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FleetNews AWARDS 2022

BACK IN BLACK

And back to the Grosvenor House Hotel in London (after the sunshine and showers Summer Garden Party) as the Fleet News Awards 2022 opens for entries. Full details inside, including some exciting new categories

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THE BIG PICTURE

Mental health is on my mind. Many of us (perhaps all of us) have been touched in some way by depression, stress and/or feelings of being overwhelmed by work, home or life in general.

The past 18 months have only served to amplify this emotional state as Covid-induced lockdowns, unprecedented pressures at home and work, furloughing and a sense of helplessness in the battle against an unseen and relentless foe fuelled internal demons.

But when our friends, colleagues and family hit their lowest ebb, it's vital to remember that help is at hand from many sources. We were proud to honour one of those, National Highways and its CalmDriver initiative, at our Fleet News Awards recently, undoubtedly one of the worthiest winners we've ever had.

The work of Calm and countless others is priceless; nothing is as precious as human happiness, contentment and, ultimately, life.

A growing number of companies, our own parent Bauer Media among them, are embracing the mental health agenda and we want to highlight their important work with a new award at this year's FN50 dinner on November 2.

The Fleet News Wellbeing Award will be presented in celebration and honour of James Davis, customer insight director at Cox Automotive, a man beloved by so many in the fleet industry who sadly died in July. It will recognise a company that is doing outstanding work to improve the wellbeing, health, welfare and safety of its staff.

We want to encourage your business to enter, whether fleet, manufacturer or supplier, to help us raise mental health up the corporate agenda – it's good to talk.

Talking of awards, it only seems like a few weeks ago that we hosted our Fleet News Awards Summer Garden Party at Ascot. But entries are now open for the 2022 awards which returns to its spiritual home at London's Grosvenor House Hotel complete with some exciting new categories. Details are on page 38.

CORRECTION & CLARIFICATION

On the cover of the August edition of Fleet News, we misspelt Sarina Vale's name. Our sincere apologies for the error.

In 'Through the Looking Glass' (page 73), Andy Picton questioned the long-term future of Vauxhall's Luton plant. Vauxhall has confirmed that Luton will continue to produce the Vivaro van.

Stephen Briers, editor-in-chief, *Fleet News*

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Burning question:
Live events: Have you attended one recently or do you have one planned?

EDITORIAL

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Last live event was my children's swimming meet in Matlock last weekend. Only ones planned are work-related (inc Fleet & Mobility Live)
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The Specials' homecoming gig at Coventry Building Society Arena was my most recent and, as I write, I'm seeing them tonight in Nottingham too!
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I've played in my band at a few, including the MCN Festival. C2C and Joe Satriani booked, but not until next year
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My first post-lockdown gig, I saw a band called The Vaccines – couldn't be more aptly named
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Back to the Future: The Musical last month
Photos **istock, Chris Lowndes**

PRODUCTION

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Most recently the MCN festival
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Off to Old Trafford to watch Cristiano take on the Villains. Well, it's an event in my book
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My wife and I enjoyed Urban Soul Orchestra's Classic Ibiza at Burghley House in July
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IGNITION

COMMERCIAL FLEET

Shortage of semiconductors may affect new vehicle supply through to 2023, warns carmaker

Critics say shortages could have bigger impact on automotive than the Covid-19 pandemic

ISTOCK/CRSTRBRT

By Matt de Prez

Fleet operators and company car drivers face delays of more than one year for certain new car and van models, while others are being delivered with missing features, as the global semiconductor shortage worsens.

And some automotive industry executives do not see the problem ending any time soon. One is predicting the disruption could last until 2023.

Speaking at the IAA Munich auto show earlier this month (September 7-12), Daimler CEO Ola Kallenius said soaring demand for semiconductors means the auto industry could struggle to source enough of them throughout next year and into 2023, though the shortage should be less severe by then.

The carmaker has cut its annual sales forecast for its car division, projecting deliveries will be roughly in line with 2020, rather than up significantly.

BMW CEO Oliver Zipse said: "I expect that the general tightness of the supply chains will continue in the next six-to-12 months."

VW purchasing chief Murat Aksel said: "We hope for a gradual recovery by the end of the year."

But he warned that semiconductor supply will remain "very volatile" in the third quarter.

