

North Yorkshire Council

Environment Executive Members

30 October 2023

Fuel Card Procurement 2023-2028

Report of the Assistant Director - IPT, Licensing, Harbours, Fleet and Countryside Access

1.0 PURPOSE OF REPORT

- 1.1 To seek approval from the Corporate Director, Environment, in consultation with Executive Member for Highways and Transportation to proceed with the procurement of a fuel card supplier from 23 March 2024.

2.0 BACKGROUND

- 2.1 The Council have a requirement for a fuel card supplier to supplement the bunkered fuel provision to reduce the distance travelled to obtain fuel.

3.0 GENERAL

- 3.1 We have tested the market and due to the geographical coverage of the Allstar product weighed up against competitors, it is felt that the Allstar card is the most economically advantageous and viable option due to them being the only supplier to have full coverage across the whole area.
- 3.2 The Council operate 960 vehicles across numerous sites in the course of normal operational duties.
- 3.3 The Council and NY Highways operate 20 bunkered fuel sites however there is an operational requirement for wider coverage so that drivers do not have to make unnecessary journeys to bunkered fuel sites.
- 3.4 Wider coverage is maintained by the utilisation of fuel only cards that are accepted at nearly all fuel outlets.
- 3.5 The Council's fuel volume using fuel cards is estimated to be circa 710,000 litres per annum and fuel cards will be required to be used at public charging stations as alternative fuel vehicles become more common.

4.0 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Due to the vast geographic area of North Yorkshire it is not practicable from an operational point of view for all vehicles to refill at the Councils bunkered fuel sites.
- 4.2 Employees are encouraged to look for alternative means of travel such as public transport, pool cars or make use of electronic meetings but the need for corporate fleet cannot be removed.

5.0 FINANCIAL IMPLICATIONS

- 5.1 The estimated annual cost of fuel and card administration is £975k, although this will vary in line with fluctuations in fuel prices.
- 5.2 Allstar has a transaction charge of £1.65 per transaction. This can be minimised by encouraging users to fuel up at the Councils preferred forecourts.
- 5.3 The anticipated whole life contract cost is £3.9M based on a two-year contract with 2 x 12-month extensions.
- 5.4 The cost of this fuel is charged back to directorates with a 2% uplift applied to cover internal administration costs.

6.0 LEGAL IMPLICATIONS

- 6.1 The contract will be awarded via a direct award under the 'Fuel Cards and Associated Services Framework Agreement (RM6186)'. This framework enables UK public sector bodies to purchase fuel cards and associated services.
- 6.2 The framework permits a direct award to Allstar Business Solutions Ltd. This framework is run by the Crown Commercial Service and is a compliant route to market in accordance with the Public Contract Regulations 2015.

7.0 EQUALITIES IMPLICATIONS

- 7.1 An Initial equality impact assessment screening form has been completed. This can be found at Appendix 1

8.0 CLIMATE CHANGE IMPLICATIONS

- 8.1 A Climate Change Impact report has been completed and can be found in Appendix 2.
- 8.2 To minimise emissions the fuel efficiency of a vehicle is a key element of the vehicle replacement process. The roadside emissions and the fuel efficiency of vehicles are considered as part of the replacement process and in addition, battery electric vehicles are considered for each vehicle replacement where practicable.
- 8.3 Services are encouraged to seek alternative methods of service delivery to reduce the need to travel and to maximise the use of technology.

9.0 REASONS FOR RECOMMENDATION

- 9.1 The Council has a large geographical area with a lot of this area in rural districts. To ensure service provision there is a requirement for fuel cards to maintain wider coverage across the road network.
- 9.2 Allstar is the only supplier on Framework (RM6186) that has coverage over the full geographical area of the Council area.

10.0 RECOMMENDATION

- 10.1 It is recommended that the Corporate Director – Environment, in consultation with Executive Member for Highways and Transportation, agrees to authorise the Council to proceed with a procurement directly award a contract for the provision of Fuel Cards to Allstar Business Solutions Ltd via the Fuel Cards and Associated Services Framework Agreement.

APPENDICIES:

Appendix A - Equalities Impact Assessment

Appendix B – Climate Change Impact Assessment

PAUL THOMPSON

Assistant Director– IPT, Licensing, Harbours, Fleet and Countryside Access

Report Author – Kelly Baxter – Fleet Management Officer - Development

Presenter of Report – Kelly Baxter – Fleet Management Officer - Development

Note: Members are invited to contact the author in advance of the meeting with any detailed queries or questions.

