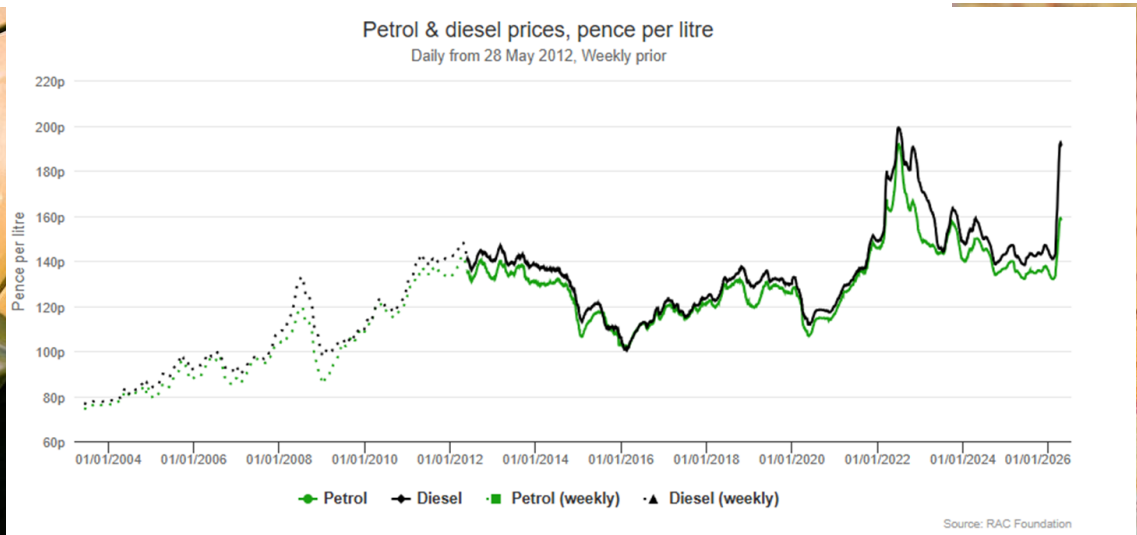
Strengthening Local Authority Resilience Amid Rising Energy Costs

James Jefferson, Principal Advisor, APSE Energy



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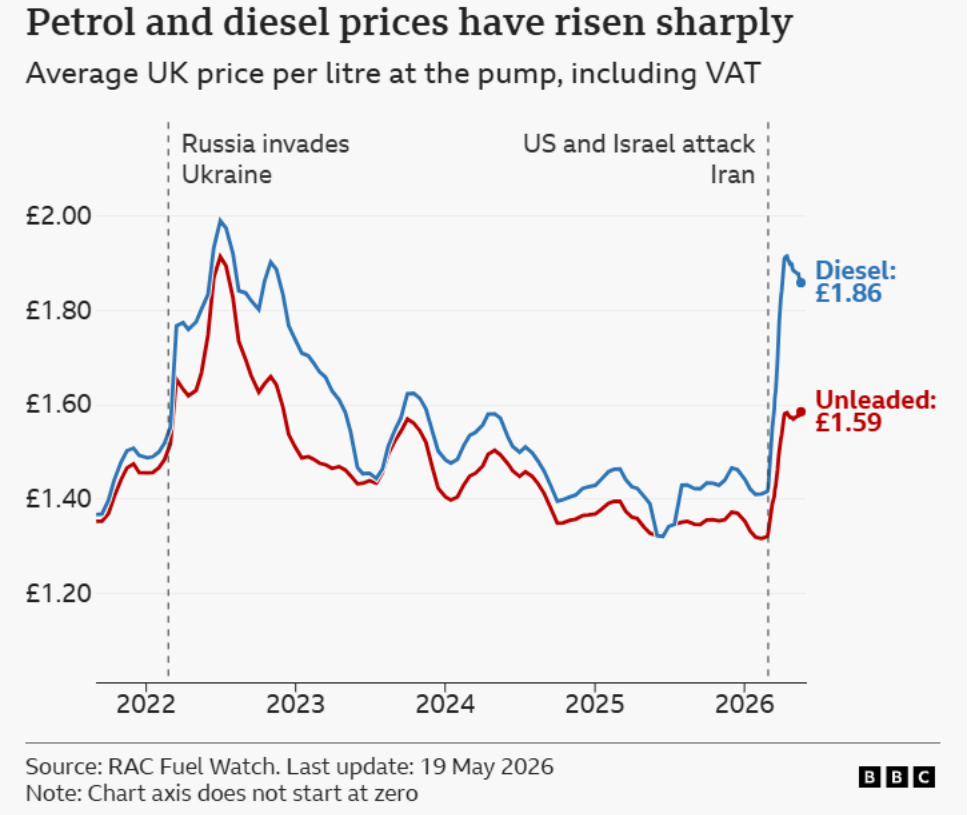
Background to current energy price shock

- *Why are energy costs increasing?*
- *What are the impacts on local authorities?*
- *How can these impacts be mitigated?*

3
Energy price shocks this decade

Volatility leads to uncertainty and increased costs

Energy resilience is now a core operational risk, not just a sustainability issue.



