

Transport and Environment Committee

10.00am, Tuesday, 19 March 2013

ECOSTARS Edinburgh

Item number	7.19
Report number	
Wards	All

Links

Coalition pledges	
Council outcomes	CO10, CO15 and CO22
Single Outcome Agreement	S02

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Executive summary

ECOSTARS Edinburgh

Summary

ECOSTARS Edinburgh is a voluntary, free to join scheme which provides recognition and advice on environmental best practice to operators of goods and passenger vehicle fleets. It was formally launched in January 2012. To date 24 fleet operators with over 2500 vehicles have been recruited to the scheme. As well as securing improvements to the vehicles and operational practices in those fleets entering Edinburgh, ECOSTARS has provided the Council with a means to communicate with goods and passenger vehicle operators.

This report provides an update on progress with the scheme and plans for the future.

Recommendations

It is recommended that the Transport and Environment Committee:

- a) notes this report and endorses the activities of the ECOSTARS Edinburgh project.
- b) instructs officers to assess the provision of additional benefits from membership of the scheme, which could encourage other fleet operators to join and report any proposals back to committee.
- c) requests a further report prior to the end of the Intelligent Energy Europe (IEE) funded period, to include proposals for continuation of the project beyond May 2014.

Measures of success

- Fifty eight vehicle fleet operators to be members of ECOSTARS Edinburgh by May 2014.
- Continued improvement in vehicle fleets and their operation by members, contributing to reduced emissions from such traffic.
- Framework for dialogue between fleet operators and the Council maintained.
- Business case produced for continued scheme operation beyond May 2014.

Financial impact

The Council's participation in the ECOSTARS Edinburgh project is part funded until May 2014 by the European Commission's Intelligent Energy Europe (IEE) programme, with a contribution of £25,000. Additional costs can be contained within the Service budget.

Continuation of the scheme beyond May 2014 will incur annual costs. Further details of the funding requirements to enable the scheme to be continued after May 2014 will be provided in a future report to the Committee.

Equalities impact

This report proposes no change to current policies or procedures and as such a full impact assessment is not required. The contents have no relevance to the public sector equality duty of the Equality Act 2010.

Sustainability impact

The impacts of this report in relation to the three elements of the Climate Change (Scotland) Act 2009 Public Bodies Duties have been considered, and the outcomes are summarised below.

The proposals in this report will reduce carbon emissions because, although the main reason for participation in the ECOSTARS Edinburgh project relates to the potential benefits for air quality, the scheme also aims to reduce fuel consumption by goods and passenger vehicle fleets and therefore to reduce carbon emissions.

The need to build resilience to climate change impacts is not relevant to the proposals in this report because the proposals will not impact on resilience.

The proposals in this report will help to achieve a sustainable Edinburgh because the scheme acts to reduce transport-related emissions in the city and through ECOSTARS local businesses can gain access to free advice on how to improve the operational and environmental efficiency of their vehicle fleets.

Consultation and engagement

This project provides a means by which the council can engage with the operators of freight and passenger transport fleets.

Background reading / external references

www.ecostars-edinburgh.org

www.ecostars-europe.eu

ECOSTARS Edinburgh

1. Background

- 1.1 ECOSTARS is a voluntary, free to join scheme which provides recognition and advice on environmental best practice to operators of goods and passenger vehicle fleets.
- 1.2 The scheme rates individual vehicles and the overall operation of a fleet using a 5-stars rating system to recognise levels of operational and environmental performance.
- 1.3 ECOSTARS aims to reduce the energy used by commercial and passenger transport fleets by encouraging increased adoption of fuel efficiency measures. This results in reduced fuel costs and lower emissions.
- 1.4 ECOSTARS is one of the measures detailed in Edinburgh's Air Quality Action Plan and was adopted by the Council as there is a desire to secure improvements in air quality by voluntary means wherever possible.
- 1.5 Twenty months after its introduction a significant number of local vehicle fleets that regularly operate within Edinburgh have been recruited.
- 1.6 As well as promoting cleaner goods and passenger transport, ECOSTARS has provided the Council with a means to engage positively with fleet operators that regularly travel within and around Edinburgh.

2. Main report

- 2.1 ECOSTARS Edinburgh was established as part of the ECOSTARS Europe project in June 2011. The project is supported by the European Commission's Intelligent Energy Europe (IEE) programme and is co-funded between the European Commission and participant organisations. The ECOSTARS Europe Project team comprises twelve partners, including the City of Edinburgh Council. The project lead is Transport and Travel Research Ltd. (TTR).
- 2.2 The ECOSTARS Europe project aimed to establish seven new ECOSTARS schemes in six European countries. All schemes are based around the model of the original scheme, which was established by a partnership of four local authorities in South Yorkshire as part of a regional air quality improvement initiative.

In addition to ECOSTARS Edinburgh, the ECOSTARS Europe project has established ECOSTARS schemes in Parma (Italy), Ostrava (Czech Republic), South East Sweden, Cantabria and the Basque Region (Spain) and Rotterdam

(Netherlands). It also allowed further development of the original South Yorkshire ECOSTARS scheme.

