The representative body of the parks industry including caravans, chalets, lodges, park homes, tents and all types of self catering accommodation.

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4 January 2021

BH&HPA response to CMA Electric vehicle charging market study – Invitation to comment

1. The British Holiday & Home Parks Association (BH&HPA) is the UK trade body representing owners and managers of parks. 1,680 members own and manage 2,908 holiday, touring, caravan, camping, glamping and residential parks across the UK.

2. Our members are predominantly micro- and SME family businesses located in rural and coastal areas where their economic, social and environmental contribution is essential to their local community.

3. In 2019, holiday parks and campsites accounted for some 8% of the UK's tourism GVA, generating £9.3bn in visitor expenditure, £5.3bn GVA and supporting 171,448 jobs[i] in rural and coastal areas.

4. Rural and coastal economies are sustained by tourism. This, in turn, relies on the car.

5. On residential parks, home owners use their cars for most transport, given both their average age and the poor rural public transport provision.

6. Our members are reporting increased demand for charging facilities for EVs on their parks; they recognise the need for investment to meet customer demand and are seeking advice on the best solutions. They are also concerned that local electricity infrastructure may limit their ability to meet the demand for power, as EVs are adopted more widely.

7. We welcome the opportunity to respond to this invitation to comment, given the importance of ensuring the infrastructure is in place to facilitate the transition to EVs, particularly in rural and coastal communities.

Theme one: developing competition while incentivising investment

Q1. How is the EV charging sector developing and how will technological or other developments (for example smart technologies) impact sector development and competition?

8. BH&HPA members are concerned that there appears to be a focus on developing urban and motorway EV infrastructure with little consideration being given to the infrastructure needed to enable people to travel to their end destination which, for domestic tourism, is likely to be in a rural or coastal location.

9. Further information and advice is needed to educate and inform both EV chargepoint providers and EV customers about the availability and benefits of smart charging, including how this may overcome shortages in capacity of electricity supply – an issue which many parks in rural and remote locations suffer.

10. The COVID-19 pandemic has highlighted the popularity of 'staycations' and the desire of people to spend time in less densely populated areas, from Cornwall, to Norfolk, to Cumbria, to Northumberland. The further from centres of population, the greater the reliance of the local economy on tourism, yet the lower the importance in EV charging provision. According to Zap Map's distribution of UK charging points by geographical area, Greater London has the most charging points with 25.9% of the total connectors compared with the South West's 7.6%[ii]. From this, it is clear that the focus has been on urban areas.

Q2. How well is competition between EV charging providers working at present in the different sector segments and what are the key risks to effective competition (including any emerging competition concerns)?

11. The market share of UK charging points is led by *ubitricity* which with its lamp post chargers now operates the greatest number of public charging devices in the UK – '*there are now streets in London where every lamppost has been retrofitted with an ubitricity charger'*[iii]. Many EV charging providers are able to operate in more densely populated urban areas, however there is less incentive for EV charging providers to install the infrastructure needed in more remote regions of the UK – areas where many holiday and residential parks are located.

Q3. How can competition in the different sector segments be strengthened as the sector develops, either by building on current policies and/or through other approaches?

12. Incentives and policy measures, such as are required to bring broadband to more remote regions, will be needed. An Ofgem report 'Implications of the transition to Electric Vehicles' (2018) notes '*in some areas, competitive pressures alone may not deliver socially desirable levels of chargepoint infrastructure'*, suggesting '*as in broadband markets, society may wish to intervene in rural areas to support infrastructure deployment'*[iv].

Q4. What are the main existing and potential barriers to entry and expansion for EV charging providers and how can these be addressed?

13. As outlined in the responses to Qs 2 and 3 above, EV charging providers are likely to concentrate on the more lucrative, densely populated areas of the UK, with more remote areas of the UK being left behind. This needs to be addressed by suitable policy measures such as offering financial incentives to encourage EV providers to expand into more rural areas.

14. Where the private sector in rural and coastal areas wish to invest in EV charging provision, they are hampered by the lack of clear guidance. There is deep concern to avoid investing in the 'Betamax' EV charging solution, with clear guidance needed as to how best to invest.

