK. Our purpose is to make a positive difference to the retail industry and the customers it serves, today and in the future.

Retail is an exciting, dynamic and diverse industry. It is a driving force in our economy, a hotbed of innovation and the UK's largest private sector employer. Retailers touch the lives of millions of people every day, supporting the vibrancy of the communities in which they operate. The industry today is going through a period of profound change. Technology is transforming how people shop; costs are increasing; and growth in consumer spending is slow.

Retailing will continue to evolve and advance. Online retail will continue to grow as retailers invest in new emerging technologies; there will be fewer stores and those stores remaining will offer new experiences; there will be fewer, but better, jobs and a career in retail in the future will be very different to today.

The industry is committed to playing its part in reaching net zero. In November 2020, leading retailers came together through the BRC to launch the Climate Action Roadmap, which aims to bring the retail industry and its supply chains to net zero by 2040. There are five Pathways to the Roadmap, setting out recommendations to decarbonise across all retail operations, including vehicle logistics. The industry is already investing in greener technologies and retailers which own their fleets are implementing best practice for drivers to reduce emissions.

We are committed to ensuring the industry thrives through this period of transformation. We tell the story of retail, work with our members to drive positive change and use our expertise and influence to create an economic and policy environment that enables retail businesses to thrive and consumers to benefit.

We do this in a way that delivers back to our members, justifying their investment in the BRC. This membership comprises over 5,000 businesses delivering £180bn of retail sales and employing over one and a half million employees.

OVERVIEW OF BRC'S RESPONSE

The government's ambitions to create a flexible and forward-looking regulatory framework for transport will support the transition to net zero vehicle logistics. Our response focuses on how the four areas where OZEV proposes to introduce new primary legislation would impact retailers.

With retailers moving goods across the country on a daily basis, the rollout of charging infrastructure is a particularly important step on the journey to vehicle decarbonisation. Giving local authorities a statutory obligation to plan for such infrastructure, and legally requiring charging operators to provide it, would help to

accelerate infrastructure rollout. So too would the implementation of new powers to set minimum levels of chargepoints in non-residential car parks, although more work is required to determine the level of provision and car parks which should come within scope. While the Rapid Charging Fund will support the shift to the transport network of the future, there are some concerns with the proposal to require large fuel retailers to have a minimum of two different chargepoint operators at a particular site.

We welcome the opportunity to provide our views on this important aspect of the UK's transport regulatory framework and look forward to working with government to ensure the transition to zero emission vehicles is a success.

BRC RESPONSE

Our response sets out our key views on the future regulatory framework for zero emission vehicles. Our submission covers the points of relevance to retailers and as such we have not set out views on e.g. introducing a statutory obligation to plan for and provide charging infrastructure which meets the needs of residents or visitors in a given geographical area, but have focused on those points which will impact businesses across the four main areas set out in the review.

Statutory obligation to plan for and provide charging infrastructure

There should be a statutory obligation to plan for and provide charging infrastructure to ensure that there is adequate provision across all parts of the country. This would avoid a situation where infrastructure supply varies from region to region, or even town to town, which would disadvantage businesses located in geographical areas where infrastructure rollout happens at a slower pace. This would have implications for the government's levelling up objectives and could result in certain parts of the country falling behind others in terms of charging infrastructure, impacting local businesses.

Introducing a statutory duty to plan and provide for chargepoint infrastructure would help to accelerate the rollout of charging infrastructure, addressing a key retailer concern with the transition to net zero vehicle logistics. As the government intends to end the sale of all new, non-zero emission HGVs by 2040, it is crucial that a reliable and accessible countrywide charging network is in place by this date, or retailers may be limited in where they can operate zero emission vehicles.

The legal responsibility to plan for charging infrastructure which meet the needs of businesses in a given geographical area should sit with local authorities, which have the greatest knowledge of the likely local demand for EV chargepoints. In terms of who should be legally responsible for providing sufficient charging infrastructure, we believe that this should sit with the chargepoint operators themselves. This split in the statutory duty to plan and provide would encourage greater collaboration between local authorities and chargepoint operators. The legal requirement for local authorities to plan for a sufficient supply of chargepoints in their territory would also encourage outreach with local businesses, as well as residents, to understand local requirements, resulting in better-developed plans. We also believe that placing the statutory requirement to provide sufficient charging infrastructure on operators would boost chargepoint investment, as we assume that those businesses which install and manage chargepoints would be legally obliged to ensure reliability over the lifetime of the infrastructure.

Throughout the process of rolling out UK-wide charging infrastructure, local authorities will require support from central government in meeting the costs of chargepoint installation and operation.

Chargepoints in non-residential car parks

OZEV should pursue a pragmatic approach which accounts for capacity within the chargepoint industry to carry out installations and recognises that retailers which own car parks will provide charging infrastructure in a timescale which balances this with customer need.