He believes the automotive industry will require 10% more production capacity for chips.

AND THE GLOOMY NEWS DOESN'T END THERE

Of course, it's not just the carmakers who are affected.

The ongoing disruption is causing havoc for leasing companies and creating an unprecedented level of demand in the used car market, pushing residual values to record highs, as fewer vehicles are defleeted.

Manufacturers are being forced to close factories temporarily, while others face cost increases as the price of the much-needed chips soars to more than 30 times higher than before.

Critics are predicting the crisis will have a greater impact on automotive than the coronavirus pandemic.

Almost 95% of fleets responding to a *Fleet News* poll said they were experiencing vehicle delays.

Fleets are being urged to sit tight and continue to place orders for new vehicles, while also being warned that existing models may have to remain on the road for in excess of an extra 12 months.

Matthew Walters, head of consultancy services at LeasePlan, said: "The impact on fleet is pretty severe. Last year, we saw a number of formal extensions for companies during the worst of Covid-19 where vehicles couldn't be delivered and where vehicles couldn't be collected. These vehicles needed to be extended outside their primary contract term.

"Now we're in a situation moving into next year where, as an industry, we are likely to see an extension programme again.

"I think it's a similar period of activity with our customers now, to help them understand what it means for their current order bank, when their orders will be delivered and what that means for their replacement cycles.

"The customer still needs to place orders for vehicles to get themselves in the queue and we are working with them and being open and frank as to when those vehicles are going to be delivered."

The effects of the supply crisis hit new vehicle registrations hard in August, with new car sales down by 22% – the worst performance for the month since 2013.

While August is traditionally one of the quietest months of the year for new car registrations, ahead of the plate-change in September, last month's registrations were down 7.6% on a 10-year average.

Total registrations in 2021 are 25.3% below the 10-year average for the period January-August, according to the Society of Motor Manufacturers and Traders (SMMT).

CONTRACT EXTENSIONS BECOMING MORE COMMON

At a recent Fleet200 meeting, a group of fleet managers responsible for some of the largest fleets in the country said leasing firms were being flexible in allowing them to extend contracts where necessary. But they highlighted that some company car drivers are facing the prospect of paying increased benefit-in-kind (BIK) tax bills while they wait for electric and plug-in hybrid models.

Sue McGuigan, fleet manager at Eric Wright Group, said: "Drivers switching into electric vehicles (EVs) were expecting a reduction in BIK. It's a bit upsetting for them as they're now facing extra costs for the next few months. But, there's nothing we can do about it."

Iron Mountain head of logistics support Rory Morgan added: "There has to be some realisation that this is how it is at the moment. It's not just semiconductors, it's steel and other raw materials that are affected across the board."

Nick Hardy, sales and marketing manager at FN50 leasing firm Ogilvie Fleet, said the company has more vehicles on extended contracts than ever before.

"We are having to work even more closely with clients with regard to their policies to take into account the increasing capital cost of vehicles and, therefore, rental increases, given the rebalancing in supply and demand factors," he said.

"Those clients who are embracing lower mileage contracts, as a result of new remote working practices, and at the same time adopting an EV policy, taking advantage of the lower total operating costs, are all winning the battle right now."

LEAD TIMES EXTENDED TO 12 MONTHS

According to Hardy, most lead times for typical company cars and vans are now at six-nine months. Jaguar Land Rover (JLR) has warned leasing companies that lead times for 53 model variants are now in excess of one year.

The cars affected include versions of the Jaguar E-Pace, Land Rover Discovery, Land Rover Discovery Sport, Range Rover Evoque and Land Rover Defender.

"Although these can remain open for quoting and ordering on your systems if you choose, your supplying retailer will not be in a position to accept orders for these derivatives due to extended lead times," the carmaker said in a briefing note.

Mercedes-Benz has removed specification features from certain models "from late June produc-

> "THE CUSTOMER STILL NEEDS TO PLACE ORDERS FOR VEHICLES TO GET THEMSELVES IN THE QUEUE"
>
> MATTHEW WALTERS, LEASEPLAN

AFP URGES CAUTION OVER CARS WITH MISSING SPEC

The Association of Fleet Professionals (AFP) is warning operators to be wary of accepting vehicles with missing equipment, as some are being shipped without "non-core safety equipment" such as lane departure warning and rear parking sensors.