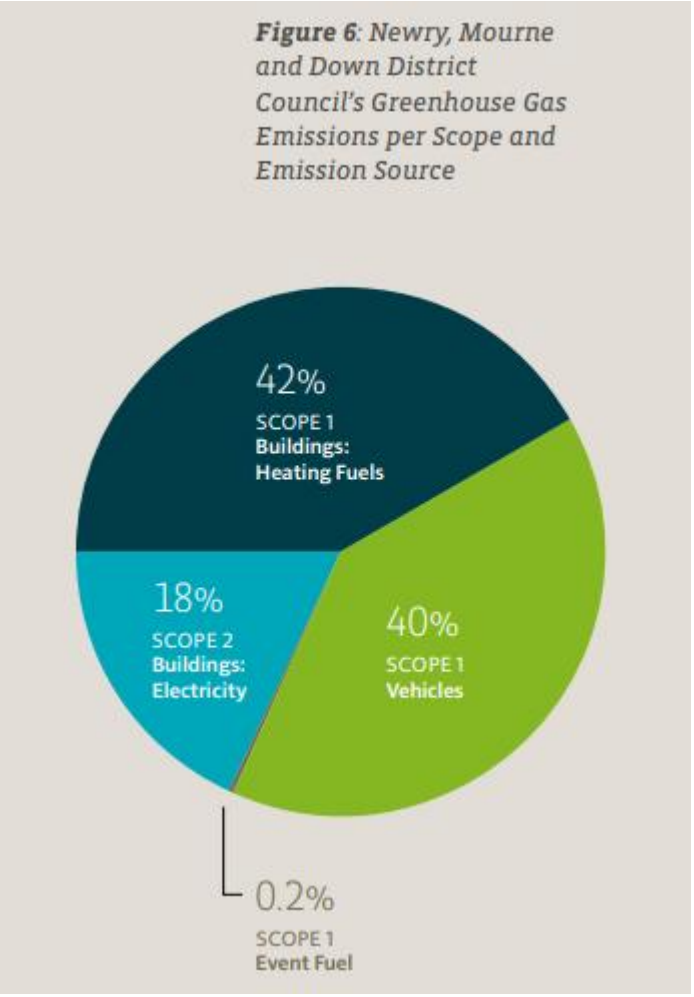
Local authority exposure to price shocks

Fleet

- Makes up a large proportion of local authority scope 1 emissions & spending.
- Local authority fleets remain heavily dependent on diesel, making fleets vulnerable to any increases in fuel costs.
- Due to statutory requirements, fuelling the Council's fleet is an unavoidable expense.

Buildings

- Offices, depots and leisure centres.
- The local authority estate are largely reliant on gas and heating oil.
- Heating leisure centres is very energy intensive.
- Behavioural issues mean that buildings are using energy when it is not required.
- Some authorities lack control over energy usage in their buildings or lack the data to know where improvements can be made.
- Where no renewable generation is in place, the authority is entirely dependent on fossil fuels.



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Approaches to strengthening the resilience of the council estate

Short-term

- Energy audits
- Identify no and low-cost quick wins
- Optimising heating schedules & BMS systems
- LED upgrades
- Behavioural changes (staff engagement)
- Tariff review / procurement
- Developing heat decarbonisation plans

Medium-term

- Insulation upgrades
- Heat pump adoption
- Solar PV on council estate
- Smart metering & monitoring platforms

Long-term

- Deep retrofit programmes
- Local energy generation (e.g. solar farms)

The importance of energy data

- Understanding energy usage across council-owned buildings.
- Identifying abnormalities in bill payments
- Detailed energy audits are key to getting an understanding of energy usage and an insight into how energy usage can be reduced, and which technologies would work best for individual buildings.
- Having the data in place ensures that the Council is prepared to bid for decarbonisation funding as and when it becomes available, as well as bidding internally on the council's budgets.

Reducing avoidable consumption and tightening operational control

- Think about no and low-cost energy saving measures.

- Use the behavioural + operational savings
- **In leisure centres:** Pool covers are “obvious” and evaporation is the biggest heat loss mechanism in pools; covers are the single most effective action when pools are not in use. But behaviour and staffing determine whether they get used

- Controls must match operating hours and it can be better to spend a dedicated week observing how the building actually runs. Align heating/plant schedules with real occupancy (and cleaning periods).

- Flag windows/doors open while heating is on; entrances can be major heat-loss points. Consider draught lobbies.

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Net Zero Journey

- Get your **Data** & estate in order
- Calculate **Baseline Emissions** & **Set Net Zero Targets**
- Do a **Net Zero Trajectory**
- Carry out **on-site Energy Audits / Feasibility Studies**
- **Engineering Design (Architectural Design)**
- **Invest-to-save upgrades (heat recovery, PV, major plant renewal)**
- Procurement
- Installation
- **Measure & Optimise** for *Continuous Improvement*

Council-owned solar farm survey

APSE Energy conducted a survey to understand the experience of local authorities that have invested in or are planning to invest in a council-owned solar farm