We agree that OZEV should seek powers to set a minimum level of EV charging infrastructure in all non-residential car parks and make this mandatory for certain non-residential car parks, although further work should be undertaken to determine the criteria, as members have noted practical challenges with setting a requirement based on car park size. For example, at some retail store formats (e.g. convenience stores), customers dwell time is limited to perhaps 10 minutes, negating the demand for chargepoints: these stores also tend to have much smaller car parks, so if an approach based on car park size is pursued, it is important that the threshold is set sensibly and take account of consumer behaviour and demand across different types of retail location.

Consideration should be paid to the impact chargepoint installation will have on retailers and non-residential car parks. Members have noted that each stage of the process of setting up a new chargepoint takes time, and so the process is not necessarily a 'speedy' one. Digging up car parks to run ducts for cabling and charging infrastructure is particularly disruptive. There are also some concerns about the capacity within the EV chargepoint industry to install best-in-class chargepoints, which limits the ability to quickly expand the number of charging points available in non-residential car parks, the cost of rapid chargers and with Local Network Power Capacity. As such, the requirement should therefore include sensible timescales, flexibility on location and the type of chargepoint used.

It should also be noted that the private sector is already taking steps to increase the provision of chargepoints at its own initiative. Research published this month by the RAC and Zap-Map found that UK supermarkets have installed almost 1,000 new chargepoints in the past two years, representing an 85% increase from January 2020 (more information at <https://media.rac.co.uk/pressreleases/supermarkets-add-nearly-1000-ev-charge-points-since-early-2020-3140023>). Supermarket members which own car parks are planning to introduce further chargepoints in the coming months. One has noted that they are providing EV chargepoints for 20% of the store car park for new builds and will be able to expand to over 22 chargepoints per car park in the future. However, on-site power capacity can only run six chargepoints without significant investment in the power supply to stores. Government should consider what support is made available to help retailers overcome barriers and maximise the benefit to consumers as they increase the provision of chargepoints in their car parks.

Most retailers do not own the properties from which they operate. Retail parks, for example, will often be owned by a landlord or property group which will lease

individual units to businesses. Often, those businesses will have limited scope to carry out improvement work to the site, and won't have the ability to carry out work to car parks. If new powers were to be introduced, they must ensure that the responsibility to provide a minimum level of charging infrastructure in non-residential car parks falls on the landowner and that there is no scope for the associated costs to be passed on to tenants.

If, through monitoring chargepoint rollout across the country, OZEV finds that there is insufficient supply in a given geographical area, we would recommend that a pragmatic approach is taken to resolve the issue, as opposed to the application of new powers to compel a minimum provision of chargepoints. This should involve discussions between the landowner, any tenants using the car park, the local authority or enforcement body and potentially other stakeholders to understand whether there are any barriers to chargepoint provision.

Overall, it is crucial that any mandatory requirements on the private sector to introduce new chargepoint provision are underpinned by appropriate government and local authority investment in local power networks.

Making the Rapid Charging Fund

Our response focuses on the proposed requirements to mandate more competition at large fuel retailers. The RCF is a welcome step in supporting the transition to net zero vehicles. We agree that OZEV should have the powers to require large fuel retailers to tender chargepoint service contracts openly but do not agree that there should be a minimum number of chargepoint operators at a particular site as this could create unnecessary complexity and additional cost from the installation and maintenance of different chargepoints. If aspects of chargepoint design were to be standardised, this could reduce some of the associated costs, but large fuel retailers would still be placed at a disadvantage by requiring them to accommodate additional chargepoint operators. If OZEV intends to pursue this proposal, there must be adequate support for large fuel retailers which face additional costs as a result.

As set out earlier, we do not agree that OZEV should have the power to require a progressive increase in the number of chargepoints at large fuel retailers, as these businesses will have the expertise, knowledge and understanding of likely demand at their sites and will invest in chargepoint provision accordingly.

Improving the experience for EV consumers

We agree with the principle of a consumer protection service which includes the option of financial redress for issues encountered when using public charging infrastructure should be implemented. However, consideration must be given to where penalties and sanctions are applied and we would welcome additional clarity on the government's thinking in this regard. Would penalties be levied against the chargepoint operator or the landlord of the car park? Who would fund the protection service, which would likely incur significant cost if it were to include a complaints and redress mechanism?

There is benefit to setting accessibility and safety standards at public chargepoints, as there are for current petrol and diesel filling stations and pumps. However, we urge against introducing the power to prescriptively mandate the recognisable design of public chargepoints. There are many valid arguments for ensuring safety and accessibility standards, but more arbitrary aspects of chargepoint design (such as general appearance) should be the purview of the chargepoint operator. We would expect these operators to undertake research to ensure that their chargepoints are not only ergonomic and easy to use for people with protected characteristics, but that they are safe and won't damage electric vehicles.