

**REPORT FROM: ENVIRONMENTAL SERVICES MANAGER**

**TO: POLICY AND RESOURCES COMMITTEE**

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**Report Author:** David Walker  
**Tel. No:** 01282 661746  
**E-mail:** [david.walker@pendle.gov.uk](mailto:david.walker@pendle.gov.uk)

## **REDUCTION OF EMISSIONS FROM PBC FLEET**

### **PURPOSE OF REPORT**

To provide the committee with an update on the financial impact and carbon emission savings during the 6 month trial of Hydrated Vegetable Oil within the Council's recycling fleet and to seek approval to continue using HVO and investigate further use of the fuel across the fleet.

### **RECOMMENDATIONS**

- (1) That the information within the report be noted.
- (2) That the Committee approves the continued use of alternative fuels within the recycling fleet and subsequent increases in costs for both fuel and infrastructure.
- (3) The Committee support the continued investigation into the use of Hydrated Vegetable Oil across the remaining fleet and acknowledges the increase in operational costs this will incur should further vehicles be moved to HVO.

### **REASONS FOR RECOMMENDATIONS**

- (1) Members are fully advised on the usage, associated costs and carbon savings created by the use of HVO.
- (2) To ensure the Council meet its target to reduce emissions from its transport fleet as set out within the Climate Emergency Action Plan.

### **ISSUE**

1. Pendle Council declared a Climate Emergency in July 2019 and has committed to taking action to become carbon neutral by 2030 or as soon as possible after that date.
2. Within the Climate Emergency Action Plan 2020- 2025 we have identified an objective of supporting and enabling sustainable travel.

3. Actions that Pendle will take are listed as being the introduction of electric vehicles into PBC's transport fleet and explore options for bio-gas from recycled vegetable oil
4. In 2021 after completing investigation into electric vehicles our attentions turned to HVO which is described as being a cleaner burning alternative to standard diesel that can be used in both road and off road applications.
5. The Climate Emergency Working Group considered a report on the use of hydrated vegetable oil for the Council's fleet of vehicles when they met on the 14<sup>th</sup> September 2021. They agreed:-

"That the Policy and Resources Committee be recommended:-

(1) To approve the introduction of alternative fuels for the Council's fleet of vehicles and subsequent increases in costs for both fuel and infrastructure.

(2) To approve further investigation into the benefits of hydro vegetable oil and gas to liquid through accepting the offer of support from Go Plant Fleet Services.

(3) To approve the use of alternate fuels as required.

" Members were advised that should they wish to progress this option, further growth of up to £28,000 would be required in the annual revenue budget. This would then require further revenue savings to be found from other Council services through the budget setting process".

6. The minutes of the Climate Emergency Working Group were presented at the Policy and Resources Committee on the 14<sup>th</sup> October were Members resolved that the introduction of alternative fuels for the Council's fleet of vehicles be approved along with the subsequent increases in costs for both fuel and infrastructure for a trial period of six months.
7. The trial commenced on Monday 4<sup>th</sup> April 2022.
8. Hydrated Vegetable Oil has been introduced into six of the Council's large goods fleet each vehicle being used on recycling rounds.
9. From the 4<sup>th</sup> April through to the beginning of September the six vehicles had used 15,940 litres of HVO
10. As previously reported emissions are recorded as being 2.30kg per litre lower than diesel fuel resulting in a carbon saving over the trial period of 36,662kg of Co2.
11. The setback in moving to HVO was anticipated to be with local infrastructure and cost. At the time of reporting there are no local forecourts supplying HVO fuels which has resulted in storage tanks being re-purposed at the Fleet Street Depot.
12. In relation to cost we were advised that the difference between HVO and road diesel per litre could be between 10 and 15 pence.
13. As Members are aware the cost of diesel has significantly increased during the trial period reaching peaks of £1.97 in July 2022 according to information produced by the Department for Business, Energy & Industrial Strategy.
14. HVO prices over the same period appear to have been more stable and over the trial the cost per litre has been calculated to have averaged out at 5.5p higher than road diesel.

- 15.** In summary based on information collated between the 4<sup>th</sup> April and the 5<sup>th</sup> September 2022 the Council has incurred £876.00 additional expenditure on HVO fuel over Diesel.
- 16.** Within the report presented to the Climate Emergency Working Group in September 2019 we estimated that the cost of HVO would increase fuel expenditure between 10 and 15 pence per litre of fuel. At the time based on information collated between the 1<sup>st</sup> January 2020 and the 31<sup>st</sup> December 2020 in which we recorded purchasing 242,781 litres of fuel the additional cost to the Council was reported to be in the region of £24,000 and £27,000.
- 17.** Members should be aware that as fuel prices reduce it is likely that the gap between HVO and road diesel will widen increasing fuel costs to the levels as previously indicated.

## **IMPLICATIONS**

**Policy:** None arising directly from the report

**Financial:** Initial cost identified within the report dated 14<sup>th</sup> September showed increases as being in the region of £27,000 based on current market prices..

**Legal:** None arising directly from this report.

**Risk Management:** HVO is reported to be a safe alternative to diesel with no modifications or special storage requirements needed. Vehicles operating on HVO can return to diesel fuel if required without the need for tanks being drained or vehicle modification.

**Health and Safety:** None arising directly from the report.

**Sustainability:** None arising directly from the report.

**Community Safety:** None arising directly from the report.

**Equality and Diversity:** None arising directly from the report.

## **APPENDICES**

### **LIST OF BACKGROUND PAPERS**

None