North Yorkshire Council

Environment Executive Members

24 October 2025

Local Electric Vehicle Infrastructure (LEVI) Contract Charge Point Operator Annual Price Cap

Appendix A to this report contains exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 as amended by the Local Government (Access to Information)(Variation) Order 2006

Report of the Assistant Director – Environment and Transport Services

1.0 PURPOSE OF REPORT

1.1 To outline the proposed approach for setting the price cap per kilowatt hour (kWh) charged by the Charge Point Operator (CPO) for North Yorkshire Council's public electric vehicle chargepoint (EVCP) network over the next 12 months. Approval is sought from the Corporate Director - Environment, in consultation with the Executive Member for Highways and Transportation. The price cap will be subject to annual review and agreement by North Yorkshire Council and the Charge Point Operator.

2.0 SUMMARY

2.1 This report sets out the proposed annual price cap for the Charge Point Operator (CPO) which will enable them to operate North Yorkshire Council's (NYC) public electric vehicle (EV) charging network. The price cap will be applied for 12 months from the date of contract signature and reviewed annually thereafter. The price cap is set to allow the CPO to cover costs and provide investors with a return on their investment. The standard is to set the rate above the cost of the energy and is exclusive of VAT. The initial cap will set the benchmark for future reviews.

2.2 This report sets out the reasons for the proposed price cap (the maximum amount the CPO can charge a customer, per kwh, above the energy base rate to cover costs) which needs to be agreed prior to contract signature.

2.3 The proposal for the rate broadly reflects current market conditions and seeks to balance affordability for residents with commercial viability for the CPO. The rate also includes a small income for NYC. Benchmarking of the price per kWh is conducted by the CPO monthly.

3.0 BACKGROUND

3.1 The LEVI Fund supports local authorities in England to work with the charge point industry, to improve the roll out and commercialisation of local charging infrastructure and ensure delivery in areas that would otherwise be left behind. These EVCP's are intended to help residents who don't have access to off-street parking and need to charge their electric vehicle (EV). North Yorkshire Council has been awarded £8.117m capital funding to install EV infrastructure across North Yorkshire.

3.2 NYC is finalising the procurement process to appoint a CPO who will deliver, manage, and maintain a public EV charging network, making a substantial private sector investment over the next three years.

3.3 The overarching aim of the EV infrastructure rollout is to put North Yorkshire residents first, encouraging the adoption of EVs by providing accessible and affordable public charging options while also supporting the sustainable operation of the network for the future.

4.0 PUBLIC CHARGING NETWORK PRICING PROPOSALS

4.1 A price cap is the maximum amount the CPO can charge a customer, per kwh, above the energy base rate to cover their costs and this needs to be agreed prior to contract signature. The price cap will be applied for 12 months from the date of contract signature and reviewed annually thereafter. The standard is to set the rate above the cost of the energy and is exclusive of VAT. The initial cap will set the benchmark for future reviews.

4.2 The CPO and North Yorkshire Council (NYC) both reserve the right to propose an increase or decrease to the cap in line with market conditions or business needs and to do so the interested party must provide robust evidence of the reasons ahead of the annual review.

4.3 Under the LEVI contract, the CPO may apply a margin above NYC's energy base rate to cover their costs and provide a return on investment. The proposed overall price includes;

Category	**Cost Item**
Energy Cost	NYC Energy cost
Capital Expenditure	Capital Cost repayment for supply and installation of the EV Charging network
Operational Expenditure	Capital cost repayment for supply and installation of the network
	Software licences, back office and app
	Repairs and damages to infrastructure
	Payment of outstanding operating costs, should utilisation not be sufficient
	Account management services
	Activities and events to promote EV awareness and adoption
	Upgrades to network in response to regulatory changes
Margin	To deliver a return to investors, support product innovation and development
North Yorkshire Council Revenue Share	NYC share of fees to cover legacy contract and on-going costs
Price	Price to end-user excluding VAT
VAT	20% charged to end-user

4.4 The aggregate of all these costs is what the end user will be charged. A full breakdown of the proposed commercial rates is contained in Appendix A (not for publication as it contains commercially sensitive information).

4.5 Officers have negotiated with the CPO to ensure the cost of charging is competitive. They also researched the cost of charging in other local authority areas (see paragraph 5.3) and with private competitors. Relative to market rates the proposed charge is considered fair and though it is still more expensive than home charging it is lower than most other publicly available EVCPs.

5.0 ALTERNATIVE OPTIONS CONSIDERED

5.1 There were two alternative options considered to set the price cap:

1) To maintain the minimum cap of 15p/kWh which was rejected on the basis that the procurement process identified that this was not commercially viable for any of the CPOs bidding for this contract.

2) To allow a higher price cap up to 20p/kWh which was rejected as it would make costs to the customer more than double than if they were able to charge at home on a peak time tariff, it is also approximately seven times the rate of an off-peak tariff. Raising the cost to the consumer at an early stage of rollout may discourage usage and reduce competitiveness.

5.2 Extensive benchmarking against other authorities and charge point networks will be conducted to ensure competitive pricing throughout the life of the contract. NYC remains committed to offering tariffs which encourage EV adoption whilst supporting local businesses and the visitor economy. These proposals have been discussed in detail with the CPO to ensure mutual agreement on pricing.

