Brighton & Hove City Council Fleet Strategy 2020 – 2030

Introduction and Background

The council fleet provides vehicles for specific job functions such as refuse and recycling collections, maintenance operatives and for visiting officers. The council's fleet currently comprises of 411 vehicles, ranging from mopeds, minibuses, tractors, vans and cars. This includes 57 Heavy Goods Vehicles which are subject to Operator Licence Requirements. Our current fleet is primarily fuelled with diesel.

Brighton and Hove City Council has pledged to become a carbon neutral city by 2030 by cutting green-house gas emissions as far as possible and offsetting carbon emissions where this is not possible.

Council fleet is primarily owned rather than leased (291 vehicles are owned) and purchased through unsupported borrowing. This has proven the most cost effective way to provide council fleet. The majority of council fleet is procured by the Fleet Service which is part of City Environmental Management.

In 2017/18 it was estimated that 2370 tonnes of carbon was emitted by council fleet fuel which amounted to 11% of the council's total carbon production. In order to achieve a carbon neutral city by 2030 it is imperative that the council accelerates the move away from fossil fuels. This will also have the benefit of improving air quality in the city.

The transition to lower emission vehicles has started and we now have 12 electric vehicles and 15 hybrid vehicles.

New vehicle technologies are rapidly developing primarily in the form of electric powered vehicles. Hydrogen cell fuelled vehicles are now available but limited at present by hydrogen production and the infrastructure that is required to supply it.

In the context of limited resources and emerging technologies which may be effective but often initially expensive, decarbonisation of the council fleet will be a challenge. In order to ensure the highest carbon reduction per £ in the future it will be essential that all purchasing is carried out through the fleet service.

A further challenge will be the requirement for new clean fuel infrastructures and working with the Greater Brighton Economic Board and partner organisations will be central to ensuring that the council fleet is ready to take advantage of new technologies.

Purpose of the Fleet Strategy 2020-2030

The purpose of this strategy is to set out a corporately agreed approach to ensure that the council has a fleet that enables efficient service delivery across all council departments. Further to this to achieve the aim of decarbonisation of council fleet substantially funded through efficiencies derived from the reduction in use of fossil

fuels, and by driving down costs in fleet maintenance. Ten year replacement programmes will be developed for each service area in order to plot the course towards a completely carbon neutral fleet. These replacement programmes will need to be iterative responding to changing service needs, emerging technologies and future funding parameters. The council will have to weigh up the purchase costs and potential vehicle lifetime costs against carbon reduction benefits for each purchase. As new technologies mature, the costs will reduce, new suppliers will come into the market and reliability will improve. In order to ensure maximum carbon reduction per pound a business case will be produced for each purchase of a new vehicle type/technology. At the start of the ten year period there will be some vehicle types where the technology is not ready to allow the move away from fossil fuels and/or where the costs are prohibitive, when re-procurement is required to meet service needs. Retaining older diesel vehicles is harmful to the environment and would introduce higher fuel and maintenance costs than necessary. Over the ten year period the need to purchase fossil fuel reliant vehicles will rapidly decrease.

In order to reduce carbon emissions further refurbishment of vehicles will be considered in line with circular economy principles.

The council will continue with a system of centralised purchasing through the Fleet service in order to ensure best value for money. Table 1 below illustrates the benefit of a purchasing approach as opposed to lease or hire.

Table 1– Illustrative cost comparison of purchase vs hire costs - 26 tonne diesel RCV

	Purchase Cost *plus interest on loan over seven years*	Estimated residual value *After seven years*	Annual Cost	Monthly Cost	Seven year cost
Spot Hire	N/A	N/A	£52,800	£4400	£369,600
Lease Hire	N/A	N/A	£42,960	£3580	£300,720
Purchase New	£173,460 (plus £22902 interest)	£68,139 (based on 12.5% p.a depreciation)	£28,052		£128,223

NB: Maintenance (for purchased vehicles) and non-fair wear and tear for hire are excluded but over 7 years likely to be equal are

The council has a responsibility to ensure compliance with driving regulations and to seek to have the highest driving standards to ensure staff and public safety. The strategy sets out a new approach to ensuring that these standards are consistently maintained across the council. Systems to enable assurance, monitoring and continuous improvement will be key to delivering this.

With these aims in mind the council is setting out the following strategic objectives to deliver and work to over the next 10 years:

1. Provide council fleet which enables the delivery of high quality and efficient council services.
2. Minimise the carbon produced for the whole life cycle of vehicles in the council fleet from production to emissions
3. Working with Greater Brighton Economic Board and partner organisations develop low carbon infrastructure to provide clean energy solutions to fuel new fleet technologies.
4. Achieve the highest possible vehicle maintenance and driving standards across the council, ensuring regulatory compliance for staff and customers

The Fleet Strategy 2020-2030 Action Plan sets out how these objectives will be achieved. It is critical that the council moves towards low carbon vehicle options as demand for them is rapidly increasing and production slots are limited. This is particularly relevant in the case of specialist vehicles such as Refuse and Recycling Vehicles which can take 12 months from procurement to delivery.

Governance and Review

The delivery of the fleet strategy is led by the Head of Fleet who sits within City Environmental Management. The Head of Fleet with provide quarterly updates to the City Environmental Management Leadership team with any highlights and exceptions being flagged to the Executive Director of Economy Environment and Culture.

Annual progress reports will be provided to Environment Transport and Sustainability Committee

As this is a council wide strategy, relevant decisions in relation to fleet replacement and procurement will need to be signed of by the relevant departmental Assistant Director or Executive Director in line with council policy and procedures including financial regulations and contract standing orders.

A set of Key Performance Indicators has been developed in order to monitor the outcomes of the strategy delivery. In some cases further development of recording systems will be required in order to provide the data required.

Table 2 – Monitoring and Performance Indicators

	Indicator Description	Reporting Frequency
Fleet Use	Vehicle Downtime – days lost due to maintenance and repair	Monthly
	Vehicle Utilisation – days fleet is available but unused	Quarterly
Compliance	Number of Accidents	Quarterly
	Number of vehicle defects	Quarterly
	Number of MOT first time passes/failures	Quarterly
Operational	Fuel usage - incl average mpg per vehicle type/age	Annually
	CO2 emissions	Annually
Costs	Maintenance cost per vehicle type/age	Annually
	Tyre costs per vehicle	Annually
	Operating costs per vehicle type/age	Annually
	Insurance claims awarded against the council - number and total costs	Quarterly