Q5. How can chargepoints be effectively deployed to ensure there is sufficient supply to meet future demand? What factors need to be taken into account?

15. Many holiday and residential parks already struggle to ensure a sufficient energy supply to their homeowners and customers, given the already increasing demand for electricity (there is an increased demand for electric showers, and the use of electricity as a cooking and heating fuel). The cost of upgrading is either simply prohibitive to many small businesses, or in the case of many remote areas there is simply no further electricity supply capacity from the grid available to them.

Q6. What incentives are there for private investment in EV charging infrastructure including within the different sector segments? How might incentives need to change for the future growth of the sector and development of competition?

16. Charging providers should work with holiday and residential parks to gain an understanding of each business's requirements and discuss any incentives available to them. Finding a provider who gives flexibility on tariffs would ensure prices can be changed when or if the surrounding competition adapts their rates.

Q7. What impact does public subsidy have on private investment incentives; are there any areas/gaps where public support is most likely to be needed?

17. Public subsidies are needed to encourage private investment in EV chargepoints for less densely populated rural and coastal communities. With the right funding incentives and guidance, many smaller holiday parks would, for example, be able to invest in providing EV chargepoints which would benefit both the local community and visitors to the area.

Q8. What is required in order to ensure that rural / remote communities and those without off-street parking are well served by charging infrastructure?

18. As in our response to Q7 above, public subsidies to contribute towards the cost of providing the EV chargepoint infrastructure would be needed, as well as clear guidance on how best to invest sustainably.

19. For those without off-street parking, research into wireless charging options may provide some solutions. The biggest issue which needs to be addressed for many rural/remote communities is, however, the lack of available electricity supply from the grid. With many people being encouraged to move away from traditional fossil fuel for heating and cooking, the demand for electricity is continuing to grow.

Q9. What role should local authorities play to help deliver EV charging in a way that promotes competition? What support would they need?

20. Procurement decisions by local authorities will depend on the availability of Government or private sector funding.

Q10. What can be learned from the different policy approaches taken in the devolved administrations for the EV charging market's development?

21. To ensure the correct EV charging infrastructure is in place across the UK, and that no region in the UK is left behind, BH&HPA strongly supports cooperation between all four Governments of the UK to identify the optimal solutions for the provision of EV chargepoints.

22. Independent research by the RAC[v] reports that local areas are at risk of being left behind in the development of EV charging infrastructure. It suggests that the provision of chargepoints is currently a '*postcode lottery'* and availability is '*patchy at best'* for some parts of the country. The lack of charging infrastructure was identified as one of the three main barriers to taking up EV

ownership. These concerns mirror those of park owners who believe consumers may be deterred from rural and coastal tourism if the infrastructure is not provided.

Theme two: effective consumer interaction with the sector

Q1. What challenges or difficulties related to chargepoints might act as a barrier to consumers switching from a conventionally fuelled passenger vehicle to an EV and how might these be overcome?

23. BH&HPA suggests that the following are necessary to remove the barriers:
    - all new rapid and high-powered chargepoints should offer credit/debit card payment
    - for a seamless charging experience, consumers should be able to access chargepoints through a single payment method (e.g. not signing up to different accounts, using membership cards)
    - the provision of clear and understandable labelling on chargepoints to support consumer choice by using defined labelling standards
    - making public chargepoints easily accessible for electric vehicle drivers. Drivers need to know the availability of charging infrastructure, especially at peak times (e.g. on bank holidays and in holiday destinations).

24. To achieve this, the clearest possible guidance as to how SMEs should invest in their charging infrastructure is required.

Q2. What are the key challenges for consumers already interacting with the sector and how might these change over time as the sector grows?

25. Please see response to Q1 above.

Q3. How do consumers decide which chargepoint services and providers to use? What information do consumers need to make this decision and at what stage in the decision-making process?

26. Drivers need to know the availability of charging infrastructure, especially at peak times (e.g. on bank holidays and in holiday destinations). Drivers need to be able to overcome their fear of 'range anxiety' particularly when travelling to more remote locations – for example if travelling from London to a holiday park in Cornwall – by having easy access to a map of EV chargepoint locations along their route and a real-time indication of how busy they will be.

