

CABINET MEMBER FOR ENVIRONMENT – 25 APRIL 2019

STATEMENT ON LOW EMISSION VEHICLES IN OXFORDSHIRE COUNTY COUNCIL OWNED OR LEASED FLEET – FOR ADDITION TO INTERNAL ENERGY STRATEGY 2015-2020

Report by Director of Community Operations

Introduction

1. This document builds on a policy commitment in LTP4 Connecting Oxfordshire to introduce Low Emission Vehicles into our own fleet.
2. The Cabinet Member for Environment is asked to agree Annex 1 to become an Annex of the 2015-2020 Internal Energy Strategy, and to be used to inform procurement processes.

Background

3. We have an opportunity to make a direct impact on local air pollution, and carbon emissions by moving our fleet predominantly to zero emission electric and other Ultra Low Emission Vehicles¹ including hybrid electric, hydrogen and alternative fuel as these technologies emerge starting now.
4. The Council has already begun this transition; with 9 fully electric vans and cars operating, a further 5 on order, and trials taking place in service areas. Charging infrastructure has been installed at 6 key sites, with a further 12 sites to be installed under Phase 2.
5. The addition of the wording at Annex 1 to our energy strategy creates a statement of intent to inform our procurements and disposal planning, inform bids, and engage the market.
6. Transport is the major contributor to poor air quality and has now surpassed energy as the largest source of carbon emissions in the UK²
7. There is growing national and local commitment to tackle air pollution, as well as a number of impending fiscal drivers (Fig 1). Oxfordshire has 13 Air Quality Management Areas. Oxfordshire County Council and Oxford City Council's plans for the world's first 'zero emission zone' commencing 2020 have received national interest.

¹ The government defines Ultra Low Emission Vehicles as a range of vehicles from those that are pure electric, to plug in hybrids, or cars with CO2 emissions below 75g/km at the tailpipe registered in the UK each year

² <https://www.independent.co.uk/environment/air-pollution-uk-transport-most-polluting-sector-greenhouse-gas-emissions-drop-carbon-dioxide-a8196866.html>

Fig 1: Recent national and local announcements on air quality

- November 2017: OCC motion committing to an **inter-council Air Pollution Action Group** ‘to produce plans for zero-emission or low-emission zones in AQMAs and to restrict the access of polluting traffic in such areas’, recognising that ‘it is incumbent on all councils to play their part in reducing air pollution’.
- Oxford City Council and Oxfordshire County Council have jointly declared Oxford to be the **world’s first Zero Emission Zone**.
- Central government has announced that it intends to **ban the sale of diesel and petrol-driven cars by the year 2040**. The government has begun to change the tax regime to penalise diesel.
- BEIS Clean Growth Plan 2017 includes a commitment to announce plans for the ‘**public sector to lead the way in transitioning to zero carbon vehicles**’
- In addition to action on air quality, Oxfordshire County Council has an ongoing **commitment to reduce carbon emissions at a rate of at least 3% per year**. This includes emissions from our own fleet.
- Governments recent **Road to Zero** strategy, aims to put the UK at the forefront of the design and manufacturing of zero emission vehicles, and for all new cars and vans to be effectively zero emission by 2040.

8. Figure 2 shows the predicted viability of electric vehicle alternatives. Alternatives for cars are increasingly well developed, and small vans also now have electric alternatives. Alternatives for HGVs such as those in the Fire Service are currently very limited but OCC can take a role in innovation projects that support trialling these technologies.

Fig 2: Infographic from Oxford Zero Emission Zone Feasibility Study showing predicted availability of electric vehicles over time

	2020	2025	2030	2035
Car	✓✓✓	✓✓✓	✓✓✓	✓✓✓
Taxi (Hackney Carriage)	✓✓	✓✓	✓✓✓	✓✓✓
Taxi (Private Hire)	✓✓✓	✓✓✓	✓✓✓	✓✓✓
Van (up to 3.5t)	✓✓	✓✓✓	✓✓✓	✓✓✓
Small HGV (3.5-7.5t)	✓	✓✓	✓✓✓	✓✓✓
Large HGV		✓	✓✓	✓✓✓
Bus	✓	✓✓	✓✓✓	✓✓✓
Hydrogen	✓	✓	✓✓	✓✓✓

9. Our position statement (Annex 1) reflects the evidence on predicted availability of electric vehicles set out above and the average replacement cycle of fleet vehicles of 4 years.