47
responses

17
Operational solar farms

100%
Recommend investing

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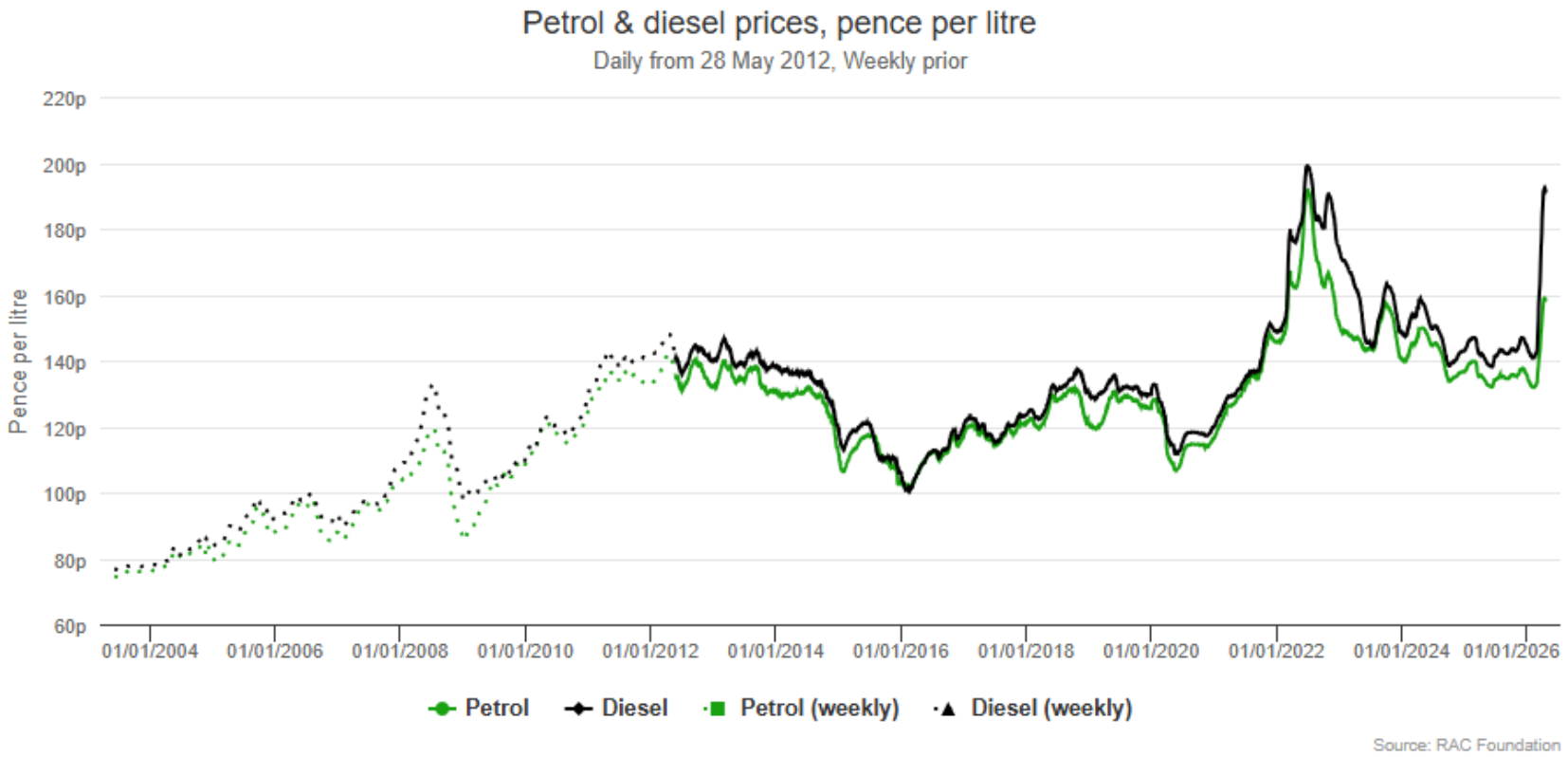
Fuel prices over time



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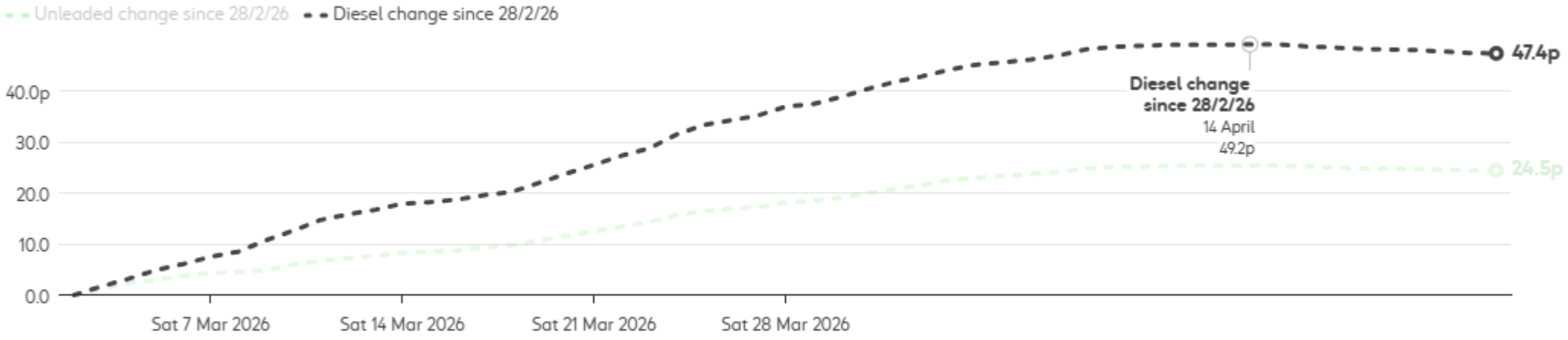
Fuel prices since the outbreak of the war in Iran

