

Report to Partnership Board Meeting 20th August 2026

Electric Vehicle Infrastructure Shared Service

PURPOSE OF REPORT

To update Members on regional activity of a project management shared service under the Electric Vehicle Infrastructure Fund (EVIF). The shared service covers Comhairle nan Eilean Siar, Orkney Islands Council, Shetland Islands Council and Argyll and Bute Council.

BACKGROUND

In January 2022 Transport Scotland announced a restructure of their electric vehicle infrastructure funding model. Local Authorities are now required to leverage in private sector funding to enable delivery of infrastructure at the pace and scale required to meet demand and encourage further car users to switch to EV's to support the wider climate change objectives, collaborating regionally where possible.

The new proposed structure will allow Local Authorities to access £30 million worth of funding and aims to leverage in a further £30 million of private sector investment, bringing the total investment for Scotland to £60 million. The funding is aims to support local authorities in enabling a Just Transition, particularly in areas of market failure.

Comhairle nan Eilean Siar, Orkney Islands Council, Shetland Islands Council and Argyll and Bute Council are developing a combined EV infrastructure strategy for the region and were awarded just over £3m funding in August 2025.

EVIF UPDATE – PHASE ONE

We are approaching the end of Phase One of our EVIF project and to date we have:

- **migrated 118 of 123 chargers from ChargePlace Scotland**, with the remainder in progress.
- **replaced 36 outdated chargers**, 22 of them now with contactless payment
- **begun the installation of 3 new chargers**, 2 in Tarbert and 1 in Castlebay.
 - Unfortunately going live is delayed on these because we are waiting for metering to be set up by EDF.
- **established and continue to refine a maintenance contract with some local provision.**
 - Local sub-contractors will be trained by the time the Partner's Advisors meeting takes place, with a press release to announce our main contractor due to follow soon after.
 - Customised reporting has been developed that allows us to monitor fault fixing and network performance more readily. Reporting begins in August and that will be the baseline we work from. HITRANS will track faults to start with and monitor whether extra resource will be required for this.

As planned, phase one has reduced the risk to current and any near-future operators of the networks, by bringing them up to date with modern software & payment requirements and increasing charger availability from 80-90% to 90-96%

Utilisation is following that trend and we look forward to quantifying that in the coming weeks and months.

The maintenance contract is still being mobilised, but we are starting to see a better understanding of our regional challenges and more contractual accountability for our service levels, which is encouraging and in everyone's interest.

EVIF UPDATE – PHASE TWO

Our Business Case for Phase 2, attached in Appendix Two, aims to develop a commercially investible EV charging network that secures affordable clean energy. It was approved by Transport Scotland last month and following approval of our strategic aims, it is being taken to committee in the Western Isles and Shetland in September, with continued development already supported by Orkney and Argyll and Bute Councils.

The Business Case concludes that private sector investment in public EV charging infrastructure across the North West Scotland region is not currently commercially viable due to relatively low utilisation levels, higher installation and operating costs, and the challenges associated with serving remote rural and island communities. Forecast modelling suggests that the point at which public EV charging infrastructure becomes commercially attractive to private investors in the region is likely to start in 2029 and continue through to 2035.

The funding ambition related to attracting private investment has therefore been re-framed to development of a network that is investible in the medium to long term, following the EVIF funded period. In the context of current market conditions this is considered a reasonable approach and continues to align with the aim to reduce the reliance on public funding to enable future investment and operation of public EV charging across the region. The programme will seek to maximise value through regional procurement, testing market interest where opportunities arise, whilst continuing to provide infrastructure that supports residents, businesses and visitors.

In addition to infrastructure delivery, the project aims to strengthen network operation and maintenance arrangements, explore future operating models, monitor commercial viability, and support wider transport decarbonisation objectives to support the longer-term planning and benefits that multi-year funding enables. The programme also seeks to capitalise on opportunities arising from the region's significant renewable energy resources and to improve understanding of how EV charging infrastructure could contribute to a future local energy economy.