Paul Hollick, AFP chair, said: "Our view is that fleets should think carefully before buying these vehicles. From a risk management point of view, there is a moral and potentially also a legal issue in terms of operating some vehicles that are known to be potentially less safe than would normally be the case.

"Similarly, although safety equipment has not historically had a significant effect on vehicle residual values, the trade will know that these are 'decontented' cars and are likely to price them according in three or four years at disposal time. The impact on overall operating costs is difficult to assess."

tion and until further notice", to limit delivery time delays. The wireless charging of mobile phones, hands-free access to the boot (by kicking under the rear bumper), multibeam LED headlights and certain audio systems are among the features to disappear from the standard specification of certain cars, with AMG-line derivatives particularly affected.

Toyota, meanwhile, announced a 40% cut in worldwide production in September. It had planned to produce almost 900,000 cars this month, but has now said that figure will be reduced to 540,000 units.

Numerous Ford models are affected, including the best-selling Fiesta. Production of the supermini was halted from May to mid-July, with further disruption experienced last month.

Ford's plant in Turkey, where the Transit van is built, was also closed this summer. The manufacturer is now shipping some models with missing features, such as sat-nav. It is expected that retrofits will be offered at a later date.

Ford fleet director Neil Wilson said: "I think the issue will be around for a while – probably until Q1 next year. It will ease, but there will be challenges going forward and we have to be good at reacting to those challenges.

"Lead times are different dependent on model; some LCVs are into next year if you order now."

Walters said the key to managing the crisis is to remain open and transparent: "Manufacturers are being as open as they can be and we are being as open as we can regarding what this means to our customers. The problem is going to be with us for a while and all we can do is work with our customers and our supply chain to keep those fleets on the road."

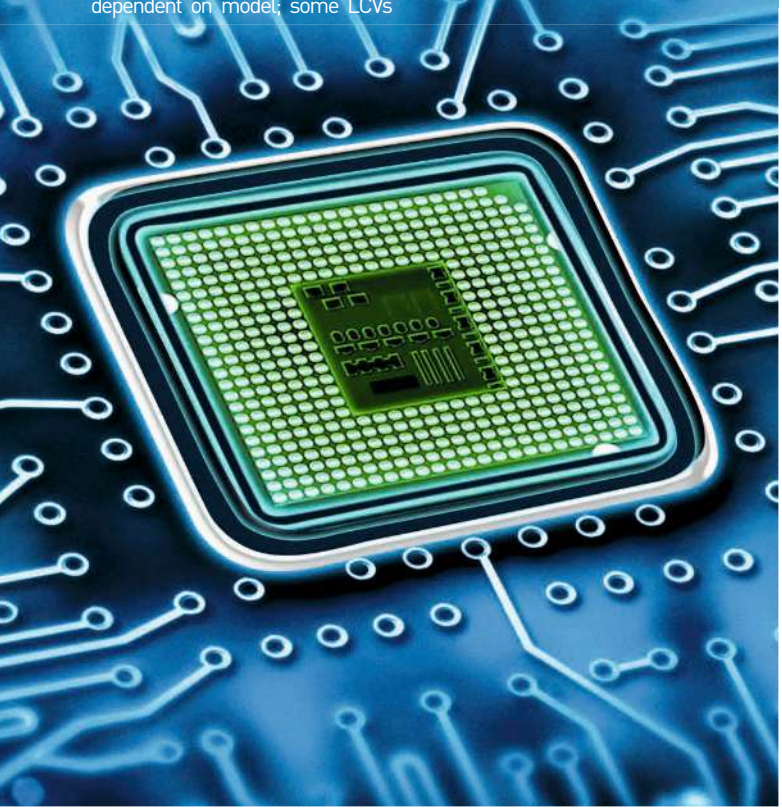
RELIANCE ON CHIPS INCREASING

In recent years, cars have become increasingly dependent on chips, with the average model now requiring around 1,000. But car makers have been pushed to the back of the queue by technology and telecoms companies, which need more advanced and expensive chips that are more lucrative for semiconductor makers.

Many companies cut orders for semiconductors last year – believing the pandemic would negatively impact demand – which led suppliers to reduce capacity.

The opposite was true, however.

