



**SOUTH  
KESTEVEN  
DISTRICT  
COUNCIL**

# **Environment Overview and Scrutiny Committee**

Tuesday, 10 December 2024

Report of Councillor Rhys Baker  
Cabinet Member for Environment and  
Waste

## **Draft Green Fleet Strategy**

### **Report Author**

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### **Purpose of Report**

This report provides an update on the development of the Green Fleet Strategy. Since the declaration of a carbon emergency in 2019, there have been no changes within this area to facilitate a reduction in the greenhouse gases emitted by SKDC's fleet. This strategy document is designed to be an enabling strategy, and it highlights how the fleet will reduce its operational carbon emissions by 2030.

### **Recommendations**

#### **The Committee is asked to:**

- 1. Review the draft Green Fleet Strategy and recommend it to Cabinet for approval.**

### **Decision Information**

Does the report contain any exempt or confidential information not for publication?	No
What are the relevant corporate priorities?	Sustainable South Kesteven
Which wards are impacted?	All wards

## **1. Implications**

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

### ***Finance and Procurement***

- 1.1 The carbon reducing measures outlined in Green Fleet Strategy may have financial implications for the Council. Whilst some electric vehicles cost around the same as their diesel counterparts, other vehicles may be more costly. Alternative fuels also cost more than diesel. There will be a requirement to undertake full whole life costing when developing the fleet replacement procurement that ensures value for money whilst meeting the objectives of the Strategy.

*Completed by: Richard Wyles, Deputy Chief Executive and s151 Officer*

### ***Procurement***

- 1.2 If adopted, there will be a requirement to include an environmental aspect within all vehicle procurement moving forward. This may have an impact on the anticipated costs, timescales and availability of options on the market.

*Completed by: Helen Baldwin, Procurement Lead*

### ***Legal and Governance***

- 1.3 There are no significant legal or governance implications arising from this report which are not already set out in the body of the report or Strategy document.

*Completed by: Graham Watts, Monitoring Officer*

### ***Climate Change***

- 1.4 Our vehicle fleet remains a significant contributor to the council's overall greenhouse gas emissions. If adopted this strategy provides a foundation for improving the greenhouse gas emissions produced by the Council's fleet and meeting our carbon reduction target of at least 30% by 2030. It is an enabling strategy that sets out several ways to reduce the environmental impact of the fleet. Pursuing the actions set out within the Green Fleet Strategy will ensure that the fleet is operationally viable, is efficient as possible and decarbonises through use of electric vehicles and alternative fuels.

## **2. Background to the Report**

- 2.1. The draft Green Fleet Strategy 2025-28 (Appendix 1) has been designed as an enabling strategy which will transform the way SKDC considers the environmental impact of its fleet of vehicles. It is the first Green Fleet Strategy the authority has considered and, although it is unlikely SKDC will reach net zero by 2028, the strategy has been designed to enable a flexible approach to making important changes to the way vehicles are procured and used.
- 2.2. The current fleet is made up of over 150 vehicles which are used across multiple service areas including Housing, Waste and Street Scene. The vehicles vary in size and type and cover everything from basic cars through to refuse collection vehicles. These vehicles are vital to the delivery of effective and efficient services in a district which is both geographically large and predominantly rural.
- 2.3. In 2022, the Council commissioned a 'Transport Decarbonisation Report'. The report was written by the Energy Saving Trust, and it provided a benchmark for the greenhouse gas emissions and the energy consumption associated with the Council's road transport fleet. Throughout 2021 (the operational year assessed by the report) SKDC's road transport drove 1,473,371 miles and consumed 6,741 megawatt of fossil fuel energy; around 1,988 tonnes of greenhouse gas emissions were produced.
- 2.4. This Strategy envisions that by the end of the 3-year period, the fleet is considerably less dependent upon fossil fuels. This is a facilitating strategy; green technology is still in its infancy and there is much debate over the best way forward within the industry. It is because of this inertia that this three-year Strategy will focus on how the carbon emissions of the current fleet can be reduced without a full switch to one solution.
- 2.5. The Strategy focusses on the following areas:
  - **Adopting cleaner technologies and fuels** – embedding green criteria (for example choosing electric vehicles where feasible) within the Council's procurement process to encourage the exploration of alternative vehicles.
  - **Encouraging efficient vehicle use** – introduce a system for monitoring and analysing vehicle usage across all service areas to explore how to reduce overall fuel use.
  - **Managing demand** – reducing mileage, encouraging efficient journey planning and optimising routes. This will include rationalising the fleet to reduce the number of vehicles required where possible and ascertaining where vehicle life cycles can be extended. Current practices will be examined and improved to ensure demand is managed to maximise resource efficiency.

