

13th September 2012**Agenda Item:9****REPORT OF SERVICE DIRECTOR,
HIGHWAYS****RESPONSE TO THE CONSULTATION ON THE USE OF REBATED FUEL
FOR GRITTING IN RURAL AREAS****Purpose of the Report**

- 1.0 The purpose of this report is to obtain approval to the County Council's response to the HM Revenue and Customs (HMRC) consultation on proposed revisions to allow for agricultural vehicles to use red diesel (tax rebated fuel) whilst carrying out gritting operations on the public highway within a 15 mile radius of their registered base.

Information and Advice**Other Options Considered**

- 2.0 The County Council could choose not to respond to the invitation by the HMRC but given that the Council is the Highway Authority for the County and is responsible for the provision of winter maintenance services including gritting it is sensible to make a response.

Reason/s for Recommendation/s

- 2.1 Government has recognised the important contribution that farmers can make to local authority winter maintenance operations and especially in keeping rural communities from becoming isolated. During severe weather it is permitted to use red diesel in any vehicle that is being used to clear snow from public roads. In recent winters, during periods of extreme weather, HMRC have temporarily relaxed rules on the use of red diesel and have allowed tractors being used for gritting rural roads to be fuelled with red diesel.
- 2.2 HMRC are now proposing to formalise the arrangements in relation to the use by agricultural vehicles of red diesel for gritting operations by allowing such vehicles to operate within a 15 mile radius of the address to which the vehicle is registered. Outside of that radius they would be required to use white diesel (taxed fuel)

- 2.3 The response to the consultation request forms Appendix A of this report. Having examined the HMRC proposals it is thought that they are sensible and could assist the County Council in delivering its winter maintenance service to rural communities by building upon the relationships it already has with the farming community.
- 2.4 It is suggested that there is a need to highlight that in some cases agricultural vehicles may be leased or be part of a large multi farm fleet. In these instances the use of a 15 mile radius around the registered base of a vehicle to limit its use of red diesel may not be practicable.

Statutory and Policy Implications

- 3.0 This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Implications for Service Users

- 3.1 The response to the consultation is supportive of the proposed changes which if introduced will assist the County Council in delivering its winter maintenance service to rural communities.

Financial Implications

- 3.2 If the proposed changes are made there will be no adverse financial impacts on the Authority.

3.3 Crime and Disorder Implications

- 3.4 None

Human Rights Implications

- 3.5 None

Safeguarding of Children Implications

- 3.6 None

Human Resources Implications

None

3.7 Implications for Sustainability and the Environment

None

RECOMMENDATION/S

- 4.0 This report recommends that the County Council is supportive of the proposed changes outlined by HMRC on the use of red diesel by agricultural vehicles and responds with the comments attached in Appendix A.

For any enquiries about this report please contact:

- 4.1 Clive Wood – Service Manager, Highway Policy and Development

Constitutional Comments [SHB.09.08.12]

- 4.2 Committee have power to decide the Recommendation.

Financial Comments [IC -13/08/2012]

- 4.3 There are no direct financial implications arising from the contents of this report.

Background Papers

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

HMRC Use of rebated fuel for gritting in rural areas.

http://customs.hmrc.gov.uk/channelsPortalWebApp/channelsPortalWebApp.portal?_nfpb=true&_pageLabel=pageLibrary_ConsultationDocuments&propertyType=document&columns=1&id=HMCE_PROD1_032182

Electoral Division(s) and Member(s) Affected

All

Use of rebated fuel for gritting in rural areas.

Response by Nottinghamshire County Council

13th September 2012

Nottinghamshire County Council welcomes the opportunity to make comment on the matter of the use of rebated fuel for gritting in rural areas.

Prior to answering the specific questions that are asked within the consultation document it is useful to highlight the Council's current involvement in winter maintenance operations. The Council is responsible for the provision of winter maintenance on its network of publically maintained roads throughout the County. It does this using its own workforce and equipment which operate a dedicated service throughout the winter months. The Council does not operate on private roads or offer winter maintenance services to private organisations or businesses and it also does not use the services of any private contractors for gritting provision. It does have in place a number of local agreements with farmers for the provision of assistance with snow clearance only in adverse conditions.

Would it benefit rural communities if the law allowed the use of red diesel in vehicles being used for gritting that are not purpose-built or adapted for that purpose?

Whilst the County Council is not aware of any rural communities who utilise gritting activities provided by the use of agricultural vehicles it is the belief of the Council that for those communities that do then there would be a benefit.

Would such a change benefit gritting authorities?

The County Council believes that in certain circumstances such a change could benefit gritting authorities. An example is where owners of agricultural vehicles that use red diesel may not wish to provide gritting services on the authority's behalf or invitation because of the complexities of having to switch from red to white diesel. In these instances gritting authorities may not be able to provide gritting to isolated communities.

Should the change be confined to agricultural tractors or should it be extended to other exempted agricultural vehicles?

The understanding of the County Council is that there are vehicles other than tractors which are exempted and could be used for gritting operations. It would seem logical that with some control over the radius of operation that these vehicles should also be able to carry out gritting operation using red diesel.

Would the 15-mile restriction be too restrictive?

The logic of placing a 15-mile radius of operation based upon existing operational criteria for agricultural vehicles is clearly understood by the County Council. The only comment it would make is that for some vehicles which are either leased or part of a large organisation their true operational base may not be the same as the address to which they are registered.

Would the 15-mile restriction protect existing commercial contractors?

The County Council has no experience of commercial gritting contractors and would suggest that the answer to this question would probably be better served by the responses from those authorities that use such contractors and from the contractors themselves.

Would the additional demand for salt and grit cause a shortage?

The view of the County Council is that any additional gritting provision provided by the proposed concession would not add significantly to the demand for grit and salt.

Can you foresee any harm to your business if this proposal were adopted?

The County Council is not a business but does not foresee any harm to its winter maintenance operation from the proposals if they were adopted. Commercial operators will be able to voice their own opinions on this matter.