Global demand for semiconductors grew by around 15% last year and, with global manufacturing taking place at a handful of factories, a fire at a semiconductor plant in Japan and power outages in Texas, due to storms, exacerbated the problem.



What is long-term impact of the microchip shortage in auto industry?

BY PEDRO PACHECO, SENIOR RESEARCH DIRECTOR, GARTNER

The microchip shortage has brought several inevitable consequences, most of which will be difficult, if not impossible, to solve in the short term.

This shortage is a huge obstacle for the automotive industry and lessons from this ordeal will reverberate across automotive for years to come.

These long-term effects are also greatly influenced by the state of flux the industry is experiencing. As car companies are embracing technology and software in-house capabilities in response to the ongoing CASE (connected, autonomous, shared and electric) transformation, the sector is clearly navigating through a period of disruption.

Overall, given the chip shortage, automakers are increasingly compelled to learn from the current situation to adapt and tackle the future in a more efficient manner.

At present, chip makers are traditionally tier three or tier four suppliers to automakers, which means it usually takes some time before they adapt to the changes affecting demand.

As such, the automotive sector is looking to build a more connected supply chain ecosystem to boost efficiency at several levels and, in addition, minimise the consequences of future disruptions. This means original equipment manufacturers (OEMs) are taking matters into their own hands rather than depending almost entirely on tier one suppliers – a challenge that will take years to tackle.

Before the pandemic, many auto companies already had started strengthening internal software development to have more control of the software that is incorporated into their products, as this will become the main driver for future profit.

This move is triggered by the industry's drive to embrace the concept of software-defined vehicle, whereby vehicle features are defined or redefined by software updates and hardware should be driven by software. This need adds to the learnings from the microchip crisis, which is pushing automakers to build more control over their hardware and its requirements so it doesn't compromise software monetisation across a vehicle's lifetime.

Unfortunately, having OEMs build their own chips would be implausible due to their exceptionally low values in comparison with the wider market. It is very likely that some automakers will look into designing their own microchips regardless, customising them to best suit their needs. A great case study for this is Tesla, which has designed the microchip for its Full Self Drive system.

Moreover, automakers may also begin securing microchip production capacity. As they established more direct relationships with microchip makers (bypassing supplier layers), OEMs will be able to secure microchip production capacity and have a tighter control of the manufacturing requirements. It's likely OEMs will start this new type of relationship with chipmakers with the most important chips. Giving the critical importance of certain chips, automakers will focus efforts to build the greatest possible competitive advantage in these.

In summary, disruptive changes rarely occur due to a single reason. The microchip shortage lessons will force automakers to go even farther with their plans to become tech companies.

MD predicts another bumpy year, but business ready to meet the challenge

Car hire boss enthusiastic as UK fleet takes big strides towards its fully connected goal

By Gareth Roberts

Europcar expects to have its UK fleet fully connected by the end of the year, with around 75% of vehicles already fitted with telematics devices.

It puts the UK ahead of schedule to meet the wider group aim of connecting its global fleet by 2023, announced last year.

"That's going to allow us to manage our fleet more efficiently and effectively," said Ron Santiago, managing director of Europcar Mobility UK.

"Being able to know whether a car is ready, before you go out to collect it, is going to save us so much time and energy."

Europcar signed a deal with Geotab and Telefonica, last year, to connect its global fleet by 2023.

The real-time telematics monitoring of cars and vans will provide it with access to engine data, driving behaviour and GPS location, delivering insights into distances travelled, vehicle mileages and fuel levels.

Europcar says this will help it to improve the customer experience through enhanced vehicle delivery and collection, as well as optimising internal processes such as fleet inventory management and vehicle maintenance.

ISTOCK.COM/3ALEXD

> IT'S THE MOST EXCITING THING I'VE SEEN IN CAR RENTAL IN THE PAST 34 YEARS
>
> **RON SANTIAGO, EUROPCAR UK**

It has also helped trace stolen vehicles, with up to 15 cars recovered, which Santiago believes would have been lost for good in the past.

He told *Fleet News:* "It's the most exciting thing I've seen in car rental in the past 34 years.

"There's customer benefits, there's cost benefits, there's logistics benefits; there's a full realm of possibilities."

