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# SMART CHARGE REGULATIONS HERALD NEW ERA FOR UK EV CHARGEPOINTS

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The news that, as of 15 June 2022, all new homes and buildings with associated parking, such as supermarkets or workplaces, will be required to have electric vehicle charging points installed is another sign that the UK is moving in the right direction in terms of promoting cleaner forms of transport.

With transport now the UK's largest carbon-emitting sector, the UK government's plan to decarbonise road transport by transitioning to electric vehicles ("EVs") is essential to achieving net-zero emissions by 2050. Currently, over 600 new EV charge points are installed on UK roads each month. However, the government's commitment to phase out the sale of new diesel and petrol cars and vans by 2030 will mean that an estimated 300,000 charge points are needed within the next eight years to meet rising demand.

To meet this target, the UK government announced in March this year its strategy document for encouraging investment in EV infrastructure and removing barriers to the adoption of EV vehicles, titled "Taking charge: the electric vehicle infrastructure strategy". The strategy focusses on six key objectives:



1. Allowing mature parts of the market to thrive, and removing barriers to entry.



2. Introducing new regulation to ensure chargepoints are reliable and easy for consumers to use.



3. Supporting innovation in charging technology and business models to reduce costs associated with



4. Supporting the accelerated rollout of a comprehensive and competitive rapid charging network on major roads.



5. Supporting local government to develop chargepoint strategies and scale up the rollout of public chargepoints on local streets.



6. Working with OFGEM to ensure chargepoints are easy to connect and integrate with the broader electricity network.

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The government will encourage investment in EV infrastructure, and greater uptake of EVs from consumers, through a combination of regulatory change and targeted investment in funding schemes.

## Regulatory Roadmap

The strategy document highlights three main regulatory changes expected over the short to medium term, which are designed to encourage EV uptake:

Electric Vehicles (Smart Charge Points) Regulations 2021 (the "Smart Charge Regulations")

The Smart Charge Regulations will come into force from 30 June 2022 and will apply to all chargepoints sold after this date that are used for charging cars and vans, other than non-smart cables, public chargepoints, and rapid chargepoints. Broadly, the purpose of the Smart Charge Regulations is to prescribe certain technical, procedural, and security requirements for the sale of new chargepoints.

- ensuring chargepoints have certain smart functionality, such as the ability to send and receive information;
- ensuring chargepoints have a consistent measuring system which enables (among other things) the ability to measure the electricity imported / exported and the amount of time for which it is importing / exporting electricity; and
- ensuring chargepoints comply with new off-peak charging requirements, such as having pre-set default charging hours, which are outside of peak hours.

Charge point vendors who fail to comply with the Smart Charge Regulations can be subject to a civil penalty of up to £10,000 for each non-compliant chargepoint.

Amendments to Building Regulations 2010 (the "Building Regulations")

The amendments to the Building Regulations, which also take effect from 30 June 2022, will require new homes and non-residential developments built after this date to include EV chargepoints and relating charging facilities. These changes will be particularly important to the construction sector.

The Building Regulations will apply to almost all new developments, with specific requirements prescribed for:

- 1. New residential buildings;
- 2. Buildings which undergo a material change in use;
- 3. Residential buildings undergoing major renovation work;
- 4. New buildings other than residential or mixed-use buildings;
- 5. Buildings other than residential buildings undergoing major renovation work; and
- 6. Mixed-use buildings.

#### **Upcoming Consumer Experience Legislation**

The strategy document also indicates that new legislation will be introduced in Summer 2022 designed to improve user experience when using public chargepoints. Proposed changes include the introduction of a single payment metric and minimum reliability standards for EV chargepoints.

Although no legislation has yet been tabled, the government's March 2022 "Response to the 2021 Consultation on the Consumer Experience at Public Chargepoints" sets out further details of what the proposed legislation may include. The time-frames set out in the Response indicates that the legislation may not be proposed until later in 2022.

### **Funding Roadmap**

The UK government's strategy also sets out plans to introduce new funding schemes, and to amend a number of existing schemes, to incentivise the rollout of EV chargepoints.

The main funding schemes to be introduced or amended include:

1. The Plug-in Grant Scheme ("PGS")

On 14 June 2022, the government announced that it

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would be closing its plug-in car grant scheme to new applicants. The scheme provides subsidies for the purchase of low emissions vehicles. Instead, £300 million in grant funding will now be reallocated towards extending plug-in grants to boost sales of plug-in taxis, motorcycles, vans and trucks, and wheelchair accessible vehicles.

2. The Electric Vehicle Home-charging Scheme ("EVHS") and EV Chargepoint Grant Scheme ("ECGS")

Under the EVHS, homeowners can apply for a contribution to the cost of one chargepoint and its installation, up to a cap of £350 (including VAT) per installation. As at January 2022, the government has delivered over 277,000 new chargepoints under the EVHS and its predecessor scheme.

From 1 April 2022, the EVHS has been largely replaced with the ECGS, which focusses on supporting people living in flats and rented accommodation, rather than the more established market for people with their own driveways and garages.

#### 3. The Workplace Charging Scheme ("WCS")

The WCS is a voucher-based scheme that provide eligible workplaces with support towards the upfront costs of the purchase and installation of EV chargepoints. The contribution is limited to 75% of purchase and installation costs, up to a maximum of £350 for each socket, and for a maximum of 40 sockets across all sites for each applicant.

Since February 2021, the government has contributed a further £50 million to expand the WCS to allow small accommodation businesses, SMEs and charities to apply if they meet the eligibility criteria.

4. The On-street Residential Charge point Scheme ("ORCS")

The UK Government has also shown a continued commitment to the ORCS, allocating a further £20 million of funding for the 2022/23 financial year. The scheme provides funding to local authorities to install on-street chargepoints for people without off-street parking.

Some changes made for the 2022/23 financial year include mandating minimum payment methods, such as contactless payments on the chargepoints installed. This should assist with increasing EV charging accessibility, ahead of the proposed Consumer Experience Legislation. The scheme has also been expanded to allow chargepoints to be installed on land not owned by a local authority. This aims to improve the availability of chargepoints in more rural locations.

#### 5. The Local EV Infrastructure Fund ("LEVI Fund")

Announced in March 2022, the LEVI Fund is open to applications from local authorities, partnerships, and consortiums that are planning an EV charging infrastructure project that supports the transition to EV use in a local area. To be eligible for funding, the infrastructure project must also show either technical or commercial innovation. Applications for the LEVI Fund closed on 17 June 2022.

Although currently in a pilot phase with just £10 million allocated, if the scheme is successful the government has proposed expanding its funding to up to £450 million from between 2022 and 2025.

#### 6. The Rapid Charging Fund ("RCF")

The RCF is a proposed new fund under development, which will contribute up to £950 million in funding towards infrastructural upgrades for the electricity grid, to help future-proof electrical capacity at motorway and major A-road service areas.

Consultation on the design of the RCF, including who will be eligible to apply and eligibility criteria, is scheduled to occur between Winter 2022 and Spring 2023.

#### **Further Advice**

If you have any queries about the upcoming regulatory and funding changes, please get in touch.

## **Contacts**

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