- **Improving supporting infrastructure** – the new depot project (due to complete in late 2025) offers the opportunity to increase the number of EV charging points. This increase will influence the vehicle replacement schedule moving forward.

2.6. The Strategy has three main areas of focus, which cover:

- **Vision and Key Objectives** – this section sets out the high-level vision of the Council and highlights the agreed key objectives, which will remain the same throughout the period of the strategy. They form the basis of this strategy and are essential for building a solid foundation for a change of culture around fleet management.
- **Action Plans** – this will be a living document. It will be reviewed and updated annually, to reflect any changes in strategic direction, policy or legislation. The action plans will be monitored to identify strengths and weaknesses. These will help guide decisions made at the annual review. The key KPI's will be monitored through the Corporate Plan performance management process.
- **Policy Statements** – these sections set out key changes to the Council's procurement policy and travel policies. These changes, whilst they will take time to implement, are key to the long-term success of the green fleet aspiration.

2.7. To support the document, we have created a Technical Appendices. The Strategy is based on technical environmental data and if it was all included within the strategy document itself, it would be difficult to read. To address this, we have separated out the supporting technical information. This enables the reader to decide what level of technical information they need to understand the reasoning behind the actions contained within the Strategy.

### 3. Key Considerations

3.1. The Green Fleet Strategy sets out the Council's aspiration for improving the environmental impact of its fleet. It is an enabling strategy which combines practical improvements (technologies and fuel types) alongside behavioural changes.

3.2. Reducing the environmental impact of the fleet may be more expensive than the existing fleet procurement as currently both electric vehicles and alternative fuel sources are more expensive. Some of this investment will be lightened by efficiencies and savings made through route optimisation and lower maintenance burdens of electric vehicles.

3.3. Carbon modelling is complex, and it is difficult to estimate the overall reduction until a decision on which vehicles are exchanged for electric vehicles is made. However, Table 1 below shows the emissions from the current fleet. This

information can be used to make informed choices about where electric vehicles will be most impactful as we look to purchase up to 4 over the course of this strategy.

Table 1: Proportion of Greenhouse Gas Emissions and Energy Usage of Current Fleet (%)

<b>Fleet Category</b>	<b>Fleet Size (%)</b>	<b>Annual Mileage (%)</b>	<b>Greenhouse Gas (tonnes) (%)</b>	<b>Energy (MWh) (%)</b>
Refuse Collection Vehicle (RCV)	18.7	27.2	64.5	64.5
Heavy Commercial Vehicle (HCV)	7.0	10.9	10.8	10.8
Light Commercial Vehicle (LCV)	57.3	58.2	22.4	22.4
Car	8.8	3.6	0.7	0.7
Other	8.2	0.1	1.5	1.5
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

- 3.4. Whilst electric vehicles are the most visible choice for reducing emissions, alternative fuels are an excellent option for the hardest to electrify vehicles including Refuse Collection Vehicles. Fuels such as HVO (hydrotreated vegetable oil) can be stored and used like normal diesel; there is no need for a separate tank and discussions with industry experts has highlighted that mixing diesel with HVO does not reduce its effectiveness. On the latest available carbon emission factors published by government, a move to HVO from a typical biofuel blend diesel results in a carbon emissions saving of around 90%. This strategy suggests a 5% year on year increase in the use of alternative fuels, they cost around a third more per litre. If this is agreed, that would result in a 15% reduction in the use of diesel, and this would reduce the emissions from the hardest to electrify vehicles considerably.
- 3.5. The Technical Appendices document (Appendix 2), which supports the Strategy, offers a more in-depth breakdown of the savings and benefits of going electric. It includes a synopsis of the findings from the council commissioned Transport Decarbonisation Report and information on the environmental impact of the current fleet.

## 4. Other Options Considered

- 4.1 The following options were considered when creating this strategy:
- To omit the 'green' element and pursue a strategy without the focus on environmental improvements – this option goes against the Council's

commitment to improving the environmental impact of its operations and therefore was discounted.

- To only use alternative fuels without the focus on electric vehicles – the Council has a limited number of electric charging points, and the vehicles are expensive to purchase. Electric vehicles provide an excellent, environmentally friendly alternative to diesel fuelled vehicles and therefore they have been included to the level allowed by infrastructure constraints.

## **5. Reasons for the Recommendations**

- 5.1. It is recommended that the Committee review the draft Green Fleet Strategy and recommend it to Cabinet for approval. The Strategy sets out the Council's ambitions for reducing the emissions of the fleet and highlights how we will achieve this. It is an essential document which supports the Council's corporate commitment to improving the environment.

## **6. Appendices**

- 6.1. Appendix 1 – The Green Fleet Strategy
- 6.2. Appendix 2 – Technical Appendices