Proposed Outputs and Outcomes

The rationale and approach proposed for EVIF Phase 2 in each area are summarised in Annex 1.

Outputs proposed for Phase 2 of EVIF, between 2027 and 2030 are:

1. To test the market for commercial interest and ongoing monitoring of commercial viability.
2. Installation of additional charge points, split between AC & DC charging. Given significant variations in installation costs a contingency has been included in installation budgets; if not required this contingency will enable the installation of additional EV chargers. The split of AC & DC chargers is
 - a. 31 AC chargers (*13 in Argyll and Bute, 4 in W. Isles, 4 in Shetland Islands and 10 in Orkney Islands*)

- b. 26 DC chargers (13 in Argyll and Bute, 3 in W. Isles (who had 2 in phase 1) 5 in Shetland Islands and 3 in Orkney Islands)

Outcomes proposed for Phase 2 of EVIF, between 2027 and 2030:

1. Creating opportunities for private investment but not explicitly requiring it as part of procurement.
2. Ensure day to day operation of the regional EV charging network is appropriately resourced.
3. Engage with fleet owners to understand and facilitate sharing public EV charging for mutual financial sustainability.
4. Identify and feedback on insights and opportunities to explore alternative approaches to funding or investing in EV charging, particularly where multi-year funding is not available.

Outcomes delivered or enabled by EVIF Phase 2 that will continue to be delivered and have impact beyond 2030:

1. Establish a regional cross-sector transport and energy taskforce, or similar, to optimise regional economic opportunity.
2. Continue to work collaboratively to explore how development of EV charging can best integrate into and compliment regional energy systems as they decarbonise, supporting the use of locally generated power to benefit local people.
3. Collaborate with regional stakeholders on integrated planning for decarbonisation of larger vehicles.

The range of outcomes proposed are consistent with key risks identified in the Risk Register, including 'missed opportunity', noting in particular that as renewables grow and the energy market adapts, there are many relevant local opportunities that may arise. The Business Case is noted as being ambitious and is seeking to identify as many of those opportunities as possible, with a view to exploring rather than missing them to further support financial and environmental sustainability of the charging network.

Approach to Tariff Setting, Ownership and Operating Models

The Business Case recognises the need to set charging tariffs at a level that contributes towards operating, maintenance and energy costs whilst remaining affordable and encouraging network use. Although tariff income helps offset a proportion of operating costs, the Business Case notes that, without the benefit of grant-funded investment, public EV charging networks across the region would generally operate at a cost to the participating local authorities. The table below compares current local authority tariffs with ZapMap data on the average cost of AC (54p/kWh) and DC (76p/kWh) charging across the UK.

Benchmarking of existing tariffs against commercial market average

	ZapMap average commercial rate, March 2026	ABC		CNES		OIC		SIC	
AC	0.54	0.74	0.20	0.45	-0.09	0.49	-0.05	0.52	-0.02
DC	0.76	0.74	-0.02	0.59	-0.17	0.59	-0.17	0.62	-0.14

Modelling in the Business Case suggests that even at, or slightly above, the ZapMap average costs the network would continue to operate at a loss, which further supports the conclusion that there is limited opportunity for commercial investment at this time.

Through the EVIF project the partnership will review their approach to tariff setting and controls. Whilst the cost across this area does not need to be identical, and may need to reflect specific local circumstances, the approach adopted should be consistent and include commercial tariff benchmarking, aligning with the fair, enabling and sustainable principles established by Transport Scotland and Scottish Futures Trust.

A further long-term aim of the Phase 2 EVIF project is to develop a better understanding of what a commercial case for EV charging could be in the future for a region that is naturally capped in scope but presents extensive natural assets, and therefore a wider range of alternative business models.

Currently Argyll and Bute have indicated a preference for more direct involvement in operation of the network longer term, the island authorities appear to be more aligned with adopting what has become a more standard concession type approach or model.