Key Issues

10. A programme has been agreed to bring all fleet into one centralised management function. This will be a key supporting element in delivering this ambition.
11. Support has been put in place to support the transition to electric vehicles including an internal budget to provide charging infrastructure on the corporate estate, analytics devices to report on suitability of replacement with EV or Hybrid and fleet assessment advice and vehicle trials.
12. The council also has an important role in supporting the wider uptake of EV and other low emission technologies. Innovative work is already taking place in these areas; including projects aimed at addressing the impact of an increase in electric vehicles on the electricity grid, testing technologies and approaches to provide public charging, vehicle to grid technologies and supporting alternative fuels such as through the Hydrogen Hub.

Budgetary implications

13. Budgets for rental, purchase and operation of vehicles are currently held locally across the organisation. This policy aims to ensure ULEV is chosen where it is financially and operationally viable, and represents the best overall option. This policy therefore does not anticipate putting pressure on local budgets.
14. Whilst many electric vehicles still have a higher list price, when compared with conventionally powered cars, they are often cheaper on a whole lifecycle basis: fuel savings of 6p or more per mile, an estimated 20-30% saving in service, maintenance and repair costs, and Vehicle Excise Duty and Class 1A National Insurance benefits³.
15. Funding for an initial network of charging infrastructure on our estate has already been allocated in the capital budget.

Equalities implications

16. There are no negative equalities impacts associated with this policy.
17. This policy will reduce the council's contribution to poor air quality which is known to adversely impact vulnerable residents including the elderly, children and those with respiratory conditions.

³ <https://www.goultralow.com/company-cars-and-fleet-vehicles/>

Risk Management

18. Lack of knowledge in non-specialist teams or time pressures could result in teams continuing in 'business as usual'. Ownership of the ambition by senior management will be key in ensuring the transition to ULEV. Advice on alternatives will be made available through the Energy Strategy Team.
19. The move to a One Fleet approach will improve management information. This will improve our ability to engage suppliers and demonstrate a pipeline.
20. Consideration of building life and existing electricity capacity could limit where we invest in charging infrastructure. Relationships are being developed with the Distribution Network Operator (DNO) and corporate landlord to address these issues at an early stage.

RECOMMENDATION

21. **The Cabinet Member for Environment is RECOMMENDED to agree Annex 1 to become an Annex of the 2015-2020 Internal Energy Strategy, and to be used to inform procurement processes.**

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Director Community Operations

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April 2019

Policy position on Ultra Low Emission Vehicles in Oxfordshire County Council owned or leased fleet – For addition to Internal Energy Strategy 2015-2020

Oxfordshire County Council is committed to improving air quality; implementing the world's first zero emission zone (ZEZ) alongside Oxford City Council. The County Council has a strong track record on carbon emissions reduction.

Alongside strategies to reduce the need to travel, increase active travel and the use of public transport, we recognise the increasing role zero-emission electric and other ultra-low emission vehicles can play.

The County Council is well positioned to lead the transition of its own fleet to zero and ultra-low emission vehicles; with an active programme on low carbon and smart transport initiatives including autonomous vehicle trials.

Reflecting our commitment in 'Connecting Oxfordshire': Oxfordshire Transport Strategy, **we will work to phase out petrol and diesel vehicles in our own fleet, ensuring where feasible all new vehicle acquisitions are zero tailpipe emission by default.** We will consider other ultra-low emission alternatives where zero emission is not feasible.

Electric alternatives for different vehicle types are at a variety of stages of maturity. **In line with the evidence base for the ZEZ we aim to:**

Transition out cars¹ to ultra-low emission starting immediately, aiming for the majority of vehicles to be zero emission by 2024.

Begin to transition out vans¹ to ultra-low emission starting immediately, whilst recognising the market is less developed, aiming for transition of the majority of vehicles to be complete by 2028.

Actively explore alternatives, and innovative solutions, to reduce emissions from heavy good vehicles and specialist vehicles, bringing forward business cases as they become financially and operationally viable.

To minimise the cost on the public purse we will undertake this transition as vehicles come up for renewal.

We will use our procurement processes to ensure:

- **Alternatives to fully internal combustion engine vehicles are identified by teams in their procurement processes.**
- **Impact on air quality, carbon emissions and operating costs for ultra-low emission vehicles are fully considered.**
- **Zero emission vehicles are the preferred solution in all cases where they are operationally feasible and financially viable.**

¹ Special consideration will be needed for specialist vehicles – particularly emergency response vehicles such as fire service