- 2.3 A number of other ECOSTARS schemes have been established in the UK by Thurrock, Mid Devon and Gedling Borough Councils, York City Council and Falkirk Council.
- 2.4 All schemes operate to the same standards and common assessment criteria. Some have introduced ECOSTARS as part of other focussed measures. For instance, Parma introduced ECOSTARS in tandem with a Low Emissions Zone.
- 2.5 ECOSTARS is a voluntary, free to join scheme that promotes cleaner vehicle movements. The scheme supports the Council's objective to improve air quality through progressing voluntary actions by the bus and freight sector, and is one of a range of measures detailed in the Council's Air Quality Action Plan.
- 2.6 An aim of the scheme is to reduce fuel use with consequential reductions in greenhouse gas emissions. It is estimated that fuel savings of the order of £2000 per vehicle per year can be made following the principles of ECOSTARS, which equates to a reduction in fuel consumption by 5% from 2011 levels. This would be equivalent to an estimated saving of 6 tonnes of carbon dioxide per annum for a typical HGV.
- 2.7 The scheme offers benefits both to members and the Council. On joining, in addition to gaining recognition for their vehicle and fleet management practices, members are provided with a tailored "roadmap" of recommendations which, if followed can further reduce their fuel consumption and emissions. They are also able to publicise their membership and use it to demonstrate their commitment towards continual improvement and being an environmentally responsible operator. The Council benefits from improvements in air quality and from being able to engage directly with fleet operators.
- 2.8 Since its formal launch in January 2012, twenty-four operators with more than 2,500 vehicles have been recruited to the scheme. Fifteen of those operators have attained the maximum 5-star rating. Six of the scheme's inaugural members have recently undergone reassessment; all were noted to have made improvements to their fleet or operational practices. Three of those members increased their star rating, while the others remained at the highest rating.
- 2.9 The Council's Fleet Services and Lothian Buses are members and have two of the largest fleets in the scheme. This participation sends a very clear message to other fleet operators in relation to the Council's support for the scheme and commitment to the environment.
- 2.10 ECOSTARS Edinburgh has its own dedicated website and regular newsletters are circulated. Well attended workshop events are hosted for members and are used to facilitate the sharing of best practice by members and also as a discussion forum between the Council and fleet operators. The next workshop is planned for April 2013.

- 2.11 The most recent workshop in September 2012 provided a useful insight into issues for fleet operators that would enable them to operate more effectively in Edinburgh and how they might work with the Council to reduce their environmental impact on the city.
- 2.12 Feedback from members during the workshop identified a number of incentives through which fleet operators could be encouraged to join the scheme and further invest in energy efficient improvements to vehicles. Possible incentives suggested included arrangements to facilitate access into and from the city by freight operator members, such as the ability to access loading bays, greenways and city centre locations preferentially, or at times outside those normally permitted. There may be other actions that the Council could offer as incentives and it is intended to have further discussions with fleet operator members of the scheme. Any proposals would require to be considered within the context of the 'New Local Transport Strategy' and reported back to Committee.
- 2.13 The workshop also considered issues influencing the incorporation of low emission vehicles in transport fleets. Members clarified those factors which served to hinder their use, such as high capital cost, limited vehicle range in relation to some fuels, concerns relating to obsolescence of the technology and lack of supporting infrastructure. In addition, fleet operators would be more inclined to use energy efficient vehicles if there were incentives for preferential purchasing or leasing and their future value could be guaranteed. It would assist members if there was more information available, so that positive business cases for their procurement could be developed. This is being considered as a topic for a future members' workshop.
- 2.14 It was evident that operators would be more likely to adopt low emission vehicles if these were required to allow access into Low Emissions Zones (LEZs). The introduction of LEZs was seen as a method by which reluctance to adopt low emission vehicles could be overcome. This may be an issue to consider in any assessment by the Council of LEZ options.
- 2.15 In Edinburgh the target at the outset of the project was to recruit 58 members with almost 8,700 vehicles during the project period. Progress with member recruitment is currently on target; however average fleet sizes are not large enough to permit the vehicle number target to be attained. This outcome is not unique to the Edinburgh scheme.
- 2.16 ECOSTARS concept is continuing to generate interest from UK local authorities wishing to set up ECOSTARS in their city or region, many of whom fund the schemes through grants from UK and Scottish Governments. Also a bid for a further project, ECOSTARS - Zero to widen the spread of ECOSTARS in Europe has now been prepared by Transport and Travel Research Ltd (TTR). It is expected that the development of further schemes will support the sustainability of the ECOSTARS brand.
- 2.17 There is concern amongst UK schemes about the reliance on grants to deliver ECOSTARS and work is currently ongoing to identify ways to increase the sustainability of ECOSTARS, led by the South Yorkshire Steering Group and

Transport and Travel Research (TTR). This work will culminate in the creation of a revised business model for the ECOSTARS project, which will allow schemes to move forward on a more self-sustaining basis.

- 2.18 In order to maintain and further develop the benefits achieved by ECOSTARS Edinburgh, plans need to be developed to support the continued operation of the scheme beyond the funded period, which ends in May 2014. Continuation of the scheme beyond May 2014 will incur annual costs, which are likely to be of the order of £40,000 per year. Further details of possible funding models to enable the scheme to be continued after May 2014 will be provided in a future report to the Committee.

3. Recommendations

- 3.1 It is recommended that the Transport and Environment Committee:
- a) notes this report and endorses the activities of the ECOSTARS Edinburgh project.
 - b) instructs officers to assess the provision of additional benefits from membership of the scheme, which could encourage other fleet operators to join and report any proposals back to committee.
 - c) requests a further report prior to the end of the Intelligent Energy Europe (IEE) funded period, to include proposals for continuation of the project beyond May 2014.

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Director of Services for Communities

Links

Coalition pledges	
Council outcomes	CO10 – Improved health and reduced inequalities CO15 – The public is protected CO22 – Moving Efficiently – Edinburgh has a transport system that improves connectivity and is green, healthy and accessible
Single Outcome Agreement	SO2 – Edinburgh’s citizens experience improved health and wellbeing, with reduced inequalities in health
Appendices	None