Conclusion

The proposed Phase 2 programme seeks to build on the progress made through Phase 1 by expanding and strengthening the regional charging network, improving operational resilience and establishing the foundations for future commercial investment as market conditions develop.

Whilst the Phase 2 Business Case identifies limited potential for leveraging private investment at this time, the proposed approach looks to create opportunities for private investment during the project and will monitor the potential for commercialisation of the network during delivery. Although continued investment is therefore required to support the transition to low-carbon transport and ensure appropriate charging provision for residents, businesses and visitors, the project aligns with the core aims of EVIF related to using public funding to support and enable investment in EV charging in areas where the private sector are less likely to invest in at this time.

RECOMMENDATION

HITRANS will continue to act as lead partner for the project in Phase Two and will work closely with project partners and other stakeholders to ensure the project is delivered in a way that accommodates wider investment in the network and ongoing development of EV charging and other related technologies.

Members are asked to:

- Note the report

RISK REGISTER

RTS Delivery

Impact – Positive

Comment – This work supports the RTS aims and objectives, particularly one and six, and the monitoring of their implementation.

Policy

Impact – Positive

Comment – This work expands on our Electric Vehicle Strategy Policy, particularly with regards to rural and island provision. Aspects specify wider regional collaboration with the North of Scotland EVIF Partnership as well (Highlands, Moray, Aberdeen City and Aberdeenshire)

Financial

Impact – Positive

Comment – Cost savings are a direct result of this shared service approach and the Business Case is working towards commercial investability

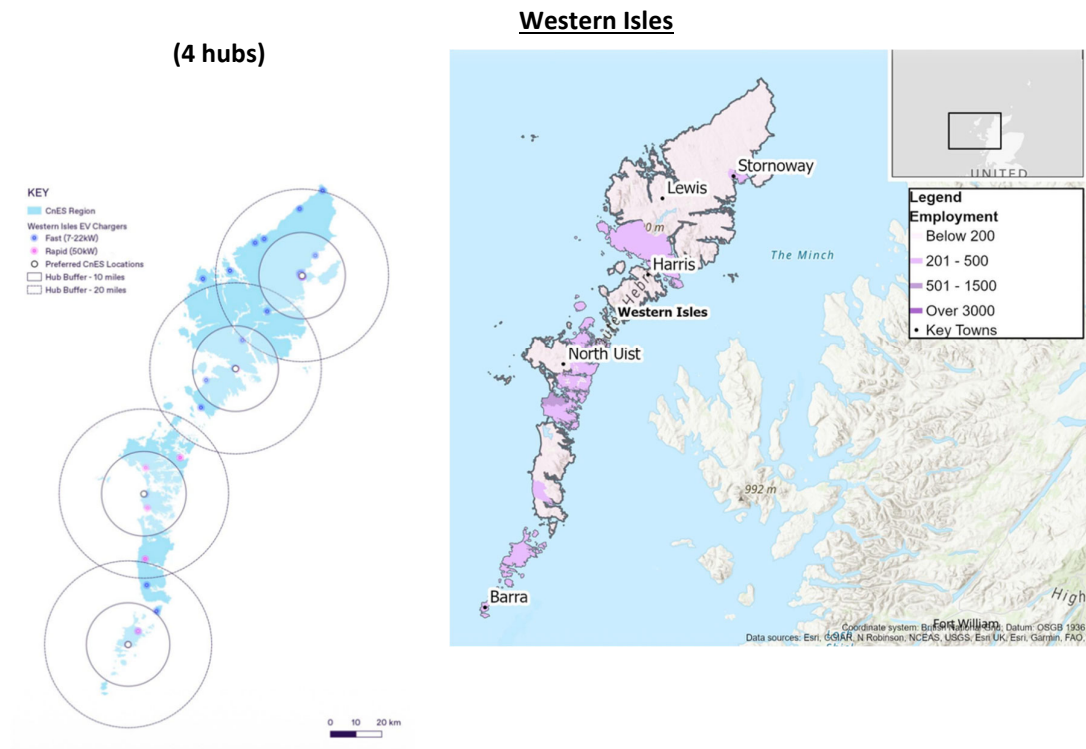
Equality

Impact – Positive.