Increases in pump prices since outbreak of 2026 Iran conflict

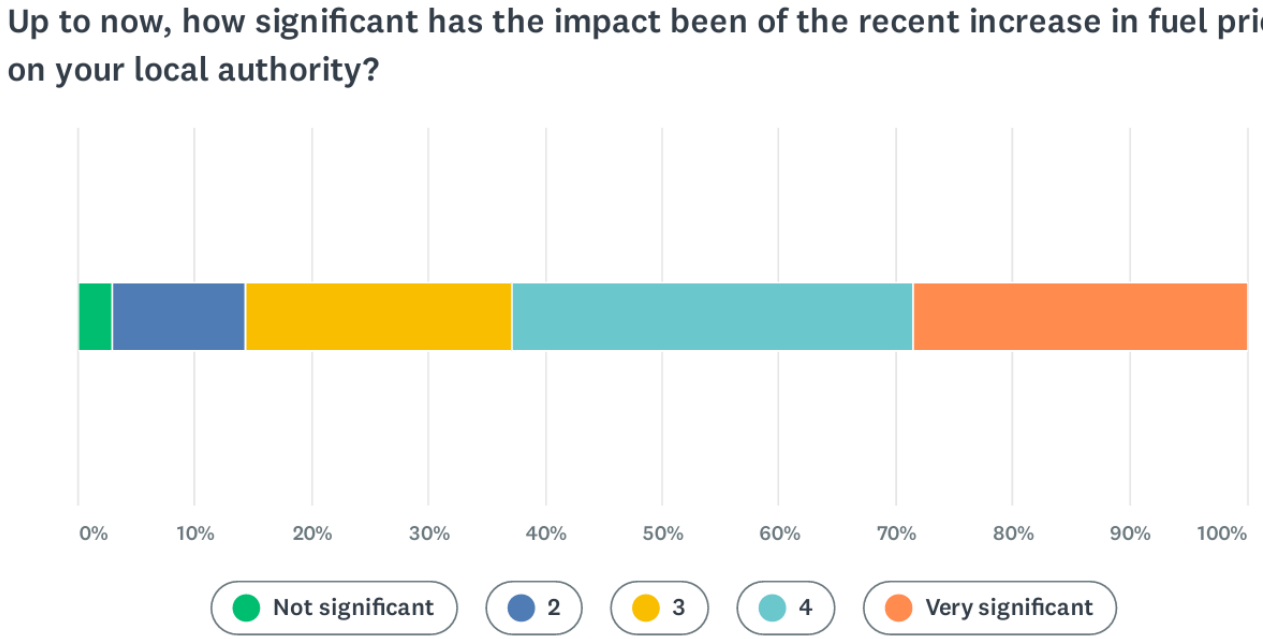


All prices are UK averages and are stated in pence per litre

Source: RAC Fuel Watch · Embed this graphic

RAC Fuel Watch

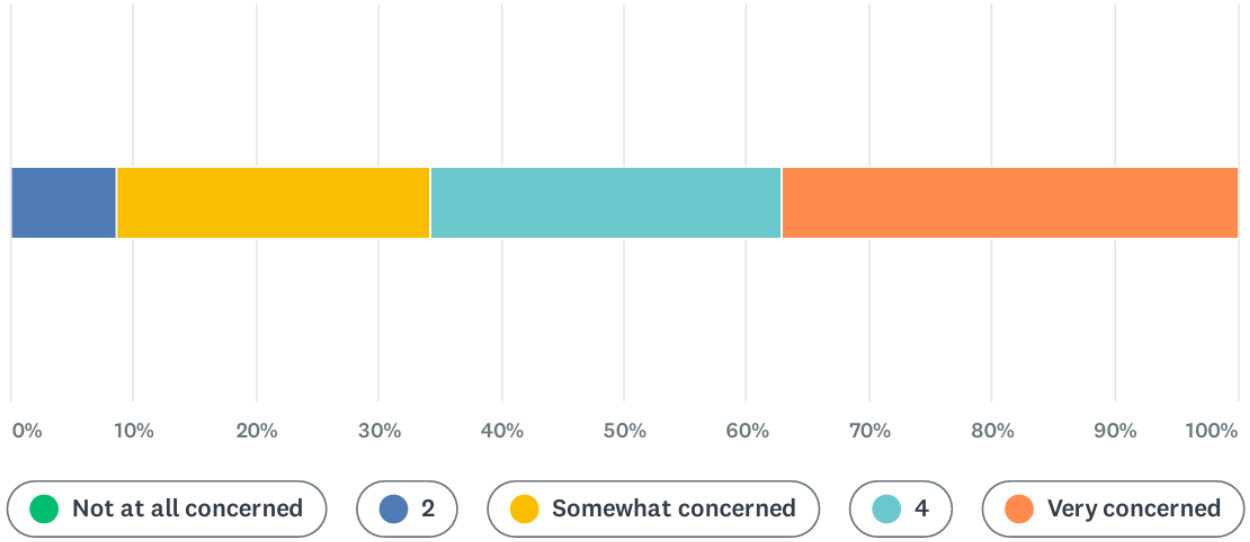
Findings from the APSE 'Fuelling Concerns: LA Fleet and the increasing cost of fuel' survey



Comments:

- Mostly cost/budgetary impacts only (not shortages)
- A small handful mentioned delays
- "Standard road diesel is a small percentage of my fuel turnover. I have a fixed price deal for HVO which expires end of July. My answer to this might change thereafter"

