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A: With the ban on new petrol and diesel cars from 2040, it is estimated that two-thirds of vehicles on UK roads will be electric by 2050. On 9 July the government published its Road to Zero strategy on electric vehicles. The strategy sets out how the government plans to “lead the world” in zero vehicle emissions and a big part of this is ensuring that the UK has the necessary infrastructure to power the vehicles.

1. The strategy includes a number of initiatives that will have a significant impact on the real estate industry. They largely relate to the provision of the charging infrastructure that will be needed for all cars on UK roads to be electric.

There are 14,000 public chargepoints across the UK, but the government wants many more. It wants the UK to have one of the best charging networks in the world and is willing to make a significant investment in this area. It expects the transition to electric to be led by the

industry and consumers, but a review of the uptake of electric vehicles is scheduled for 2025. If the uptake is too slow, the government will then decide what interventions are needed.

2. In the meantime, a requirement for chargepoint infrastructure for new homes is expected, with a consultation on this due “as soon as possible”. There is also likely to be a requirement for non-residential development, as proposals to change building regulations to require new charging facilities are also mentioned. Under the revised EU directive on the energy performance of buildings,

Q: What does the UK government’s electric car strategy mean for real estate?

we will see similar charging requirements throughout the member states. The directive requires EU members to enact regulations so that a certain number of parking spaces are equipped with the appropriate pre-wiring for a charging point. Whatever the final deal on Brexit, the UK will also have to comply with the directive post-Brexit, although (depending on whether a transitional period is agreed) this could be for a limited time only.

3. Workplace charging is a particular focus in the UK, too. The government is increasing its investment in this area by making funding available for workplace charging schemes, so we can expect to see charging requirements for new office and retail developments in the near future.

4. Highway works could become more expensive because the plan is for all new street lighting columns to have charging points in suitable areas.

5. There has been discussion in the market about how the wayleave process needs to be reformed to make the delivery of charging infrastructure happen. Sadly, this was not included in the

Road to Zero strategy, but it has been picked up by Sir Oliver Letwin as part of his review into housing delivery. In his draft analysis, he said the utilities process “urgently requires further attention across government”.

6. As well as meeting occupier and end-user demand, there are opportunities that this potential £7.6tn market presents to landlords, developers and investors. Installing public charging areas in new and existing schemes is one example.

Considering a site’s energy strategy early can fuel other innovative solutions. One example is the use of electricity from kinetic pavements (generated as people walk over grids) to charge electric vehicles.

Now is the time to think about how this will work in practice and how the real estate sector can tap into this new, exciting field. Dubbed the biggest technological advancement of the motor industry since the invention of the car in the 1880s, this is clearly an area of rapid growth and could be lucrative for landlords.



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