Comment – Core aims of EVIF include using public funding to support and enable investment in EV charging in areas where the private sector are less likely to invest in at this time – primarily rural and island areas- and that the public electric vehicle charging network works for everyone regardless of age, health, income or other needs.

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Designation:	EVIF Project Manager
Date:	6 th August 2026

Annex 1: approach to investment across each area
(Extract from Business Case)



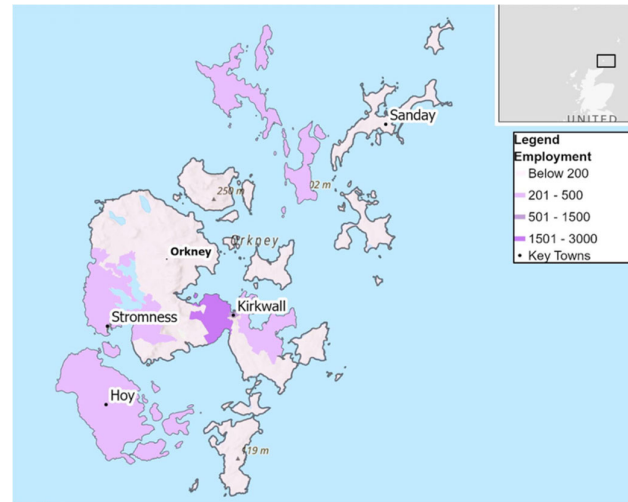
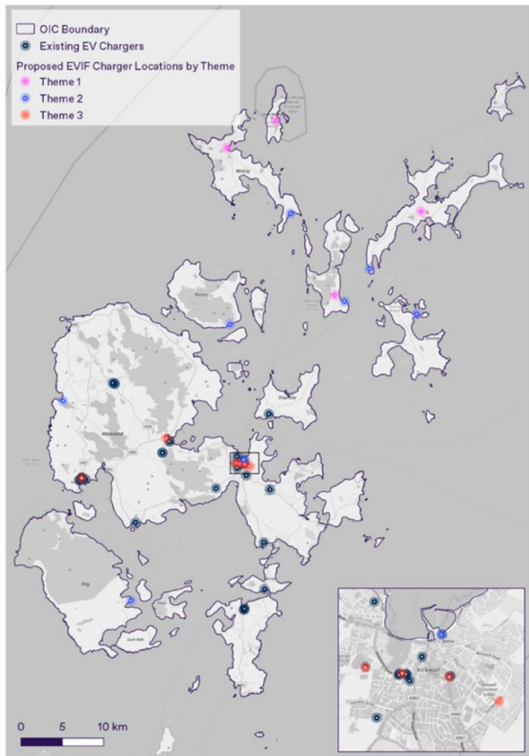
Approach:

- Looking to develop four hub clusters in Lewis (Stornoway), Harris (Tarbert), Uist (Balivanich) & Barra (Castlebay). Clusters refers to chargers within a settlement area rather than a hub where are the chargers are physically on the same site.
- Rapid chargers would be deployed at central points then fast chargers deployed in surrounding areas in the longer term, subject to private provision

Reasoning:

- Comprehensive gap analysis shows it to cover nearly all landmass
- This also helps those driving the length of the island chain or entering and exiting the islands from different mainland ferry ports
- It supports employment centres, shown above right, and commutes to them
- Hubs have proved to help with their maintenance challenges (building in redundancy) and improved confidence in public charging as a result, (demonstrated by increased utilisation on the FASTER project)