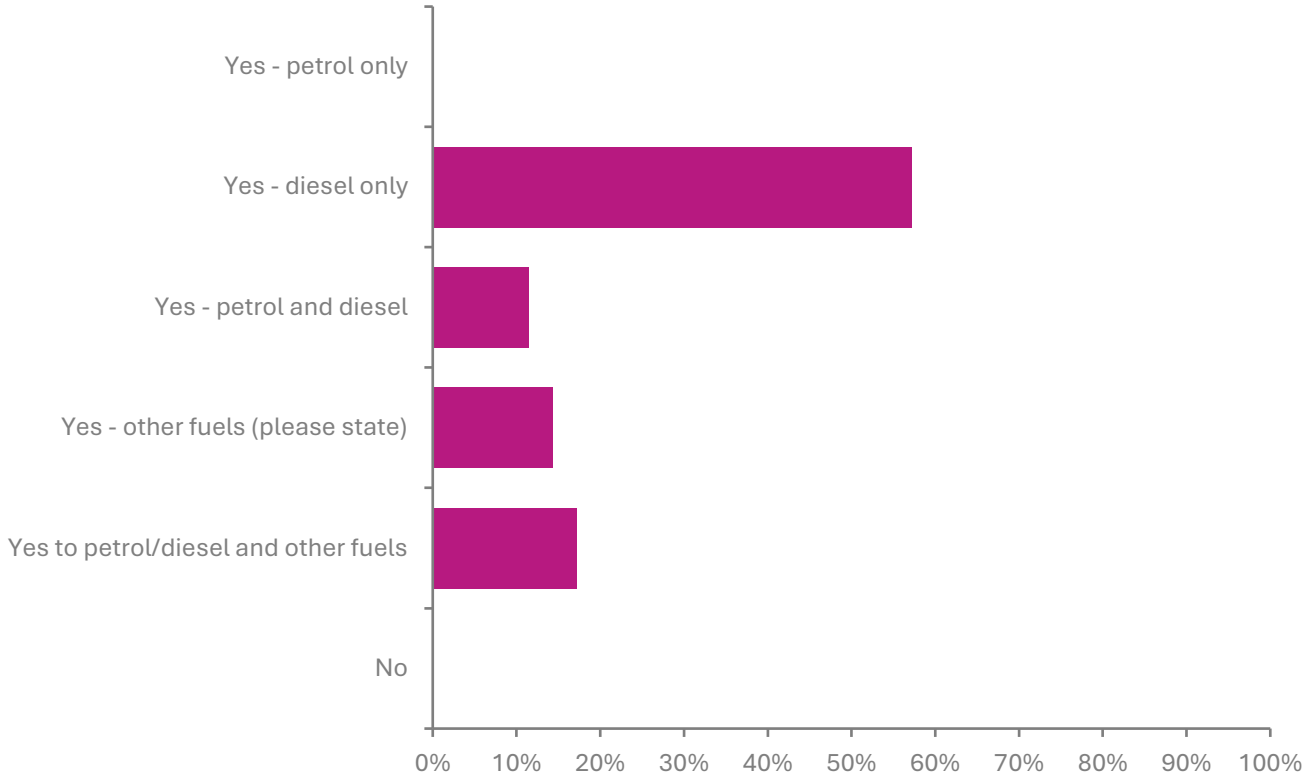
How concerned are you in the short to medium term future about fuel prices / shortages and the impact on your fleet?



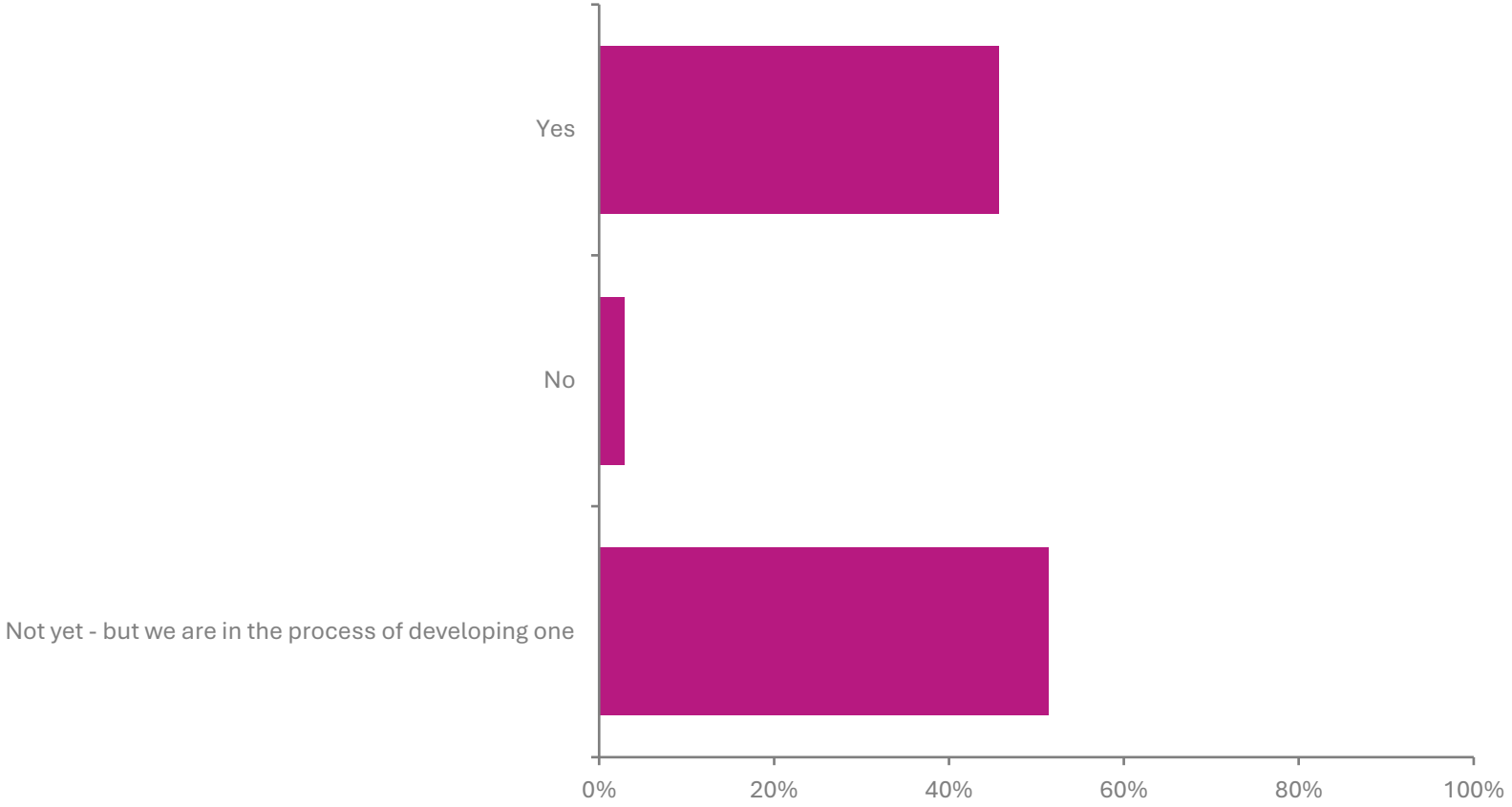
Comments:

