Agenda Item	12ii.
Report No	CP/23/20

HIGHLAND COUNCIL

Committee: **Communities and Place**

Date: **25 November 2020**

Report Title: **Developing the approach to greening the fleet**

Report By: **ECO Communities and Places**

1. Purpose/Executive Summary

1.1 An approach to greening the fleet is required:

- to contribute to the wider Highland Council ambition for the region to become carbon neutral by 2025; and
- to comply with the Scottish Government target that local government decarbonise the light commercial fleet by 2025 and move to Ultra Low Emission Vehicles (ULEV).

1.2 The Council currently operates a large fleet of approximately 1,100 vehicles, ranging from small pool cars to heavy goods vehicles.

1.3 The Council is committed to actively reduce the impact of its activities on the environment in line with the Climate Change Action Plan and our ambitious, sustainable and connected values. From 2012/13 – 2019/20, emissions arising from fleet vehicles' use of petrol, diesel and gas oil has decreased by 8%, from 9,166tCO2e to an estimated 8,454tCO2e in 2019/20.

1.4 The approach outlined to green the fleet proposes a phased approach focusing initially on cars and light commercial vehicles. Further phases would include a review of Heavy goods vehicles operated by the Council and requirements of Council contractors and suppliers.

1.5 In scope for the initial phase would be the 48 cars (37 diesel and 11 petrol), 79 electric/hybrid vehicles, 621 light commercial vehicles (diesel), 82 minibuses (diesel), 53 car club cars (45 hybrid and 8 electric) and grey fleet use.

1.6 Replacing vehicles is not a panacea to combating the climate and ecological emergency. The Council must also:

- reduce the number of journeys we make;

- ensure our vehicles are the correct size for the task;
- reduce the number of vehicles we have in the fleet;
- ensure replacement vehicles are ULEV; and
- encourage active travel such a walking or cycling.

1.7 While the above points feed into the overall council ambition, the required service levels should not be compromised. All fleet vehicles must be fit for purpose.

1.8 The report sets out what we have done to date, Covid impacts on fleet this year and the considerations necessary to reach the regional and national 2025 targets.

2. Recommendations

2.1 Members are asked to note:

i. the national target for local government to decarbonise its light fleet by 2025 and the Council's target for the region to be carbon neutral by 2025;
ii. the estimated 8% reduction in emissions arising from fleet vehicles' use of petrol, diesel and gas oil from 2012/13 to 2019/20;
iii. the progress made to decarbonise travel and fleet to date by:
    a. reducing staff travel (with staff travel and member costs reduced by 36% between 2017/18 and 2019/20),
    b. providing car club vehicles as an alternative to grey fleet use,
    c. reducing fleet numbers,
    d. reducing leasing costs,
    e. supporting more efficient use of fleet through route optimisation and telematics,
    f. driver behaviour monitoring and training,
    g. replacement of vehicles where affordable with fully electric small vans and cars,
    h. training the mechanic workforce to maintain electric vehicles; and
    i. accessing Scottish Government funding for installing charging points and fleet replacement;
iv. that links are being made with the feasibility into an Energy from Waste plant including the potential to convert energy generated to hydrogen for Council and other fleet use as part of the development of a hydrogen strategy for the region;
v. the current higher costs of procuring Ultra Low Emission Vehicles (ULEV) even with whole life cycle costing, plus charging infrastructure. While costs may fall as technology improves and take up increases, budget provision and external funding are not yet identified to meet decarbonising targets. However, work is underway to quantify the costs for a phased replacement programme and to identify all potential funding sources to inform future budget setting; and
vi. note progress reports on further phases of work will come to this Committee and be included in the wider reporting to the Climate Change Working Group.

2.2 Members are asked to agree the phased approach proposed to green the fleet by focusing initially on cars and light commercial vehicles building on progress to date and reducing the overall mileage travelled (with service targets set), rightsizing the fleet and replacing vehicles with ULEV alternatives within affordability. An action plan is attached at **Appendix 2**. Later phases would focus on heavy goods vehicles and fleet use by contractors and suppliers.

3. Implications

3.1 Resources

The financial as well as environmental costs associated with fleet are significant. In 2019/20 staff and Members travelled 1.1m miles in car club vehicles and 3.1m miles in grey fleet. The cost of this, including hire cars and passenger miles was £ 1.64m. The introduction of the car club and other measures have reduced the spend by 36% since 2017/18. Car club and grey fleet use has decreased even more over the past year, due to Covid impacts, and we can learn from this experience. In addition, it is estimated that 6.5m miles were driven in light fleet at a cost of £2.5m.