27. The issue of peak season demand needs to be addressed so that holiday makers can be confident they will be able to reach their end destination if travelling during the school holidays at Easter, in July and August.

28. A BBC report from April 2019[vi] highlights the experience of former MP, Mary Creagh, who was Chair of the Environment Audit Committee, '*from my own personal experience of borrowing an electric car for a long weekend, charging at motorway services was fine - but in deepest Dorset I tried two charge points provided by smaller firms, but both had software problems which made it impossible for me to get any power*'.

29. Some charging points are not fast-charge and drivers need to know this information in advance in order to plan their journey around how long it will take to charge their car. Drivers have also found different cables at charge points which differ to the type their car requires. This can cause frustration and give drivers an unpleasant experience.

30. To achieve this, the clearest possible guidance as to how SMEs should invest in their charging infrastructure is required.

Q4. Can consumers easily understand and compare charging tariffs in this sector and what barriers, if any, do they face?

31. The provision of clear and understandable labelling, including charging tariffs on chargepoints by using defined labelling standards would help support consumer choice.

32. To achieve this, the clearest possible guidance as to how SMEs should invest in their charging infrastructure is required.

Q5. Do particular groups of consumers face additional challenges to interacting with the sector and if so, who and why? How might these be overcome?

33. Consideration must be given to the requirements of The Equality Act 2010.

Q9. What else is required to help ensure that the EV charging sector develops in a way that is responsive to consumer needs?

34. July 2019 saw the Department of Transport consultation[vii] on proposals which would require electric vehicle chargepoints to have smart charging functionality included. The concern therefore is that those chargepoints currently installed are inevitably the 'Betamax' and we have yet to identify the 'VHS' or indeed the 'DVD', let alone the devices for streaming! Definitive guidance is needed for BH&HPA members so that both residential and holiday parks can respond to such momentous change in order to meet the needs of their customers/homeowners.

35. The House of Commons Briefing Paper, '*Electrical vehicles and infrastructure'* published 4 December 2020[viii], acknowledges that '*without chargepoints EV ownership is not practical'*. To meet the Government's aim to end the sale of petrol and diesel vehicles by 2030, it is clear that there is much work to do to ensure that the EV infrastructure is in place to meet the growing demand across the whole of the country. Communication with all stakeholders will be key to ensuring that no region or sector is left behind during this important transition stage.

36. On behalf of BH&HPA members, we ask please that rural and coastal economies are sustained through the transition to EVs, and that consideration is given to:
    - how sufficient power will be provided to rural areas given the anticipated demand from EVs
    - how rural and coastal tourism businesses should best invest in EV chargepoints and infrastructure.

We look forward to receiving the outcome of this consultation and would welcome the opportunity to discuss how the concerns of BH&HPA members can be addressed.

Helen Charlesworth
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[redacted]

[i] UK Caravan and Camping Alliance (2019), *Pitching the Value Report.* Available at: https://www.ukcca.org.uk/.

[ii] Distribution of UK charging points by geographical area, 9 December 2020, Zap Map. Available at: https://www.zap-map.com/statistics/

[iii] Ubitricity website, 9 December 2020. Available at: https://www.ubitricity.co.uk/unternehmen/newsroom/ubitricity-becomes-the-uks-largest-public-ev-charging-network/

[iv] Ofgem's Future Insights 'Implications of the transition to Electric Vehicles' (2018) https://www.ofgem.gov.uk/ofgem-publications/136142

[v] Lack of electric car charging points 'putting off drivers', BBC News, 4 April 2019. Available at: https://www.bbc.co.uk/news/uk-47696839.

[vi] Climate change: Electric car target 'needs to be sooner', BBC News, 29 April 2019. Available at: https://www.bbc.co.uk/news/science-environment-48097150

[vii] Electric vehicle smart charging consultation (15 July 2019 – 7 October 2019). Available at: https://www.gov.uk/government/consultations/electric-vehicle-smart-charging

[viii] House of Commons Library, Briefing Paper, *Electric vehicles and infrastructure,* 4 December 2020. Available at: https://researchbriefings.files.parliament.uk/documents/CBP-7480/CBP-7480.pdf