BUSINESS GROWTH DURING PANDEMIC

Santiago, who has a car rental career spanning 30-plus years, three continents and nine countries, joined the UK business in November 2020, following 12 years as managing director of Europcar Mobility Group Australia and New Zealand.

He replaced Gary Smith who was appointed managing director for Europcar Mobility Group Northern Europe and US Region.

Joining the business in the midst of a global pandemic has had its challenges, but Santiago paid tribute to the way staff have adapted. "The team, before I arrived and since, have done an amazing job of handling all of the uncertainty in the market," he said.

During the pandemic, its well-established delivery and collection model, which included a recently launched app, has stood it in good stead, while its corporate business has grown beyond pre-pandemic levels, said the company.

"It's all about leisure and inbound," explained Santiago. "When are the airports going to get back even close to the levels of 2019 in terms of passenger traffic? Some people say '23 or '24. I'm in the 2025 camp.

"But our overall business – our revenues, our fleet sizes – we'll get back to 2019 levels faster than that, because we've grown other sectors of our book of business."

In the UK, Europcar operates more than 30,000 cars and 10,000 vans. Its car fleet was 25% higher in 2019, while its van fleet has grown over the past two years.

Cars will be replaced anywhere between four-to-six months to 36 months. However, Santiago says the replacement cycle has increased due to longer lead times as a result of the semiconductor shortage.

In terms of next year, Santiago says he is "reasonably optimistic", but he's not expecting it to be a "smooth year".

"We're going to have to be ready for lots of surprises," but he said: "I think we're in very good shape to meet any challenges we could face next year."

VW GROUP MAKES TAKEOVER BID

VW Group, as part of a consortium with Attestor and Pon Holdings, has launched a $3.4 billion (£2.4bn) bid for Europcar.

The vehicle rental company, which has more than 3,500 sites across 140-plus countries and a fleet in excess of 350,000 vehicles, serving five million-plus customers per year, has committed to accept the proposed offer price of €0.5 per share.

Volkswagen Group CEO Herbert Diess says the mobility market is "changing rapidly" as customers demand new and innovative on-demand mobility solutions, such as subscription and sharing models to complement car ownership.

"Europcar provides advanced fleet management capabilities as well as a broad network of stations at major airports, railway stations and city locations and will help accelerate Volkswagen's delivery of its ambitious mobility services targets," he said.

"We will support the development and transformation of Europcar's business and selectively add further services from VW Group brands."

Alexandre de Juniac, chairman of the board of directors at Europcar Mobilty Group, welcomed the offer.

"Their forces, combined with Europcar Mobility Group's assets and strategic roadmap, could leverage unique growth opportunities in mobility," he said.

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‘Glow yellow’ marker has helped to halve thefts of catalytic convertors

Goldiron operation led to recovery of more than 1,000 stolen components in one month

By Gareth Roberts

Police are appealing to fleet workshops, garages and MOT test centres to support a new initiative targeting the theft of catalytic converters and other components.

The SmartWater Group, which is spearheading the new, police-backed scheme, wants them to become accredited registration hubs, after the unique identifier proved to be a deterrent.

In a recent SmartWater trial with the National Infrastructure Crime Reduction Partnership (NICRP) and the British Transport Police (BTP), thefts of catalytic converters more than halved.

Thefts peaked in March, when 3,245 catalytic converters were stolen, but they have been declining since, with 1,378 recorded in July – a 57% fall.

Key to that decrease was a joint operation codenamed Goldiron, which recovered more than 1,000 stolen catalytic converters in April.

The operation, which was coordinated by the British Transport Police (BTP) and involved experts from SmartWater’s intelligence unit, the Centre for Infrastructure and Asset Protection (CIAP), also resulted in more than 50 arrests.

Over a five-day period, officers and partner agencies visited 926 sites, stopped 664 vehicles, recovered 1,037 stolen catalytic converters and 297 items of stolen property and identified 244 offences.

> “IT MAKES STOLEN PARTS TOO HOT TO HANDLE”
>
> **RACHAEL OAKLEY, CENTRE FOR INFRASTRUCTURE AND ASSET PROTECTION**

The tracing solution can be applied by brush in a matter of minutes

57%
fall in thefts of catalytic converters

Rachael Oakley, director at CIAP, says SmartWater is a “highly-proven deterrent to criminals and rogue scrap metal dealers as it makes stolen parts too hot to handle”.