3.2 The procurement of ULEV fleet will impact on the revenue budget but as technology develops and take up increases, we expect the impact to lessen over time. Until the market is operating at scale it is unlikely that there will be price parity between ULEV and fossil fuel vehicles until 2025 at the earliest. The running costs are less and so consideration must be given to the whole life cost of a vehicle, including residual value.

3.3 The introduction and maintenance of charging units would create a substantial budget pressure. Hydrogen is not readily available commercially in Highland. There will be a cost to train mechanics to work with new technology in the vehicles, and there may be a requirement to purchase new tools. Scottish Government funding will be available to meet some of these costs but the value of that has yet to be set.

3.4 A pressure on the market to supply ULEV may impact on pricing and availability as organisations move to replace their fleet to meet internal and national targets.

3.5 At present Scottish Government provides funding for low emission cars through the Switched-on Fleets fund. Funding is now becoming available for infrastructure and £75,000 has been awarded for installing charging units at depots this financial year.

3.6 Driver training will have to be delivered to ensure drivers are competent and confident when driving ULEV. We expect this will be delivered using in-house trainers.

3.7 Legal

There are no legal implications arising from this report. Failing to achieve the Scottish Governments target is more of a reputational risk than a financial or legal risk.

3.8 Community (Equality, Poverty and Rural, Island).

More environmentally friendly fleet will result in better air quality for our communities.

3.9 Climate Change / Carbon Clever.

Extending our use, and increasing the numbers, of ULEV within our fleet will assist the Council to meet its climate change priorities.

3.10 Risk

There is a reputational risk of not meeting the Scottish Government and Highland Council objectives in relation to its Climate and Ecological emergency.

3.11 Gaelic

There are no Gaelic implications arising from this report.

4. Introduction

4.1 The approach to greening the fleet sets out the steps required to contribute towards the regional and national carbon reduction targets and ambitions. A phased approach is proposed with phase 1 focusing on cars and light commercial fleet. Phase 2 would cover heavy goods vehicles.

4.2 Targets

4.21 The UK Government has set a target to be carbon neutral by 2050.
The Scottish Government has committed to ending Scotland's contribution to climate change no later than 2045, and in support of this ambition, seeks to:

- phase out the sale of new petrol and diesel cars and vans by 2032;
- phase out the need for all new petrol and diesel vehicles in Scotland's public sector fleet by 2030 (i.e. heavy goods vehicles); and
- phase out the need for all petrol and diesel cars and light commercial vehicles from the public sector fleet by 2025.

4.22 In May 2019, The Highland Council declared a climate and ecological emergency, recognising the increasing threat as a result of the changing climate. In so doing, Members recommitted to achieving a carbon neutral Highland by 2025 and have established a Climate Change Working Group to oversee and expedite the shift to a net zero future.

4.3 ULEV generally refers to electric or hydrogen. Hydrogen fuel is not currently available at commercial scale in Highland, but work is ongoing as part of the wider Council strategy to identify locations for hydrogen stations, but for this to be viable it will require buy in from partners and the wider bus and haulage operators. Work is underway to develop a hydrogen strategy. This includes the work underway on the feasibility of an Energy from Waste (EfW) project. There are also emerging proposals for a private sector led hydrogen hub project as part of the aspirations for land-based economic development opportunities from off-shore wind projects.

4.3.1 As part of the feasibility work underway on an EfW plant, a study of wider benefits including the potential to convert energy generated to hydrogen is underway. The project team involved in the study will liaise with the Council's Transport and Logistics Manager to understand the strategic requirements and to understand to what extent a green transport hub charging station could supply the requirements for Council fleet in the Inverness area and potentially also serve other commercial vehicles.

4.3.2 The project team reports to the Member Waste Strategy Working Group.

4.4 For the purposes of this report, and its specific reference to cars and light commercial fleet, unless otherwise stated ULEV refers to electric vehicles.

5. BACKGROUND

5.1 It should be noted that greening the fleet is one workstream within the Council's climate change action plan.

5.2 The Highland Council operates a large fleet of approximately 1,100 vehicles, ranging from small pool cars to heavy goods vehicles. This provides the Council with a clear opportunity to directly influence the improvement in environmental air quality and a

reduction in carbon emissions through reduced travel and the adoption of low carbon and ULEV across the region.

5.3 Members and employees can as a last resort, use their own private vehicles on Council business, referred to as Grey Fleet travel. The Reduction in Staff Travel project includes the ongoing monitoring of grey fleet miles, the operation of the Car Club and a review of Light commercial vehicles (under 3.5 tonnes). An integrated approach to Greening the Fleet cannot exclude this project and so it will be referenced throughout this report. The savings delivered by the project are outlined at **Appendix 1**.