- Fleet and Grey Fleet operations may have to be curtailed if we fail to receive deliveries as required
- If the current prices are maintained it will have a significant cost implication requiring extra funding
- Should the current situation escalate or continue we may initiate our recovery BC plan.

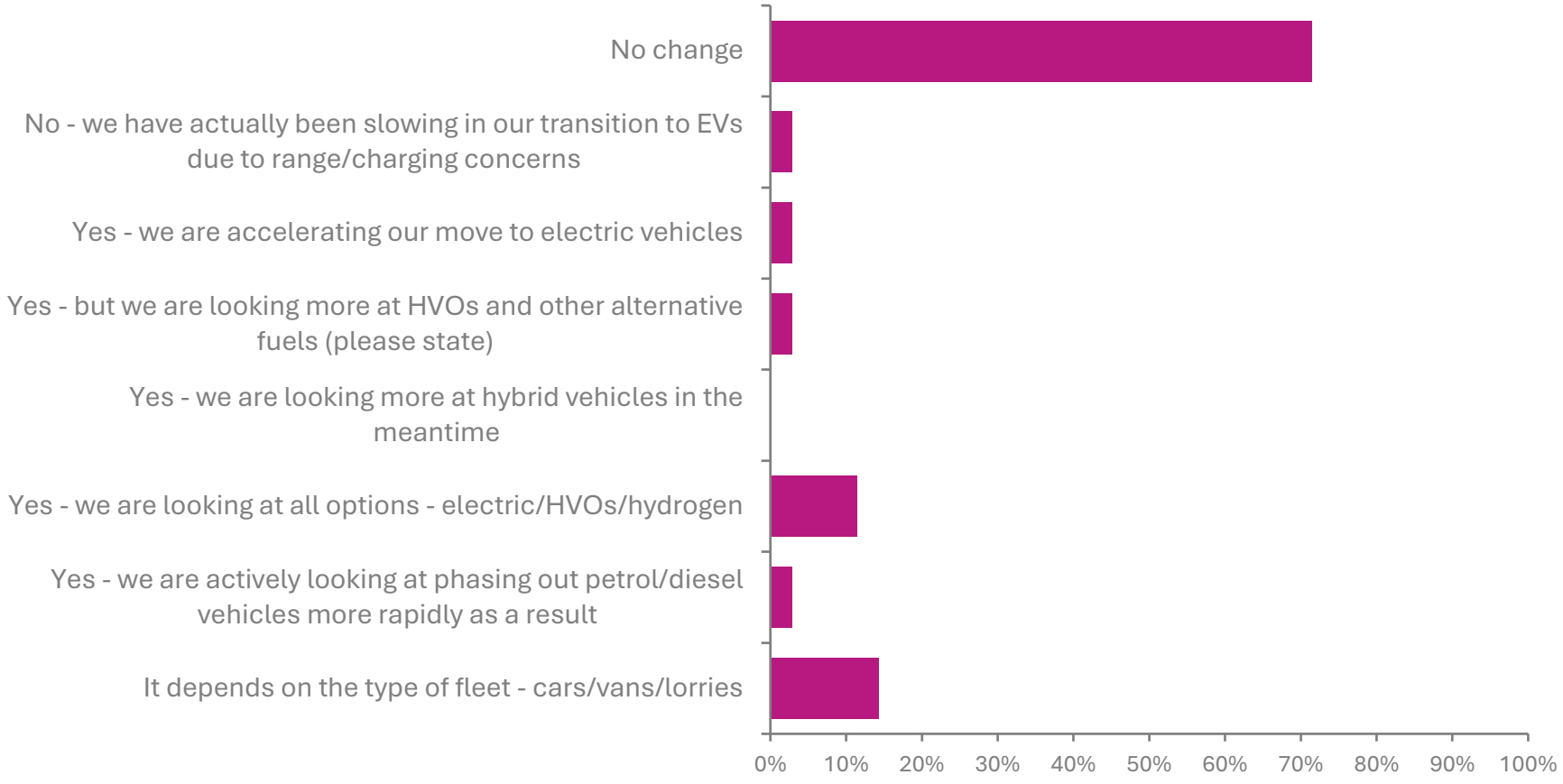
Do you have your own fuel storage tanks/bunkers and what fuel types do you store?



