

Greenhouse Gas Emissions Arising From Business Use of Staff Motor Vehicles ('Grey Fleet')

Report by Ian Johnson, Head of Communities and Economy

1. Purpose of Report

- 1.1 The purpose of this report is to brief Cabinet on the estimated levels of greenhouse gas emissions arising from business use of staff motor vehicles over recent years, to highlight possible reasons for the increasing levels of such emissions, and to advise on the intended response.

2. Background

- 2.1 Since 2007, all Scottish local authorities have been signatories to Scotland's Climate Change Declaration, publicly committing themselves to reducing greenhouse gas emissions, including through operational travel planning. Public body climate change activity became a statutory requirement in 2011 with the coming into force of "climate change duties" in the Climate Change (Scotland) Act 2009; amongst other things, a "public body must, in exercising its functions, act: in the way best calculated to contribute to the delivery of [Scotland's greenhouse gas emissions] targets."
- 2.2 At its meeting on 17 November 2015, Cabinet approved the Council's annual report on its climate change activities, for the 2014/15 period; agreed to submission of the report to the Scottish Government; and to its referral to the Performance Review & Scrutiny Committee ('PRS') for information.
- 2.3 Cabinet and PRS noted from the covering reports that greenhouse gas emissions arising from business use of staff motor vehicles (claimed business mileage only, assuming an 'average car') were estimated to have risen from 365 tCO_{2e} in 2006/7 to 423 tCO_{2e} in 2014/15. These reports explained that claimed business miles have been rising fairly consistently, from an estimated 1,192,457 miles in 2006/7 to 1,388,295 miles in 2014/15.
- 2.4 Both Cabinet and PRS (at its meeting on 24 November 2015) have requested further information on the estimated levels of greenhouse gas emissions arising from business use of staff motor vehicles, and an explanation of the possible reasons for the increasing levels of such emissions.
- 2.5 Business mileage claimed over the period 2007/8 to 2014/15 is as follows:

<i>Financial Year</i>	<i>Total Miles Claimed</i>
2007/8	1192457
2008/9	1165728
2009/10	1137228
2010/11	1146410
2011/12	1241424
2012/13	1307004
2013/14	1342322
2014/15	1388295

- 2.6 The proximate cause for increases in estimated levels of greenhouse gases from business use of staff motor vehicles is the above increase in business mileage, itself estimated as it is assumed to equate to the mileage in respect of which staff have made mileage allowance claims. The Head of Commercial Operations, through his responsibility for the Council's operational Travel Plan 2013-2017, has the relevant grey fleet remit, and has consulted heads of service on possible reasons for increases in claimed business mileage. Suggested reasons received to date include, in no particular order:

- Upturn in the economy/increasing Governmental expectations leading to an increase in development site inspections;
- Increasing demand for care in the home arrangements;
- Changes to the location of staff bases;
- Staff increasingly ensuring they claim in respect of all miles to which they are entitled.

- 2.7 Reducing the impact of the Council's business travel is a stated objective of the above travel plan. The Head of Commercial Operations will continue to implement and keep the plan under review with this objective in mind. As part of the latest stage of EWIM at Midlothian House, Dalkeith town centre staff are to be encouraged to make use of the available electric pool cars.

- 2.8 A recent Grey Fleet Review (the Executive Summary of which is appended to this report), commissioned by the Council from the Energy Saving Trust, will be the subject of a report to CMT by the Head of Commercial Operations, who intends to report periodically to Corporate Management Team and the Climate Change & Sustainable Development Group in respect of travel plan progress, including claimed business mileage levels.

3. Report Implications

3.1 Resource

There are no significant negative resource implications anticipated from the proposals in this report. The proposals in this report have the potential to realise cost-savings whilst maintaining effective service delivery.

3.2 **Risk**

Scottish Government guidance states that responsibility for compliance with the public bodies climate change duties rests with the responsible body, which will run the risk of legal challenge or reputational damage if compliance cannot be demonstrated. Scottish Ministers may instruct investigations into compliance.

3.3 **Single Midlothian Plan and Business Transformation**

Themes addressed in this report:

- ☐ Community safety
- ☐ Adult health, care and housing
- ☐ Getting it right for every Midlothian child
- ☐ Improving opportunities in Midlothian
- ☒ Sustainable growth
- ☐ Business transformation and Best Value
- ☐ None of the above

3.4 **Key Priorities within the Single Midlothian Plan**

The impact of unchecked climate change would be significant, including lower economic growth, properties and businesses at higher risk from flooding and extreme weather, higher prices and lower quality of life. Low Carbon Scotland – Meeting Our Emissions Reductions Targets 2013-2027 (June 2013) acknowledges that our economy's sustainability is dependent on a low carbon transition. Scotland's Economic Strategy (March 2015) acknowledges that in the decades to come, climate change will continue to be a key challenge that all economies face and will only increase in importance; and that the Scottish economy is well placed to benefit from the development of the low carbon economy.

3.5 **Impact on Performance and Outcomes**

Reducing Midlothian's greenhouse gas emissions is an outcome area for improvement in the Single Midlothian Plan 2015/16.

3.6 **Adopting a Preventative Approach**

The Scottish Parliament Finance Committee identified climate change as a major area of policy where preventative spending could have impact. The impacts of a changing climate are likely to fall hardest on the disadvantaged, for example in terms of higher energy bills and greater vulnerability to flooding.

3.7 **Involving Communities and Other Stakeholders**

Not applicable in respect of the proposals in this report.

3.8 **Ensuring Equalities**

No actions with 'people implications' are proposed that would necessitate Equalities Impact Assessment.

3.9 **Supporting Sustainable Development**

The Council's travel planning is an integral part of its climate change activity, in turn contributing to sustainable development.

3.10 IT Issues

There are no IT issues arising directly from this report.

4. Recommendations

It is recommended that Cabinet:

- (a) notes the content of this report; and
- (b) refers this report to the Performance Review and Scrutiny Committee for its information.

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Background Papers: None