5.4 The Council has a statutory duty to monitor and report on its contribution to national climate change targets under the Public Bodies Climate Change Duties (PBCCD). Each year, data is collected in respect of emissions and costs arising from the Council's use of petrol, diesel and gas oil to power its fleet, as well as qualitative and quantitative data in relation to projects and initiatives which have sought to reduce the climate change impact from the use of the fleet over the course of the previous financial year. Modern fuel-efficient vehicles and plant produce less harmful emissions helping to improve air quality across Highland, and projects undertaken are reported under PBCCD.

5.5 Over the lifetime of the Council's current carbon management plan (2012/13 – 2019/20), emissions arising from fleet vehicles' use of petrol, diesel and gas oil has decreased from 9,166tCO2e in 2012/13 to an estimated 8,454tCO2e in 2019/20, a reduction of just under 8%. There has been a corresponding reduction in consumption of diesel by the fleet of approximately 315,000 litres, or 10%, over the same timeframe.

5.6 The Council continues to undertake numerous initiatives to develop more sustainable forms of fleet operations. These include: the use of telematics and route optimisation software; reducing fleet numbers through the staff travel project; driver behaviour monitoring and training; and where infrastructure has enabled it, the introduction of fully electric small vans and cars.

5.7 The Council has benefited from the Scottish Government's Switched on Fleets Funding and has leased 45 cars and 8 vans over the last 3 years. For 2020/21 there is a grant offer of £75,000 to pay for fleet infrastructure. This will be used for charging units at depots.

5.8 Transport Scotland is unable to confirm the funding opportunities available to Councils for ULEV investment for the next finance year until Government funding is set.

6. Current fleet and maintenance arrangements

6.1 The Council delivers a wide range of services to communities throughout the Highlands. The Transport and Logistics Team (T&LT) procure, lease and hire a wide range of fleet assets. These assets are cars, vans, heavy goods vehicles (snow ploughs and winter maintenance vehicles, refuse collection vehicles) forklift trucks, trailers and specialist plant and equipment.

6.2 Light commercial vehicles are generally leased over a 5-year period. Cars are leased on either 3- or 5-year contracts and minibuses are moving to 5 year contracts. The revenue budget funds the leasing programme.

6.3 The T&LT procure the fleet based on Service requirements and maintain and dispose of fleet at the end of the lease period. Services operate the fleet.

6,4 The Fleet Hire and Travel desk hire specialist and seasonal plant and equipment and short-term car and van hires using procurement frameworks to achieve best value. The desk also runs the Car Club.

6.5 The car and light commercial fleet are broken down as follows:

- 48 Cars (37 diesel and 11 petrol)
- 79 Electric Vehicles / Hybrid vehicles
- 621 Light commercial vehicles (All diesel)
- 82 Minibuses (All diesel)

In addition, there are 53 car club cars, 45 are petrol hybrid and 8 are electric.

6.6 Light commercial fleet and cars are maintained through a blended service, some externally and some in our own workshops. There are 8 Council workshops with a workforce of 33 mechanics and 7 Forepersons. They carry out just under 10,000 work orders per year on all fleet types. The team has led a successful apprenticeship programme, with 7 apprentice mechanics finishing their training and joining the workshops as permanent and qualified mechanics. Workshop locations are shown on the map below.

Figure 1: Location of Council fleet workshops

7. The Staff Travel Project and Covid impacts

7.1 A key factor in meeting our climate and ecological ambitions is the reduction in overall travel. As part of the staff travel project, a review of grey fleet has taken place and a review of the light commercial fleet is underway. The project has 2 main aims:

- to reduce emissions from vehicles used to carry out Council business; and
- to change the culture to ensure that driving for business in your own car is acceptable only as a last resort.

7.2 The Council has a well-established Travel Hierarchy that was reviewed in 2019. A refresh of IT has increased the capability for the use of Skype, Microsoft Teams and video conferencing to reduce the need to travel.

7.3 During 2019/20 staff travelled 1,139,666 miles in Car Club cars, 3,088,988 miles using Grey Fleet and an estimated 6.5 million miles in light fleet.

Our fleet vehicles consumed around 2.29m litres of diesel at a cost of approx. £2.5m. The scale of the Council's area and settlement pattern means travel to deliver core services is inevitable, but it can be reduced.

7.4 Prior to the Covid pandemic the T&LT were already undertaking a review of the number of light commercial vehicles, as part of the Staff Travel Review project. The objective is to reduce the overall number of miles travelled, reduce the number of vehicles leased, reduce the number and frequency of short term hired vehicles, and maximise the use of the vehicles in the fleet across the Services. A saving of £60,000 spend on leasing vehicles has been identified across the Council in during 2020/21.

