

Cabinet Meeting: Monday, 30 June 2025

Question from: Councillor Dickenson

Question to: Councillor Dacre, Cabinet Member with responsibility for Resources

QUESTION

Calderdale Council recently announced that its vehicle fleet has started using Hydrotreated Vegetable Oil (HVO) as a more environmentally friendly alternative to diesel. However, HVO can be more expensive than diesel. Please could the Cabinet confirm whether the Council is incurring higher costs as a result of this switch, and if so, by how much?

Response

The Transport Service introduced the alternative HVO fuel that is cleaner and more friendly to the environment than regular diesel oil. The introduction of the new fuel required no change to vehicles in the current fleet or re-fuelling infrastructure.

The fuel offers up to 30% reduction in Nitrogen Oxide emissions and 90% reduction in carbon emissions. The performance of HVO is similar to diesel and there is no significant impact on the miles per gallon rate of vehicles.

The additional cost attached to the new fuel is currently 8p per litre more than diesel. Based on diesel usage in a previous financial year of 700,000 litres, the additional cost will be in the region of £56,000 per annum.

Although the Council agreed in February 2025 to incorporate £5.603million into the Capital Investment Strategy to allow for the ongoing replacement of vehicles in the transport fleet, it is likely that many of the 96 vehicles originally due to be replaced in the current year will be retained, as the lifespan of vehicles is extended by the introduction of HVO fuel.

It is also worth noting that the marginal additional annual cost of HVO fuel is more than outweighed by the savings in maintenance on the vehicles that are now running on a cleaner fuel than regular diesel fuel, that puts less burden on a vehicles Diesel Particulate Filter which costs in the region of £2,000 to be replaced.

The delay in replacing vehicles will also result in reduced borrowing costs as the lifespan of vehicles is extended. This will also allow any further advancements in technology (e.g. electric vehicles) to be considered and incorporated into the transport fleet.