Initial equality impact assessment screening form			
This form records and equality screening process to determine the relevance of equality to a proposal, and a decision whether a full EIA would be appropriate or proportionate.			
Directorate	Environment		
Service area	IPT, Licencing, Harbours, Fleet and Countryside Access		
Proposal being screened	Fuel card provision		
Officer(s) carrying out screening	Kelly Baxter		
What are you proposing to do?	Procure fuel card provision		
Why are you proposing this? What are the desired outcomes?	To provide fuel for operational duties undertaken in NYC fleet vehicles		
Does the proposal involve a significant commitment or removal of resources? Please give details.	Yes – the estimated contract value is over £500k		
Impact on people with any of the following protected characteristics as defined by the Equality Act 2010, or NYC’s additional agreed characteristics As part of this assessment, please consider the following questions: <ul style="list-style-type: none"> To what extent is this service used by groups of people with protected characteristics? Does the proposal relate to functions that previous consultation has identified as important? Do different groups have different needs or experiences in the area the proposal relates to? If for any characteristic it is considered that there is likely to be an adverse impact or you have ticked ‘Don’t know/no info available’, then a full EIA should be carried out where this is proportionate. You are advised to speak to your Equality rep for advice if you are in any doubt.			
Protected characteristic	Potential for adverse impact		Don’t know/No info available
	No	Yes	
Age	X		
Disability	X		
Sex	X		
Race	X		
Sexual orientation	X		
Gender reassignment	X		
Religion or belief	X		
Pregnancy or maternity	X		
Marriage or civil partnership	X		
NYC additional characteristics			
People in rural areas	X		
People on a low income	X		
Carer (unpaid family or friend)	X		
Are from the Armed Forces Community	X		
Does the proposal relate to an area where there are known inequalities/probable impacts (e.g., disabled people’s access to public transport)? Please give details.	No		
Will the proposal have a significant effect on how other organisations operate? (e.g., partners, funding criteria, etc.). Do any of these organisations support people with protected characteristics? Please explain why you have reached this conclusion.	No		

Decision (Please tick one option)	EIA not relevant or proportionate:	X	Continue to full EIA:	
Reason for decision	No impact on protected characteristics			
Signed (Assistant Director or equivalent)	Paul Thompson			
Date	18/10/2023			

Climate change impact assessment

The purpose of this assessment is to help us understand the likely impacts of our decisions on the environment of North Yorkshire and on our aspiration to achieve net carbon neutrality by 2030, or as close to that date as possible. The intention is to mitigate negative effects and identify projects which will have positive effects.

This document should be completed in consultation with the supporting guidance. The final document will be published as part of the decision-making process and should be written in Plain English.

If you have any additional queries which are not covered by the guidance, please email climatechange@northyorks.gov.uk

Please note: You may not need to undertake this assessment if your proposal will be subject to any of the following:

Planning Permission
Environmental Impact Assessment
Strategic Environmental Assessment

However, you will still need to summarise your findings in in the summary section of the form below.

Please contact climatechange@northyorks.gov.uk for advice.

Title of proposal	Fuel card provision
Brief description of proposal	To inform the Corporate Director – Environment in consultation with Executive Member of the procurement of fuel cards.
Directorate	Environment
Service area	IPT, Licencing, Harbours, Fleet and Countryside Access
Lead officer	Kelly Baxter
Names and roles of other people involved in carrying out the impact assessment	Kelly Baxter – Fleet Management Officer - Development
Date impact assessment started	10/10/2023

Options appraisal

Were any other options considered in trying to achieve the aim of this project? If so, please give brief details and explain why alternative options were not progressed.

The current NYC fleet requires access to diesel and petrol for its daily operation. The default for future vehicle procurement is zero or ultra-low emission at tailpipe wherever practicable to do so. The main barrier to the successful implementation of BEV is the provision of infrastructure.

What impact will this proposal have on council budgets? Will it be cost neutral, have increased cost, or reduce costs?

Please explain briefly why this will be the result, detailing estimated savings or costs where this is possible.

The cost of the proposal will vary with any change in fuel forecourt prices during the contract and the mileage operated by vehicles.

The estimated contract cost is £3.9M.