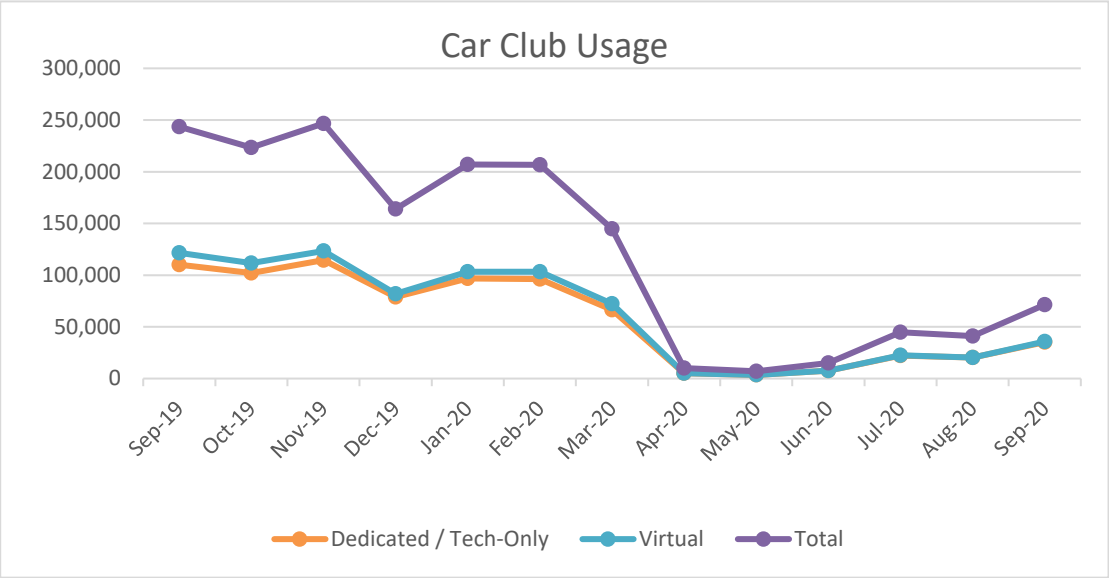
7.5 Covid-19 has seen a significant change to the way the Council delivers its services, and this has implications for fleet use. Following Government guidance, most office-based staff are working from home facilitated by IT. This has reduced the business miles travelled, especially during the lockdown period. However, where staff travel is unavoidable, car sharing should not take place and some staff may be using their own cars as first choice possibly because of their perception that this is safer and will limit the spread of the virus.

7.6 The T&L team are working with H&S advisors and H&S Trade Union representatives to conclude risk assessments for the safe use of car club cars. The team are also reviewing the grey fleet car usage reports and offering dedicated car club cars to high mileage claimants as this will result in a lower cost per mile travelled.

7.7 It is important from a financial perspective that car club vehicle use is maximised as there are fixed costs associated with the cars. The size of the car club has reduced by 16 cars in October.

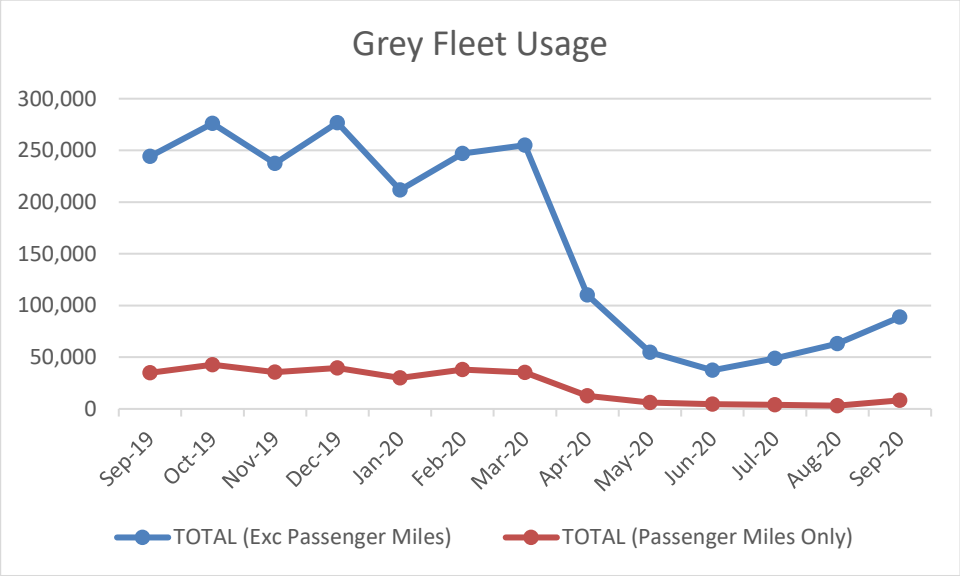
7.8 Chart 1 shows the miles travelled in car club vehicles for the year from September 2019. Chart 2 demonstrates reduction in staff and Members' grey fleet use and a more recent increase in using their own cars. Appendix 1 provides this information in table format.

