

Report of the Assistant Director of Transport, Highways and Environment

Pre Decision Report – CYC Fleet Strategy

SUMMARY

1. The Executive are due to consider a report on the Council's Fleet Strategy at their meeting in March. The committee has asked for a pre-decision report to discuss the issues.
2. In light of the climate change emergency the council is looking across all areas in which it can make a tangible difference. To this end the council is reviewing the strategy for its own fleet with the aim of minimising environmental impact, improving air quality whilst maintain services to the city.
3. The former Economy and Place Policy Development Committee undertook a review in 2018 of the Council's approach to fleet replacement. The report to Executive will seek to formally adopt a policy.
4. The Council is committed to creating a greener and cleaner city which has a thriving local economy, strong communities and a sustainable way of life. A city where residents are healthy, happy and prosperous. Key to achieving this is the Council's ambition to reduce carbon emissions to zero by 2030.
5. If this commitment is to be achieved the Council's fleet replacement strategy must set out the plan for the council to transition its own fleet to a zero carbon at the tailpipe by 2030.
6. The adoption and take up of different fuel vehicles by the general public is driven by way new technology requires changes in behaviour, and costs
7. In transitioning to alternate fuels the Council will face the same challenge in that it will change the way services need to operate and operating costs.

BACKGROUND

8. The former Economy and Place Policy Development Committee undertook a review in 2018 (Annex A) of the councils approach to fleet replacement. Within that report a number of proposals were made to improve the process of replacing fleet. The report to Executive will seek to formally adopt these as policy.
9. The Council climate change ambitions have seen the implementation of a number of measures to address these challenges, for instance a clean air zone for busses and the transition of the Park and Ride fleet of busses to electric double decker busses will be completed this year.
10. A key part of addressing transport emissions is also the fleet of vehicles the Council uses to deliver its services. The vast majority of this fleet is currently a carbon based fleet. So in order to achieve a zero carbon fleet by 2030 the Fleet Replacement Strategy must set out a transition plan from carbon to zero by 2030.
11. The Council has an opportunity to set an example within the city and lead the move of commercial vehicles to ones with zero carbon emissions at the tailpipe.
12. There are a number of alternate fuels that can be considered, however each fuel type favours different types of vehicles:
 - a. Hydrogen – Zero emissions at the tail pipe, requires expensive infrastructure and is currently focused on long distance large goods vehicles.
 - b. Bio Gas – whilst still emitting carbon there is a significant reduction of carbon emissions. It requires substantial infrastructure investment.
 - c. Electric – Zero emissions at the tail pipe. Existing infrastructure in the city although upgrading of facilities would be required at the depot.
 - d. Hybrid vehicles - use a combination of fuels which have some tail pipe emissions.
13. The future remains uncertain, in that technology is developing all the time and the purpose of the fleet strategy is not to second guess the future technology. In the short the most efficient transition for the Council in the short/medium term is to electric vehicles. The infrastructure requirement is scalable and our relatively small geography mitigates some of the concerns about range.

14. The public concerns about moving to electric vehicles is often questioned in terms of the following concerns:
 - a. Purchase Price
 - b. Battery Pack Replacement
 - c. Range
 - d. Charge location
 - e. Charging Time
 - f. Carrying capacity
 - g. Supply chain environmental and ethical concerns
15. In the same way that the public need to consider these so will the Council. Issues around purchase price and battery packs can be addressed by looking at the whole life cost and purchasing arrangements can mitigate the cost of battery pack replacement. By replacing with hybrid, electric or zero emission vehicles there is the likelihood that they will have an increased cost compared to diesel. This will be assessed as part of the approach to looking at cost on a whole life.
16. However, other challenges remain which will impact upon the way services operate. Several front line services work on the basis that employees take a vehicle home, this partly for efficiency allowing them to start from home, but also to provide twenty four hour emergency response.
17. The challenge is where would the vehicle be charged, at the employee's home? How would this work with an emergency response? The challenge of an electric vehicle for these services is whether an electric vehicle would have the range to do a day's work and get the employee home.
18. The obvious solution is a plug in hybrid vehicle where a fossil fuel engine acts as an on-board generator. The disadvantage to this is that it reduces the weight the vehicle can carry so will impact upon the size of vehicle required and potentially require our employees to have a different driving license.
19. The transition to a zero emissions fleet must be a success and therefore addressing these issues needs to be considered for each services vehicle replacement.
20. The challenge therefore is about how the Fleet Strategy should address the challenge of being zero carbon by 2030 whilst ensuring front line services and resident facing services continue to operate.

Options

21. The options which have been explored for how to incorporate in the fleet policy an approach to achieve a zero carbon fleet are detailed below:

Option	Pros	Cons
<p>Have a clear policy position that all new vehicles must be zero emission.</p>	<p>Clear direction of travel and services need to start planning now.</p> <p>Immediate impact upon reduction of carbon emissions</p>	<p>The zero emissions market for small vehicles is much more developed than for Large Goods Vehicles (LGV).</p> <p>The budgetary impact cannot be modelled accurately yet.</p> <p>It has the potential to impact upon service delivery and employee terms and conditions.</p> <p>The budget impacts for this cannot be modeled in advance.</p>
<p>Have a clear policy position that all new vehicles should be zero emission. Any decisions to purchase a none zero emission vehicle is considered by Councilors before a decision is made.</p>	<p>It allows the business case for service delivery, employee impacts and environmental cases to be considered in the round.</p> <p>It drives the move to zero emissions forward with a clear policy statement and requires services to start addressing the challenge before they purchase the new fleet.</p> <p>It allows the Council to manage the financial risk.</p>	<p>The risk is that action is not taken now to address the issues that would allow the use of zero emission vehicles</p>
<p>Use a business case around whole life cost to determine whether</p>		<p>There is no pressure to challenge the way services are delivered</p>

a zero emission vehicle is purchased.		to enable the uptake of zero emission vehicles
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RECOMMENDATIONS

22. Economy and Place Policy and Scrutiny Committee are asked to review the options in the body of the report and make suggestions which can be considered by Executive.

Reason: To ensure that Fleet Strategy addresses the Council ambition of being zero carbon by 2030.

Contact Details

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Report **Date** 03/02/2020
Approved

Specialist Implications Officer(s) None

Wards Affected: All

For further information please contact the authors of the report

Background Papers

Annex A – Economy and Place Policy Development Committee – January 2018 - CYC Fleet Replacement Review