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## **Report of the Director of Place**

### **Economy and Environment Policy Development Committee**

**18 November 2021**

## **Ultra Low Emission Vehicle Strategy**

<b>Purpose:</b>	The report presents the submitted new Ultra Low Emission Vehicle Strategy that has been submitted to Welsh Government in support of the Council approach and overarching Green Fleet Policy
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### **For Information**

#### **1. Background**

- 1.1 The Council formally adopted a Green Fleet Policy in December 2018 to ensure that the acquisition, use and management of the corporate vehicle fleet consistently and continuously contributed to the Council's Corporate Plan commitments in respect of the Well-Being of Future Generations (Wales) Act 2015.
- 1.2 The Policy set out incremental targets for the 'greening' of the fleet over cyclical 3 year periods, to monitor progress against percentile improvements in areas such as the extent of low carbon vehicles in the fleet, litres of road fuels used and the number of miles travelled.
- 1.3 A broad 5% improvement target was set for all metrics but was also to be supported by driver behaviour, new technologies and demand management approaches to optimise vehicle use.
- 1.4 The Council declared a Climate Change Emergency in June 2019 with a subsequent target of becoming a net zero organisation by 2030. The

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Welsh Government simultaneously set out its expectations with regard to public sector fleets in its 2019 strategy 'Prosperity for All : A Low Carbon Wales', outlining its ambitions for all new cars and light goods vehicles to be ultra-low emission by 2025, and all heavy goods vehicles by 2030.

- 1.5 The establishment of these two 'deadlines' resulted in a review of the Green Fleet Policy, as it became clear incremental 5% improvement targets would not deliver the necessary changes by 2025 and 2030.
- 1.6 With the support of a Welsh Government Energy Services' (WGES) 'Ultra-Low Emission Fleet Review conducted in early 2021, an Ultra-Low Emission Vehicle Strategy was developed to deliver the Council's vision of an optimised, sustainable decarbonised vehicle fleet by 2030, as well as complement and enhance the existing Green Fleet Policy.

## **2. Ultra-Low Emission Vehicle Strategy 2021-2030**

- 2.1 The Ultra-Low Emission Vehicle Strategy 2021-2030 (Appendix A), sets out the strategic delivery programme to meet the following key objectives
  - 2.1.1. transition the Council's fleet to zero emission equivalents in support of the organisation net zero commitment by 2030
  - 2.1.2. transition the Council's fleet to zero emission equivalents in accordance with the Welsh Government's expectations on light commercial vehicles by 2025 and other vehicles by 2030
  - 2.1.3. establish a fleet vehicle charge point infrastructure that supports this transition
  - 2.1.4. optimise fleet vehicle use and efficiency
  - 2.1.5. decarbonise grey fleet travel
  - 2.1.6. establish integrated data systems for greenhouse gas measurement as a result of vehicle use
  - 2.1.7. revise and approve the relevant supporting policies, procedures and working practices impacted by these changes
- 2.2 The strategy has identified twenty principal action points focusing on
  - 2.2.1. establishing a corporate transformational approach to the programme
  - 2.2.2. realigning the fleet renewals programme and continually decarbonising the existing (diesel) fleet

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- 2.2.3. consolidating fleet data systems to develop performance management of vehicles and drivers
  - 2.2.4. establish supporting infrastructure for all viable ultra-low vehicle options, including electric, hybrid, hydrogen and other low carbon fuels
  - 2.2.5. establish the cost implications of this programme and pursue additional funding streams to mitigate for the impact
  - 2.2.6. establish a 'diesel by exception' principle to fleet renewals and adopt a whole life costing model when appraising options
  - 2.2.7. engage with all relevant stakeholders in respect of the opportunities and impacts of this wholesale change
  - 2.2.8. include grey fleet as a complementary workstream within the transition programme (due to its synergies with corporate fleet), and progress the key recommendations of the 2018 Business Travel Review and Welsh Government Energy Service Grey Fleet Review 2021.
- 2.3 The extent and complexity of this wholesale shift in fleet is expected to require an additional post within the Central Transport Unit (as recommended by the WGES) to ensure delivery.

**3. General Issues**

- 3.1 The Council currently operates a fleet of approximately 850 vehicles, predominantly diesel and using over 1.7 million litres of fossil fuels per annum. There are already 45 electric vehicles on the fleet with a further 60 on order.
- 3.2 The Welsh Government Energy Service (WGES) determined that a full transition to electric vehicles would result in a 90% reduction in greenhouse gases and a 70% reduction in energy costs, saving approximately £1.15 million per annum.
- 3.3 The current fleet renewal cycle is generally based over 5 years and it is clear that there will be substantial cost increases for vehicle replacements as a result of this transition. It is anticipated that the renewals' volumes will not be linear, but will reflect the existing supply contracts expiry dates.
- 3.4 Investment in supporting infrastructure will also be required, a provisional estimate of £750,000 provided by the WGES.
- 3.4 Due to the size and complexity of the corporate fleet, as well as the relatively immature (but rapidly developing) ultra-low emission vehicle market, additional work is currently being undertaken to assess the extent of the financial impacts.

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#### **4. Integrated Assessment Implications**

- 4.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
  - Advance equality of opportunity between people who share a protected characteristic and those who do not.
  - Foster good relations between people who share a protected characteristic and those who do not.
  - Deliver better outcomes for those people who experience socio-economic disadvantage
  - Consider opportunities for people to use the Welsh language
  - Treat the Welsh language no less favourably than English.
  - Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.
- 4.1.1 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the ‘well-being goals’.
- 4.1.2 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.
- 4.2 An Integrated Impact Assessment (IIA) has been applied to this report’s subject, with an agreed outcome that a full IIA Report was not required.
- 4.3 The outcomes of this strategy are considered as positively affecting all groups in terms of improved air quality and reduced greenhouse gas emissions, complying with the Well-being of Future Generations Act (Wales) 2015 and contributing to the Council’s 2030 Net Zero commitment (Appendix B IIA Screening Form)

#### **5. Legal Implications**

- 5.1 Adopting the Ultra Low Emission Vehicle Strategy will assist the Council in meeting its obligations under the Well-being of Future Generations (Wales) Act 2015.

#### **6. Financial Implications**

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- 6.1 There are no immediate financial implications arising out of this report. However the transition to ULEVs will carry significant costs, with cabinet and Council needing to consider this when making future policy and budget decisions in relation to fleet replacement decisions.

**Background papers: None**

**Appendices:**

**Appendix A – Ultra-Low Emission Vehicle Strategy 2021 – 2030**

**Appendix B – Integrated Impact Assessment Screening Form**