Chart 1 Car Club Usage



Dedicated vehicles (including 'tech only') are cars intended for sole use of The Highland Council. Virtual cars are placed 'on street' for general public but can be booked out by THC staff in the same way as dedicated. We have removed this facility to ensure only HC dedicated vehicles are booked.

Chart 2 Grey Fleet Usage



7.8 As the Council continues to deliver Services in a Covid compliant manner, some functions run from depots have required additional fleet to comply with the resultant risk assessments. To support social distancing among the manual workforce additional small fleet have been required for waste collections and amenities teams and our Roads department. This has resulted in an additional 47 small fleet/vans at an estimated annual cost of £157,000.

7.9 Members are aware that the Council set up new services as part of our Covid response. The fleet costs of providing this between March and September was £150,000. A reduced number of vehicles will continue to support this effort and we estimate this will cost a further £40,000 to March 2021. Government grant is claimed to cover this cost.

7.10 As part of Council transformation, ECO's and Heads of Service are reviewing how their services will be delivered going forward, based on lessons learned during lock down. This will support the staff travel project as new ways of working should reduce the need to travel.

7.11 In the meantime, the T&LT will continue to undertake initiatives and work with services to reduce fuel usage and emissions, for examples

- better use of telematics to track emissions and idling time;
- where funding is available, driver training to reduce speeding, excessive acceleration and harsh braking; and
- more effective routing to reduce miles travelled.

8. Preparing for the Future

8.1 The first phase in the proposed approach to greening the fleet should:

- build on the work to date in continuously reducing the environmental impact of the Council's fleet operations. This means reducing business miles travelled and where travel is required, we use the most efficient vehicles and routes, enable and enforce good driving behaviours and the use of the travel hierarchy;
- acknowledge the positive and negative impacts of Covid on the need for cars and light commercial vehicle use; and
- move towards replacing light commercial vehicles and cars operated by the Council with ULEV vehicles, whether owned, leased or short-term rental and within the Council's affordability;
- consider whether staff can use their own vehicles for business purposes after 2025 if they are not ULEV. Car club cars should always be the default position. Mileage rates will also have to be reviewed. We would expect national guidance to be developed on this matter;
- a review of the financial impacts and funding opportunities to assess what resource is required to meet the 2025 targets to inform future budget choices for the Council;
- increase the pace of delivery of charging infrastructure in both public locations and Council properties; and
- set out a plan for this work.

The actions required are set out in sections 9 and 10.

8.2 Future phases would include:

- the scope to place requirements on contractors and external service providers through procurement contact requirements, and grey fleet users.

  The Council relies on contractors and third-party service providers to deliver a wide range of services across Highland, including school transport. Consideration will have to be given as to whether it is a requirement that they use ULEV when engaged on Council work. Many service providers will be working to the 2030 target.

- Heavy goods vehicles.

9. Actions Required to Move Towards 2025

There are several actions we need to undertake to support the achievement of the 2025 target.

9.1 Reduce Miles Travelled

The Council's light commercial fleet currently undertakes approximately 6.5 million miles per annum, a mix of rural and urban travel.

The actions taken to reduce the miles travelled have been outlined in section 7.

9.1.2 A key approach to reducing the environmental impact of a fleet operation is to modify vehicle use patterns and rationalise the extent of the fleet miles travelled through mileage and demand management approaches.

9.1.3 The Council fleet is fitted with telematics devices to aid the efficient use of vehicle assets. Refuse Collection vehicles and winter gritting vehicles also utilise route planning software to maximise efficiencies. The detail available from these systems is regularly monitored to establish trends in use, and particularly where an asset is being under-utilised or inappropriately used.

9.2 Review the Fleet

9.2.1 An outcome from the Staff Travel project is an annual review of fleet mileages and utilisation, to determine the efficiency of their vehicle operations. Vehicles not fully utilised will be re-allocated where appropriate. Usage reports are now being produced when a vehicle is due for renewal, and if the mileage is low, the vehicle is not being replaced. Signing off the requirement for a new vehicle will be done by the Head of Service or service lead to ensure adequate scrutiny and budget considerations are applied.

9.2.2 The number of vehicles we currently have on the 5-year replacement programme is listed below. Based on usage reports, not all vehicles will be replaced.

This will form the basis of the infrastructure needed if these vehicles were changed to ULEV vehicles.