5.3 The following table shows current 7kW charging rates with neighbouring Authorities as of September 2025:

Neighbouring Authority	**Average rate per kWh (standard network)(including VAT)**
West Yorkshire	50-55p/kWh depending on network
Durham	35-55p/kWh depending on network
East Riding	48p/kWh
North York Moors National Park Authority	62p/kWh
Yorkshire Dales National Park Authority	62p/kWh
Middlesborough/Redcar & Cleveland	50-60p/kWh depending on network
Pendle/Ribble Valley/Lancaster	48-60p/kWh depending on network

5.4 This table shows the comparison with surrounding local authority areas. The lower rates in place in some areas are reflective of Local Authorities using lower cost, alternative charging methods (lamppost charging) and/or using commercial rates to incentivise EV uptake.

5.5 At a national level the proposed full price to the end user is competitive but has the potential to be improved with the ability to charge overnight rates. The ability to have an overnight tariff is an opportunity for NYC to reduce the cost to the customer, and this is being explored with NYC's current energy supplier.

6.0 CONTRIBUTION TO COUNCIL PRIORITIES

6.1 EV uptake is central to North Yorkshire Council's carbon reduction strategy. As residents, businesses, and visitors continue to rely on private vehicles, it is vital to support a shift to electric alternatives, especially as transport is one of the largest contributors to carbon emissions in the county.

7.0 FINANCIAL IMPLICATIONS

7.1 The cost of infrastructure will be covered by NYC's LEVI capital grant allocations, worth £8.1m, and the agreed CPO investment. All costs associated with provision of a charging service, as described at paragraph 4.3 of this report, will be passed on to the customer.

7.2 In terms of income North Yorkshire Council will receive 5p/kWh from each charging session for the duration of the contract which will be used as a contribution towards covering NYC

costs. NYC can propose an adjustment to this amount at each annual review. CPO forecasting will be used to estimate the annual income amounts to NYC.

7.3 Following the recovery of the CPO's initial investment, NYC will begin to receive a share of the revenue generated from the EV charging network in addition to the 5p/kWh. The timeline for investment recovery will depend on the pace of infrastructure rollout (the CPO is contractually obligated to deliver the LEVI funded charging infrastructure within a three-year period) and subsequent utilisation levels. The ratio of revenue share will be reflective of the levels of investment in the network from the CPO and NYC. Once revenue sharing commences, this income stream could support NYC in covering the ongoing maintenance and management of legacy charging infrastructure and resourcing costs. Additionally, there is potential for this revenue to contribute to expansion of the network or broader council resourcing needs, offering a sustainable financial benefit for NYC.

7.4 No additional funding is being sought from NYC for the installation and management of the public charging network and contractual arrangements make clear that it is the responsibility of the CPO to cover any overspend.

7.5 In the event of a CPO default (where the CPO commits a material breach of the contract) NYC reserves the right to terminate the contract. Upon termination, ownership of all installed infrastructure will transfer to NYC at no cost, however, this transfer would leave NYC without an operator to manage and maintain the network. As a result, the council may be required to temporarily suspend operations until a new CPO is appointed. During this interim period, NYC would remain liable for ongoing electricity costs and any other associated charges related to the operation of the infrastructure.

7.6 At the conclusion of the contract in 2040 North Yorkshire Council will own all EV infrastructure installed as part of this contract with the resultant benefits including a fully functioning EV charging network with an active user base which could be considered an asset that can either be sold to a CPO or utilised to leverage a new deal with a CPO where NYC would receive a revenue share from the outset. This can then be leveraged to expand the network and operate it as a commercial entity.

7.7 In summary, there is no direct financial effect on the Council as a result of setting the price cap for the CPO – rather, the impact is indirect as the price cap affects the price being charged to the customer and therefore potentially affects the usage of the charging infrastructure, and therefore the Council's share of the income from the charging fees levied.

8.0 LEGAL IMPLICATIONS

8.1 The recommendations in this report will lead to a contract variation, it is not considered to be a variation that would expose NYC to a procurement challenge given that the variation is not substantial and merely reflects market pricing.

9.0 EQUALITIES IMPLICATIONS

9.1 There are no equalities implications. Tariffs are designed to be affordable for all, with no disproportionate impact on protected groups. Please see Equality Impact Assessment (Appendix B).

10.0 CLIMATE CHANGE IMPLICATIONS

10.1 A Climate Change Impact Assessment (CCIA) screening has been completed. The proposed tariff change is not expected to have a direct impact on climate outcomes; therefore, a full CCIA is not required (Appendix C).

11.0 CONCLUSIONS

11.1 In recommending a price cap NYC Officers have sought to balance the affordability of using EVCPs, the financial viability for the CPO, and generation of a sustainable income for NYC. Benchmarking has been undertaken to ensure the charge to the customer is fair recognising that it will be more expensive for the end user to charge at the public charging network than charging at home but it will support many people to switch to an EV where they cannot get a charging point outside their home.

12.0 REASONS FOR RECOMMENDATIONS

12.1 The recommended price cap amount has been proposed to ensure all costs are covered whilst enabling the CPO to recover their investment. It also ensures that the charge to the consumer is kept as low as possible, in line with current energy prices and market rates. A competitive pricing structure will support the continued uptake of EVs while contributing to North Yorkshire's wider carbon reduction goals.

13.0 RECOMMENDATION(S)

13.1 That the Corporate Director - Environment, in consultation with the Executive Member for Highways and Transportation approves the proposed annual price cap for the standard public charging network tariff (7–22kW) at the rate recommended in Appendix A.

APPENDICES:

Appendix A – Commercially sensitive information – Not for publication
Appendix B – Equality Impact Assessment
Appendix C – Climate Change Impact Assessment

BACKGROUND DOCUMENTS:

Local EV Infrastructure Fund Allocation – Acceptance

Procurement of an Electric Vehicle Charge Point Operator (CPO)

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