Orkney



Approach and reasoning

- Theme one: install standard chargers at Healthy Living Centres and Schools to support locals on the outer isles
 - Travel between Orkney mainland and the Outer Isles is only possible 2/3 days a week on some islands due to the ferry timetabling
 - Supports employment areas outside of the mainland, where there is currently no public provision
 - Fills in area gaps identified from network mapping
- Theme 2: install standard to rapid chargers at tourist attractions and transport terminals to support tourism and onward travel
 - Kirkwall has a high tourism swell and is a major cruise port
 - Electric hydrofoil charging is on trial at Kirkwall harbour
- Theme 3: add chargers to existing sites to increase availability and reliability (site confidence and utilisation was shown to increase in the Western Isles as redundancy was built into networks)

Preference for fast chargers

- Driving distances on Orkney are small
- AC connection, install and maintenance costs are lower than DC costs
- Current 150kW charger not used much

Shetland

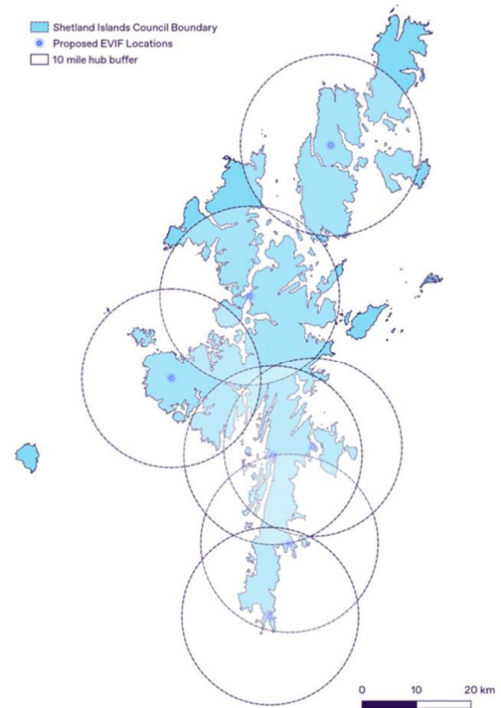
The geography of Shetland reduces the number of main routes through the Islands. The main spinal route is the A970 (south to north mainland) with the A968 covering the North Isles and A971 the West Mainland.

Shetland's EV charging approach is to meet the twin aims of providing public coverage for Shetland's residents and also tourist season.

The Council look to expand existing locations where possible to small hubs (to provide backup and increase confidence) and provide additional on-route chargers.

They will also combine fleet/public hubs where possible to make the network more economically viable & account for separate private developments in planning the network expansion.

For additionality, there is potential for co-located e-bike charging facilities, for example on the network of roads to the Viking windfarm



Argyll and Bute

Argyll and Bute's expansion strategy has evolved over the course of EVIF so far.

Originally expansion was based on themes of charging that fitted in with how people already travelled - lifestyle charging.

Theme 1 — 50kW or mixed hubs for charging on the move, providing a rapid charger every 25-35mins, prioritised in tranches according to the existing road and pier hierarchy

Theme 2 – 22kW destination charging to fit in with the sustainable travel hierarchy and provide some residential support

Theme 3 – 7kW residential charging

Performance analysis showed rapids were providing 70% of charging income and with a drive towards commercial viability and long-term financial sustainability, this, alongside installation efficiencies, would raise further funds for growth.

They re-profiled requirements, categorising settlements by population and tourist swell, looking to provide scaled hubs to correlate.

Town/area	Pop	Tourist swell	Hub/cluster
Helensburgh	13k	N	5R; 5F
Oban	8.5k	Y	5R; 5F
Dunoon	8.9k	N	3R; 3F
Lochgilphead	2.3k	N	2R; 2F
Campbeltown	4.5k	N	2R; 2F
Islay – Bowmore	3k island	Y	3R; 3F
Mull – Craignure	3k island	Y	3R; 3F
Bute – Rothesay	6k island	N	3R; 3F

By hub they mean a cluster site inside a 1mile radius, and these would be provided inclusive of existing provision, both council and private.

A long-term second phase (beyond EVIF) will see installations in network gaps, particularly island and lifeline locations, but considering utilisation potential.

Essentially, Argyll and Bute are taking a portfolio approach to their network, with more profitable charging supporting some of the less profitable sites.