



Report of the Cabinet Member for Service Transformation

Climate Change and Nature Scrutiny Performance Panel – 10th January 2023

Transitioning to a ‘Green’ Vehicle Fleet

Purpose	To provide a briefing requested by the Board about the strategy to transition the corporate fleet to ultra low emission vehicles
Content	This report provides a summary of the current fleet profile, the Ultra Low Emission Strategy 2021-2030, progress to date, the timescales and the challenges
Councillors are being asked to	Provide their views on the approaches being adopted and the challenges faced
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1. Background

- 1.1 The Council declared a Climate Change Emergency in June 2019 and a subsequent target of becoming a **net zero organisation by 2030**, committing to actively reduce the impact of its activities on the environment in line with its sustainable delivery and wellbeing objectives.
- 1.2 The Welsh Government 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

- 1.3 The Council's 'Green Fleet' Policy was adopted in 2018 with an aim to ensure that the acquisition, use and management of the corporate vehicle fleet consistently and continuously seeks to contribute to the Council's Corporate Plan commitments with regard to the Well-Being of Future Generations (Wales) Act 2015
- 1.4 The Policy targets incremental annual improvements in terms of carbon reduction, fuel used, as well as the rate of adoption of ultra-low emission vehicles (ULEVs). The increased urgency of the climate crisis and the 2030 deadlines required a strategy to ensure the transition adopted a more focussed approach.
- 1.5 The current fleet size is approximately 945 road registered vehicles (including school minibuses). It is a large and complex public sector fleet including 160 heavy goods vehicles and 640 light goods vehicles
- 1.6 The fleet is 92% diesel powered and accounts for 21% of the annual corporate carbon dioxide (CO2) emissions, approximately 6100 tonnes.

2. 'Greening' the Fleet

- 2.1 The Council has been transitioning to 'Green' vehicles since 2010 and currently has 72 full battery electric and 8 'hybrid' battery already in use. This includes an electric refuse collection vehicle and two electric compact roadsweepers.
- 2.2 There are a further 35 battery electric vans and cars on order, due early 2023, that would result in the Council having 10% of its fleet as 'green' vehicles.
- 2.3 Forty charge points have been installed across 12 Council sites to support this, with a further 50 currently being installed.
- 2.4 A total of £1 million of Welsh Government grants has been secured so far to support the transition on vehicles and infrastructure
- 2.5 Training has also been provided for 16 fitters at the Central Transport Unit to enable them to work on electric vehicles and to ensure service support is resilient for this new technology.
- 2.6 The Ultra-Low Emission Vehicle Transition Strategy 2021-2030 (Appendix A) was adopted following a review by the Welsh Government Energy Service.
- 2.7 This strategy set out key objectives and aims to drive the transition. These include,
 - 2.7.1 Transition the whole vehicle fleet to zero emission by 2030

- 2.7.2 Adopt a “diesel by exception” approach when procuring
- 2.7.3 Establish supporting infrastructures
- 2.7.4 Optimise vehicle use and efficiencies
- 2.7.5 Decarbonise business travel
- 2.7.6 Aim to reduce fleet emission by over 90% by 2030
- 2.7.7 Establish integrated data systems for Greenhouse Gas measurement
- 2.8 The strategy includes 20 key actions including adopting a corporate transformational programme approach, establishing action plans, considering all viable green alternatives, realigning vehicle renewal programmes, understanding the cost implications and environmental benefits.
- 2.9 The scale of the transition challenge is considerable given the size and complexity of the fleet. It constitutes a significant corporate change within relatively short timescales and affects everyone who uses, or is served by, fleet vehicles.
- 2.10 It is anticipated that over 900 vehicles will be renewed up to 2030, as well as the need to establish ‘refuelling’ infrastructure such as charge points and alternative fuel dispensers.
- 2.11 The current supply chain disruption, at a time of increasing demand for ULEVs, has temporarily inhibited the Council’s progress in terms of the transition due to volatile pricing and delivery lead times of up to 12 months.
- 2.12 The Council also has to consider the implications of procuring vehicles now for its future operating models, when no viable ‘Green’ equivalents are available.
- 2.13 Technologies are emerging and maturing beyond the electric car sector, but may not be in place by the time certain vehicles are due for renewal, making the ‘diesel by exception’ approach more difficult to adopt initially.
- 2.14 Infrastructure investment is required to support the transition against a backdrop of rationalised Council sites and electricity grid capacity constriction. Over 200 vans currently are taken home by employees, adding to the challenge of determining the refuelling approach for these vehicles.

- 2.15 The role of renewables and sustainable alternative fuels such as hydrogen, is also currently being explored for interim and longer term solutions.
- 2.16 There are significant financial impacts for the Council in terms of vehicle renewal and infrastructure investment, both in terms of revenue and capital expenditure.
- 2.17 A provisional estimate of an additional £55 million may be required for vehicle renewals up to 2030. This has been estimated using current vehicle prices and the differential between battery electric (where known) and diesel equivalents but this is acknowledged as indicative at best, due to the difficulties in forecasting prices and future requirements.
- 2.18 Infrastructure is estimated as requiring an additional £700,000 with the implementation of renewables considered key to future energy cost avoidance and security.

3. Summary

- 3.1 The Council's declared aim of becoming a net zero organisation by 2030 includes its vehicle fleet operations. The ULEV Transition Strategy has set out an initial pathway reflecting this commitment and is progressing.
- 3.2 The challenges of this wholesale change have been increased by recent global events and have made the timescales (2025 and 2030) difficult to achieve. The financial and operational impacts will be significant.
- 3.3 The Council is amongst the leading public sector fleets in this regard and the next two years will see continued progress, particularly in the light goods vehicle renewals and infrastructure.

4. Legal implications

- 4.1 There are no legal implications arising from the content of this report.

5. Finance Implications

- 5.1 The financial implications of an estimated additional £55 million, as set out above, are indicative due to the difficulties in forecasting price and future demand up to 2030.

6. Integrated Assessment Implications

- 6.1 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.

6.2 The Well-being of Future Generations (Wales) Act 2005 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'.

6.3 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.

6.4 An Integrated Impact Assessment Screening Form has been completed with the agreed outcome that a full IIA report was not required:

- The reasons for this outcome were that the implementation of the strategy will see medium local impacts as the Council operates approximately 900 vehicles within its boundaries, although the net effect will also contribute to broader 'global' environmental aims.
- It is largely driven by the need to respond to legislative changes, as well as climate emergency declarations.
- It is a low risk initiative, although it does attract additional costs. The overall cumulative effect is positive for all sectors of the community.

Background papers: 'Integrated Impact Assessment Screening Form'

Appendices:

Appendix A – Ultra Low Emission Vehicle Transition Strategy 2021 – 2030.