

APSE Summer Roundtable – Local Authority Fleet

To: All English Authorities

For info: Scotland, Northern Ireland, Wales

1. Context

Following the general election on the 4 July 2024 and the change in government, this roundtable session was convened for APSE Members with responsibility for fleet and transport, to examine the proposals set out in the King's Speech and the potential impact on the local authority fleet and transport services. The Transition to Net-zero remains a key priority

This briefing provides a summary of the current position, an overview of the roundtable discussion, and outlines the key asks of the new government.

2. Current position

The incoming Labour administration has appointed the Rt Hon, Louise Hague MP, as Secretary of State for Transport, supported by Local transport Minister, Simon Lightwood MP. The Department for Transport has outlined the following priorities: -

Priorities

- Improving performance on the railways and driving forward rail reform
- Improving bus services and growing usage across the country
- Transforming infrastructure to work for the whole country, promoting social mobility and tackling regional inequality
- Delivering greener transport
- Better integration of transport networks

The King's Speech

Specific measures around local authority fleet were absent in the speech, however there were specific pledges on employment, devolution and rail.

- **Employment Rights Bill:** *Introduce a new deal for working people to ban exploitative practices and enhance employment rights.*
- **English Devolution Bill:** *Legislation will be introduced to give new powers to metro mayors and combined authorities. This will support local growth plans that bring economic benefit to communities.*
- **Skills England Bill:** *"Skills England will work with industry, the Migration Advisory Committee, unions and the Industrial Strategy Council to build and maintain a comprehensive assessment*

of current and future skills needs. This will also inform the Department for Education's policy priorities."

- **Great British Energy Bill:** *to help the country achieve energy independence and unlock investment in energy infrastructure.*
- **Planning & Infrastructure Bill:** *seek to accelerate the delivery of high-quality infrastructure and housing.*
- **Passenger Railway Services (Public Ownership) Bill:** *"Improve the railways by reforming rail franchising, establishing Great British Railways and bringing train 8 operators into public ownership."*
- **Better Buses Bill:** *"to allow local leaders to take control of their local bus services."*
- **Railways Bill:** *to improve the railways by ... establishing Great British Railways."*
- **High Speed Rail (Crewe to Manchester) Bill:** *will drive economic growth and productivity by providing powers to construct and operate rail infrastructure that is key to improving inter-regional and northern rail connectivity.*

Manifesto commitments

The Labour manifesto made several commitments around net-zero and local government funding:

- Restoring the 2030 phase-out date for new cars with internal combustion engines.
- £7.3 billion in investments through the National Wealth Fund, including £1.5bn for gigafactories (including for electric vehicles), £2.5bn to clean steel, £1bn for carbon capture and £500m to green hydrogen.
- Labour has committed to "bringing down cost of energy".
- The Government has committed to award councils with multi-year funding settlement and end competitive bidding.
- Labour will work with industry to upgrade our national transmission infrastructure and rewire Britain.
- A Better Buses Bill to allow local leaders to take control of their local bus services.

Decarbonisation:

Local Authorities have made substantial strides in decarbonizing their fleet. Where electric vehicle equivalents are readily available, they have changed to electric cars and vans. This is the section of the market effected by the 2030 target and it is highly likely that Councils will meet that date.

HGVs, such as Refuse Freighters, have a less certain future as the technology is less advanced and the vehicles are not mass produced on the scale of light vehicles. Electric options have not proven universally effective and alternative technologies, based on hydrogen, may provide the best way forward. APSE maintains its advice that prolonging the lifetime of these vehicles provides the lowest carbon route and potentially allows local authorities to avoid expensive and unproven technology.

Some authorities are using Hydrotreated Vegetable Oil (HVO) to replace traditional diesel. Whilst it is an option for legacy vehicles, production is having a detrimental effect on world food markets and HVO should not be used as a quick fix solution.

3. Asks for government

APSE identified five policy areas that a future Government could assist local authority fleet operations:

1. Clarity of direction over Net-zero
2. Funding for Special Needs Transport
3. Investment in Training and Skills
4. Roads Infrastructure
5. Driving Licence Reform

The incoming Government is only one month in and looks likely to provide the necessary direction over Net-zero and training. SEND transport has seen an increase in demand over 200% over the last decade and is being examined, roads infrastructure and licence reform are still to be addressed

APSE Comment

Local authority fleet is at the forefront of net-zero and has made significant progress to date. However, it has a price that is substantially above historic replacement costs. Tackling larger vehicles including HGVs will require significant additional investment.

Recruitment and retention of vehicle technicians is at breaking point. One reason for the rise in vehicle insurance costs is that the cost of staff to repair vehicles is so relatively high that it is now often more cost effective to scrap a vehicle than attempt a repair. Focus on skills and qualifications is welcomed.

The number of pupils with special needs continues to rise (64% since 2016), but funding has not kept apace and this is putting a substantial strain on school transport. Increased demand requires more qualified drivers compounding the operational difficulties. Hence national action to revise the eligibility criteria is needed and a renewed consideration of the possibility of relaxation of licence restriction to aid recruitment.

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