Do you have a business continuity plan/contingency plan for fuel?



Has the recent fuel price crisis caused you to look again at your fleet decarbonisation/electrification plans and decisions?



Has the recent fuel price crisis caused you to look again at your fleet decarbonisation/ electrification plans and decisions?

- Most of my fleet already operate alternative fuels. We are looking to transition BEV to our HGV's but not because of fuel prices. However, in central London we are challenged by a lack of depot space to accommodate charging infrastructure
- It is complex. We have our waste collected by external contractors. We are hoping to move them to HVO
- We already use HVO for majority of fleet and electric for smaller vans
- As a Council we have been earlier adopter to EV with 24% of the Fleet being EV already including RCV
- Budget pressure has slowed the transition to net zero:
  - We are struggling for extra budget to purchase EV's and our charging infrastructure is at capacity. This will require significant investment
  - Fleet decarbonisation program is severely limited at this time due to financial constraints
- We are investigating Hydrogen for vehicles over 3.5 tonnes, but are unsure regarding the potential supply issues.

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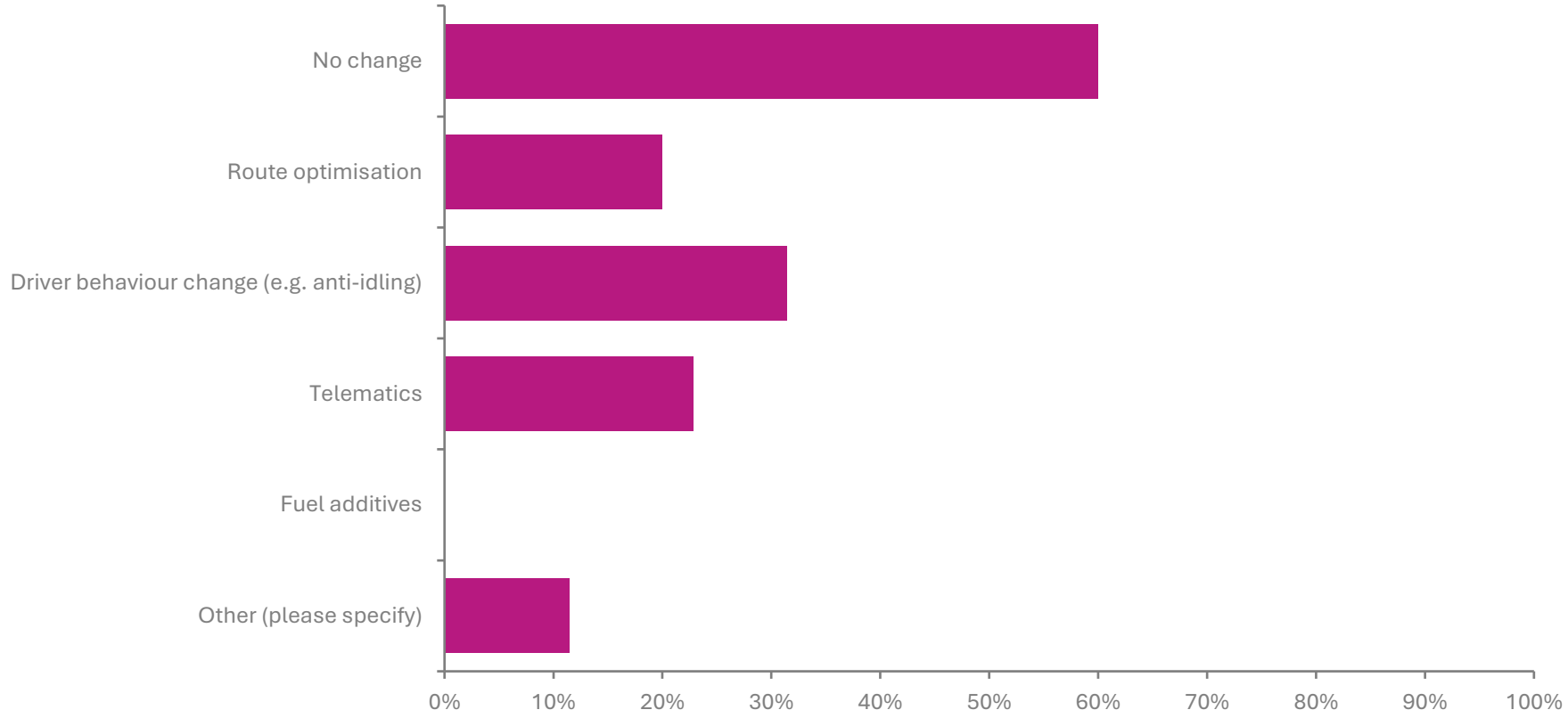
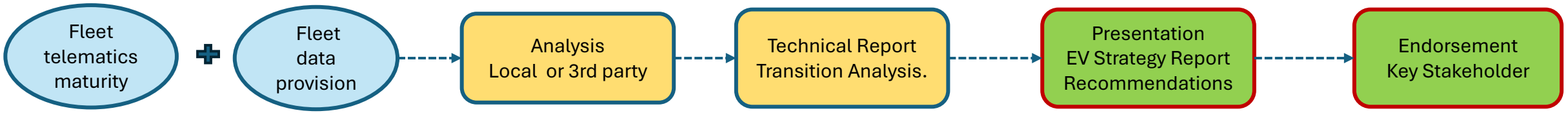
Has the recent fuel price crisis caused you to look at implementing fuel efficiency measures more strongly within the parameters of your existing fuel fleet?