9.2.3 Table 1 Replacement Programme

Type of Vehicle		**2020/21**	**21/22**	**22/23**	**23/24**	**24/25**
Cars	Number	2	16	46	17	31
Vans		19	46	110	23	186
Minibuses		0	8	8	4	11

9.2.4 Prior to any replacement programme a costing exercise is undertaken to determine the most cost-effective procurement method.

9.2.5 It is important that consideration is given to managing the lease terms effectively to minimise any early termination costs.

9.3 Vehicle Replacement Considerations

9.3.1 The current replacement programme enables us to keep abreast of new products on the market and ensures the Council gets best value financially by reviewing procurement options each time we go to the market. This is advantageous considering the ULEV offering is changing and developing rapidly. On that basis the lease period will be reviewed. A 5-year lease ties us into vehicles that will quickly become overtaken by new vehicles with better ranges, for example.

9.3.2 The approach to vehicle replacement is changing. Traditionally the replacement programme was on a like for like basis. The Staff Travel project has put in additional challenges in relation to usage and approval, and a vehicle usage report covering the previous year is used to consider the replacement request.

9.3.3 The Council is working with Procurement colleagues through the shared procurement service to establish a more standard approach to vehicle type and replacement cycle with the objective of more joint procurement. A Collaborative Intelligence Group has been set up with the fleet managers across the three Councils involved to facilitate this.

9.3.4 The two main types of ULEV are electric and hydrogen. The availability of vehicles powered by fuels other than petrol or diesel is more advanced in cars compared to light and heavy commercial vehicles. At this time it is not clear what approach manufacturers will take, and it is likely that different manufacturers will focus on different alternative fuel types.

9.3.5 Electric vehicles are categorised as follows:

1. Battery Electric Vehicles (BEV) or pure battery. Driven by an electric motor powered by the battery alone.
2. Plug in Hybrid Electric Vehicles (PHEV) driven by a battery powered motor, the petrol or diesel engine or both together.
3. Range Extended Electric Vehicles (REEV). Always driven by an electric motor powered battery. When the battery is depleted, a petrol or diesel engines generates electricity to power the battery.

9.3.6 Vehicle efficiency per Km.

The efficiency of an electric vehicle is measured in Wh/km (watt hours per kilometre) or kWh/100km (kilowatt hours per 100 kilometres). The lower the value the more efficient the vehicle is as it uses less energy per kilometre.

Electric vehicle economy, much like petrol and diesel cars, changes all the time depending on things such as load carried, road gradient, how fast you are driving, outside temperature and wind direction, the battery and type of motor.

9.3.7 Vehicle Types and Specifications

The Transport team works closely with client services to ensure the specification of vehicles is fit for purpose and considers, for example, changes to ways of working, distances travelled, payload carried. This ensures the correct type of vehicle is procured, and not over specified. It includes the following considerations:

- the area and type of journeys the vehicle will undertake, i.e. the range;
- the payload;
- whether the vehicle is parked up at the depot all night or taken home if the driver is on a standby rota, or used by a mobile worker;
- how often the vehicle will be at an HC site to access charging facilities.

This will inform the battery size of the vehicle as well as the types of charging facilities required at depots or offices, or employees' homes.

9.3.8 Whole Life Cost

The whole life costing model will include:

- lease cost/purchase cost;
- service, maintenance and repair;
- VAT;
- vehicle excise duty;
- fuel and electric costs;
- vehicle insurance; and
- grants that may be available

Adopting a whole life costing model will ensure the balance between cost and environmental consideration. Vehicles with lower whole life costs tend to use less fuel and be less polluting.

The cost of maintenance is estimated to be 40% lower when compared to internal combustion engine (ICE) fleet maintenance.

9.3.9 The following example demonstrates the comparative costs between small light commercial vehicles, leased over a 3-year period. These figures are indicative only.

Table 2

	Vaxhall Combo L1H1	Nissan e-NV200	Renault Kangoo ZE
List Price Purchase	£16,978	£32,700	£24,500
Annual Rental	£2,085	£2,920	£3,622
Fuel/Electricity	Diesel	Electric	Electric
Range	64mpg	273.6 km	236 km
Running costs (30,000 miles/3 years)	£2563 Fuel	£1050 Elec	£1050 Elec
Service, Maint and Repair/year	£220	£173	£278
Vehicle, Excise Duty	0	0	0
Co2 emissions g/km	111	0	0

9.3.10 Other costs associated with moving toward ULEV include:

- Upskilling the fleet workshop team to maintain ULEV. We have 9 mechanics already trained to undertake work on these vehicle types. Cost to date is £6,000.
- New equipment to service and maintain the fleet. £7000 has been spent to date.
- Driver training to ensure they are confident and competent to drive the new vehicle types, and also to instil confidence around the range electric vehicles can travel. There is presently no funding available for this and we expect to deliver this in house.