<p>How will this proposal impact on the environment?</p> <p>N.B. There may be short term negative impact and longer-term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	<p>Positive impact (Place a X in the box below where</p>	<p>No impact (Place a X in the box below where</p>	<p>Negative impact (Place a X in the box below where</p>	<p>Explain why will it have this effect and over what timescale?</p> <p>Where possible/relevant please include:</p> <ul style="list-style-type: none"> • Changes over and above business as usual • Evidence or measurement of effect • Figures for CO₂e • Links to relevant documents 	<p>Explain how you plan to mitigate any negative impacts.</p>	<p>Explain how you plan to improve any positive outcomes as far as possible.</p>	
<p>Minimise greenhouse gas emissions e.g., reducing emissions from travel, increasing energy efficiencies etc.</p>	<p>Emissions from travel</p>			<p>X</p>	<p>Any travel using internal combustion engine vehicles results in roadside emissions. The fuel card volume for 2022 -2023 was 710,658 litres. This resulted in 1,904.6 tonnes of CO₂ emissions. The level of emissions is expected to decrease over the course of the contract as we move towards BEV and alternative fuel vehicles to meet the 2030 commitment to reach carbon neutrality.</p>	<ul style="list-style-type: none"> • Services encouraged to minimise the need to travel and to both maximise the use of technology for service delivery and seek alternative methods of service delivery. • Battery Electric vehicles are considered for use wherever practicable to do so. • Vehicles sourced are ULEV or the lowest emissions level possible wherever practicable <ul style="list-style-type: none"> • Further make use of corporate policy to facilitate homecharging of BEV where possible. 	<p>Development of driving strategy to reduce fuel use by safe and fuel-efficient driving</p>

<p>How will this proposal impact on the environment?</p> <p>N.B. There may be short term negative impact and longer-term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	<p>Positive impact (Place a X in the box below where</p>	<p>No impact (Place a X in the box below where</p>	<p>Negative impact (Place a X in the box below where</p>	<p>Explain why will it have this effect and over what timescale?</p> <p>Where possible/relevant please include:</p> <ul style="list-style-type: none"> • Changes over and above business as usual • Evidence or measurement of effect • Figures for CO₂e • Links to relevant documents 	<p>Explain how you plan to mitigate any negative impacts.</p>	<p>Explain how you plan to improve any positive outcomes as far as possible.</p>	
	Emissions from construction		X				
	Emissions from running of buildings		X				
	Other						
<p>Minimise waste: Reduce, reuse, recycle and compost e.g., reducing use of single use plastic</p>		X					
<p>Reduce water consumption</p>		X					
<p>Minimise pollution (including air, land, water, light and noise)</p>			X	<p>Aside from the impact upon greenhouse emissions, the use of diesel vehicles increases the level of NO₂, CH₄ and particulate pollution at the roadside and there are adverse effects on health and the environment from these emissions.</p>	<p>The mitigations are the same as for greenhouse emissions.</p>		

<p>How will this proposal impact on the environment?</p> <p>N.B. There may be short term negative impact and longer-term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	<p>Positive impact (Place a X in the box below where</p>	<p>No impact (Place a X in the box below where</p>	<p>Negative impact (Place a X in the box below where</p>	<p>Explain why will it have this effect and over what timescale?</p> <p>Where possible/relevant please include:</p> <ul style="list-style-type: none"> Changes over and above business as usual Evidence or measurement of effect Figures for CO₂e Links to relevant documents 	<p>Explain how you plan to mitigate any negative impacts.</p>	<p>Explain how you plan to improve any positive outcomes as far as possible.</p>
<p>Ensure resilience to the effects of climate change e.g., reducing flood risk, mitigating effects of drier, hotter summers</p>		X				
<p>Enhance conservation and wildlife</p>		X				
<p>Safeguard the distinctive characteristics, features and special qualities of North Yorkshire's landscape</p>		X				
<p>Other (please state below)</p>						

Are there any recognised good practice environmental standards in relation to this proposal? If so, please detail how this proposal meets those standards.

Fuel supplied in the UK must meet BS EN 590 for diesel fuel, the BS EN 228 for petrol. These regulations ensure that fuel sold in the UK meets the required composition standards

Summary Summarise the findings of your impact assessment, including impacts, the recommendation in relation to addressing impacts, including any legal advice, and next steps. This summary should be used as part of the report to the decision maker.

There is no alternative but to continue to require fuel card provision to purchase diesel and petrol currently. However, the use of battery electric vehicles will be expanded. The use of BEV reduces roadside emissions but there are still emissions therefore services are encouraged to reduce the need to travel to eliminate any emissions from fuel.

Fleet item selection will consider the use of BEV, Alternative fuels, and default to ULEV (sub 75g/km CO₂) where possible and in any event lower emission vehicles will be selected where value can be demonstrated.

Sign off section

This climate change impact assessment was completed by:

Name	Kelly Baxter
Job title	Fleet Management Officer - Development
Service area	IPT, Licencing, Harbours, Fleet and Countryside Access
Directorate	Environment
Signature	Kelly Baxter
Completion date	10/10/2023

Authorised by relevant Assistant Director (signature): Paul Thompson

Date: 18/10/2023