Stage 1. Fleet Decarbonisation Discovery



Stage 2. Post report recommendations – Road map implementation

Implementation stage Support from APSE Energy industry experts alongside internal team.

ICE to EV CAPEX Replacement Plan
10 Year decarbonisation plan; EV specs; finance; procurement; workshop requirements.

Fleet Utilisation Review
Operational standards, avg. daily mileage, shared/pool/grey fleet; rationalisation.

Charging Infrastructure Plan
site survey; power capacity; energy demand; infrastructure – number of chargers; charging plan.

Project management, business case funding, risk management, monitoring, engagement, cross functional teamwork.

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Upcoming APSE Energy events

APSE Energy Webinar – Developing a Fleet Decarbonisation Strategy post Local Government Reorganisation
MS Teams
Tuesday 9 June 2026 - 10:00 to 11:00

APSE Energy Webinar – Residents, energy and domestic improvement – what really drives take up?
MS Teams
Thursday 25 June 2026 - 10:30 to 11:30

APSE Energy Webinar – A whole process approach to domestic improvement
MS Teams
Thursday 23 July 2026 - 10:30 to 11:30

APSE Energy Summit – Glasgow
MS Teams
Wednesday 21 October & Thursday 22 October 2026

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APSE Energy Prospectus

Energising Local Government

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Carbon Literacy

We deliver a full suite of Carbon Literacy courses

Climate Adaptation: Advanced Soil Management

THURS 23/07/26, WED 29/07/26 & THURS 30/07/26

09:30 - 12:30 [THREE HALF DAYS]

Climate Adaptation: Urban Green Spaces

TUES 16/06/26

10:00 - 16:00 [ONE FULL DAY]

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Briefing 5/26
March 2026

Street Lighting case study - East Riding of Yorkshire Council

1 Introduction

Case studies on street lighting are clearly relevant to members of APSE Energy partially because the electricity bill makes up a significant element of the Council's whole energy cost and financial savings are welcome. The issue of LED replacements is relevant too, as are carbon emissions, alongside other matters of importance to a local authority such as transport and travel, asset management, economic growth and road safety.

Live Labs 2 is a DFT funded £30m research and innovation project aimed at profiling the embedded carbon of our highways, highway assets and highway operations from fence to fence. East Riding of Yorkshire Council are looking at ways to decarbonise street lighting, focusing on A roads and bypass routes and areas of roads which need to be lit, such as roundabouts, cross roads and priority junctions. This project asks questions such as "do they need to be lit?", "can we light them in different ways?" and "can we reduce carbon and financial burden?".

All final reports from the project will be published on the Adept website and the council's website in the coming months.

Karl Rourke, Project Manager at East Riding of Yorkshire Council is the project lead. Karl delivered a presentation covering the content of this briefing at the BIG Energy Summit in February.

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Discover the latest headlines in our newly launched **APSE Energy News!**

Electric bus uptake accelerates across UK fleets

On-street **EV charging** system trial taking place in Swansea

EV growth brings new challenges for local authorities

More stories coming soon

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Energy Across the Authority

Sixth edition

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2026

RENEW308 - Managing Operational/Pool EV Fleet Charging - 120526

A member authority is looking to understand how other councils are managing their operational/pool EV fleet charging. They are particularly interested in response to the below questions:

- Do your authority have a general strategy for charging their operational/pool EV fleet, especially regarding the share of depot, off-site, on-street and home charging? If so, would you be able to share the strategy?
- How does your authority manage on-site operational/pool EV fleet charging to maximise charging at small sites?

RENEW307 - HSE Guidance on hot water storage in social housing (Air Source Heat Pumps) - 230426

A member authority is interested in hearing from local authorities on how they have approached HSE requirements for hot water storage, when it comes to installing Air Source Heat Pumps (ASHPs) in social housing.

The authority's compliance team interpret HSE guidance HSG274 Part 2 (2024), section 2.6 as applying to ASHPs and hot water storage cylinders in individual social housing homes.

In practice, this would require ASHPs to regularly produce high hot-water temperatures (around 65°C) to manage legionella risk. They are concerned this would:

- Reduce the effectiveness of space heating
- Significantly impact system efficiency (SCOP)
- Make individual ASHP installations uneconomical in social housing under current market conditions

Weekly legionella/pasteurisation cycles have been judged as inadequate under this interpretation, and DHW storage at circa 45°C has been deemed unacceptable.