9.4 Charging Infrastructure

9.4.1 Knowing the blend of vehicles types and their range that will be brought into the fleet will determine the charging facilities needed at depots and other places of work. Considerations include:

- the range the vehicle can travel on a single charge;
- if a vehicle is going to travel a long distance but with regular stops, it may be able to charge regularly;
- vehicles that are used through the day, not travelling significant distances, and are parked at a Council site overnight may not need the rapid charge facility;
- distance travelled and charging facilities will determine the battery size. The battery is one of the most expensive components of the vehicles, a smaller battery will be less expensive;

- the time taken to charge. Most cars and vans on the market can rapid charge. This can charge a van from 20% to 80% in approx. 30-40 minutes adding 50-80 miles range. Vehicles that cannot rapid charge are less expensive;
- managing electrical demand (smart charging) and load management (managing multiple charging units without exceeding the maximum load capacity at a site) will have to be considered for each site; and
- as ULEV become more widespread in future years, workplaces will need to be able to support employees and delivery drivers with their charging requirements.

9.4.2 Electric charging points are being introduced across Highlands for the public to use but to date it has been difficult to identify funding sources for depot or office infrastructure. Switched on Fleets have awarded Highland Council £75,000 which we will use for depot infrastructure during 2020/21. Work has begun to identify the requirements for the Inverness and Dingwall depots but an assessment of the requirements from the grid will have to be undertaken and engagement with the power suppliers has yet to commence. Grid constraints may be an issue.

9.4.3 Depots form part of the Corporate Landlord model so the Transport and Logistics Manager will liaise with the ECO for Property and Housing to develop a process to take this forward. In the meantime, we have several trickle charging points in some of our depots.

9.4.4 The Climate Change team will work with the ECOs for Infrastructure and Environment and Property and Housing and the Transport and Logistics Manager to share their experience and learning from the installation of the public charging network and assist in the taking forward the work with energy providers and funding bodies.

9.5 Economical Driving

9.5.1 Driver behaviour monitoring devices (that provide real time dashboard mounted indicators of green driving performance) with speed limiting and idling reduction technologies are fitted in newer vehicles and are now part of the vehicle specification when ordering new fleet.

9.5.2 Regardless of fuel type, driver behaviour is critical to fuel consumption. Vehicle telematics is used to identify instances of excessive engine idling, speeding, hard acceleration and harsh braking. Ideally all drivers would be assessed but to remain within affordability, driver assessment will be targeted at those who have been identified as having a need to correct their techniques.

10 Other Considerations

10.1 There is a requirement for some operatives to take their vehicles home over night when on standby, e.g. building maintenance operatives. Consideration will have to be given as to how any charging of the vehicles will be done at home locations, for example, charging unit provision and reimbursement of costs.

10.2 Consideration will have to be given as to whether suppliers and service providers comply with the Councils fleet ambitions by 2025. This could be built into procurement requirements.

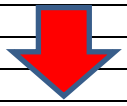
11 Targets

11.1 The Council has set out its ambition for Highland to be carbon neutral by 2025 and Greening the Fleet is one workstream that will contribute towards that.

Contributory factors will be:

- reducing overall mileage travelled. The staff travel project, Service re-design following COVID, much enhanced IT provisions reducing the need to meet face to face and the use of telematics will contribute to the reduction in travel.
- rightsizing the fleet, similar to above but with the challenge applied to each request for a new vehicle.
- replacing light fleet and cars with ULEV alternatives.
- service targets to reduce mileage.

11.2 2020/21 figures will be used as a benchmark to support the strategy, and future policy development.

Reduce the size of the fleet	
Reduce miles travelled	
Reduce litres of diesel and petrol used	

Increase ULEV in fleet	
Increase roll out and monitoring of Telematics and route planning	
Increase driver ECO training	

12 Action Plan

12.1 Appendix 2 outlines the action plan to take us to 2025. It will be reviewed and updated by the Transport and Logistics Manager quarterly. Progress with the action plan will be reported to committee annually. Progress will also be reported as one workstream within the climate change action plan to the Climate Change Working Group.

Designation: Executive Chief Officer Communities and Place

Date: 12 November 2020

Author: Caroline Campbell, Head of Performance and Resources
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Keith Masson, Climate Change Officer

Appendix 1

Travel Costs and Business Miles Travelled

	17/18	18/19	19/20	Difference 2019/20 from 2018/19		Difference 2019/20 from 2017/18	
Staff Cost	£2,014,321	£1,584,284	£994,048	-£590,236	-37%	-£1,020,273	-51%
Member Cost	£128,902	£140,563	£264,171	£123,608	88%	£135,269	105%
Car Hire Cost	£404,754	£240,599	£63,023	-£177,576	-74%	-£341,731	-84%
Car Club Cost	£0	£179,648	£358,215	£178,567	99%	£358,215	
Passenger Miles Cost	£31,330	£34,842	£23,386	-£11,456	-33%	-£7,944	-25%
Total Cost	**£2,579,307**	**£2,179,936**	**£1,639,820**	**-£477,093**	**-25%**	**-£939,487**	**-36%**

Car Club Usage

Miles Travelled	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20
Dedicated / Tech-Only	110,104	102,160	114,542	78,893	96,726	96,229	66,413	5,045	3,517	7,495	22,293	20,181	35,275
Virtual	11,599	9,547	8,817	3,100	6,711	7,088	6,031	0	0	0	85	308	440
Total	**121,703**	**111,707**	**123,359**	**81,993**	**103,437**	**103,317**	**72,444**	**5,045**	**3,517**	**7,495**	**22,378**	**20,489**	**35,715**

Grey Fleet Miles Travelled

	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20
TOTAL (Exc Passenger Miles)	244,114	275,983	237,306	276,819	211,550	246,851	255,001	110,167	54,665	37,370	48,711	63,077	88,732
TOTAL (Passenger Miles Only)	34,940	42,746	35,694	39,458	29,856	38,104	35,256	12,714	6,183	4,569	3,809	3,130	8,248
TOTAL COST £	£99,902	£113,521	£87,833	£114,222	£83,539	£90,823	£99,711	£45,932	£22,935	£16,457	£19,889	£25,748	£37,344

Appendix 2

Phase 1 Greening the Fleet Action Plan - To contribute to the wider Highland Council ambition for the region to become carbon neutral by 2025 and Scottish Government target for zero emission local authority fleet by 2025.

ACTION	RESPONSIBLE OFFICER	TARGET
1. REDUCE MILES TRAVELLED		
Annual review of Travel Hierarchy.	Transport and Logistics Manager and Climate Change Officer	March 2021
Bi-annual staff travel survey to check staff attitudes and behaviour towards travelling.	Transport and Logistics Manager	July 2021
ECO's to set targets to reduce travel, fuel consumption and emissions by all methods by 2025. Reporting is available to aid this by way of: • Telematics reports • Car club reports • Grey fleet usage reports • Usage reports for light commercial vehicles	ECOs Supported by corporate data	June 2021
Consider whether non ULEV cars can be used for Council business and consider reducing or stopping mileage rates for non ULEV cars from 2025	ECO Finance and Resources	March 2022
2. REVIEW THE FLEET		
Reduce the size of the car and light commercial fleet: • Review the data on fleet size, make up and usage • Review the usage of vehicles with less than 5000 miles. • Increase operational efficiency by improving utilisation across fewer vehicles as guided by telematics and routing software.	ECO and Transport and Logistics Manager	March 2021
3. VEHICLE REPLACEMENT CONSIDERATIONS		

Agree with ECOs their revised fleet requirement – type and locations	ECO and Transport and Logistics Manager	March 2021
Cost a new replacement programme to 2025 for ULEV and other fuel type vehicles to inform options appraisal and future budget setting	Transport and Logistics Manager	June 2021
Research the market for ULEV alternatives	Transport and Logistics Manager	On-going
For each potential procurement, review whole life cost model and lease period, in liaison with Finance Manager to provide a VFM assessment along with an assessment of carbon emissions from ULEV and other fuel type vehicles	Transport and Logistics Manager	On-going
Complete mechanic training and workshop provision to repair and service ULEV	Transport and Logistics Manager	On-going
CHARGING INFRASTRUCTURE		
Explore different charging facilities available and assess suitability per vehicle type and charging requirements	Transport and Logistics Manager/ Climate Change and Energy Manager	On-going
Work with Climate Change Team and ECO Property and Housing to ensure supply network is available at depots and other key buildings.	Transport and Logistics Manager/ Climate Change and Energy Manager	On-going
Work with Energy from Waste Project Manager on the feasibility of a green energy hub.	Transport and Logistics Manager/Climate Change and Energy Manager	On-going
4. ECONOMICAL DRIVING		
Service managers to receive monthly reports from the telematics system highlighting areas for improvement.	All service managers	Monthly ongoing
Driver training to familiarise drivers in the use of electric vehicles and to reduce ‘range anxiety’.	Transport and Logistics Manager	On-going
5. OTHER CONSIDERATIONS		
Consider the requirement that suppliers and service providers comply with the Councils fleet ambitions by 2025.	Climate Change Officer, Category Managers Procurement	March 2022