The heat-resistant solution, which is invisible to the naked eye but glows yellow under UV light, leaves a long lasting and unique identifier.

Oakley explained: “The combination of the materials that is put into the solution makes each individual vial unique.

“The registration of this bottle is what’s key. Every item marked with SmartWater is registered on our database.”

NATIONAL DATABASE

It can be applied by brush in 10 minutes and only a fragment of SmartWater is required to link it to a specific vehicle on the ‘National Asset Database’, which is operated by CIAP on behalf of the police.

NICRP lead and BTP Superintendent, Mark Cleland, said: “Thanks to the support of the Home Office in creating the NICRP, our joint working with SmartWater and other industry partners, and the drive by enforcement partners across the UK, we have made a real impact in tackling metal and catalytic converter crime.

“While arrests continue to be made, it is the preventative approach through the forensic marking of catalytic converters that gives motorists the opportunity to protect their property and stop the crime in the first place.”

Catalytic converters have been targeted because they contain a honeycomb coated with precious metals such as platinum, palladium and rhodium which help to filter harmful gases from the vehicles’ exhaust systems.

The RAC says that when the global value of these metals increases it usually leads to a spike in thefts. Prices of rhodium hit a record high earlier this year, up more than 200% since March 2020.

In an effort to deter criminals from targeting Toyota’s cars, the carmaker joined forces with police and SmartWater earlier this year to covertly mark the catalytic converters on more than 100,000 cars (fleetnews.co.uk, May 14).

The initiative is costing Toyota more than £1 million and will be provided to existing owners for free.

Oakley, who met the Society of Motor Manufacturers and Traders (SMMT) with the British Transport Police to discuss the initiative, believes other manufacturers are watching with interest.

OTHER APPLICATIONS

She also told *Fleet News* that, while catalytic converters were a focus, the forensic marking could be applied to other high-value vehicle components, which could be targeted by criminal gangs.

She explained: “We can basically react to where there might be a crime spike or a trend and if fleets are asking us to help with solutions, we can look at what we can do to make sure SmartWater can assist with that.

“Criminals will move quickly; the prices of precious metals will start to come down and they’ll move on to something else.

“What we’re seeing is that’s likely to be something like hybrid batteries or electric vehicle cables.

“We’d like to get ahead of the game by putting in the preventive measures to stop these crimes becoming the issue that catalytic converter crime has become.”

To find out more about becoming an accredited registration hub, visit www.smartwater.com/join.

Marshall Leasing looks for growth, but not at risk of service standards

Personalised and flexible customer service remains critical, says new MD Greg McDowell

By Stephen Briers

New Marshall Leasing managing director Greg McDowell has pledged to continue the business ethos of predecessor Peter Cakebread, while steering the business through a sustained period of growth.

Cakebread, a multiple Fleet News Award winner and a member of the Hall of Fame, was widely recognised for his commitment to service standards, putting the customer at the heart of the business while looking after his staff.

It was, says McDowell, one of the reasons why Bank of Ireland bought the business in 2017, paying £42.5 million to Marshall Motor Holdings plc.

OBVIOUS CANDIDATE

McDowell was part of the acquisition team and supported the management through the integration period, making him the obvious candidate to take over when Cakebread retired in April after 30 years at the helm.

"We have long service among our colleagues and that enables the creation of a strong culture and understanding of personalised and flexible customer service," said McDowell. "Now we have the ambition to grow."

Seen as a non-core part of Marshall, the leasing division was not an investment priority. Consequently, it spent much of the previous decade with a risk fleet bumping around the 6,000-vehicle mark.

Now, with the bank's support, it has added almost 3,000 vehicles in the past three years alone, taking it close to 9,000, with around 500 customers, entirely through organic business wins and deeper penetration among existing customers.

"Last year, we retreated from the high 8,000s to the low 8,000s and now we are back to where we were pre-Covid," McDowell said.

"We now have aspirations for further growth, but we can't lose that personalised and flexible approach. We have to scale the business while maintaining that service level – that's both the challenge and the opportunity."

While reluctant to share numbers, McDowell is eyeing a rise from last year's 22nd placing in the FN50. "Moving up a number of places will be important," he added.

Light commercial vehicles present an obviously target. Pre-acquisition, vans accounted for just 15% of Marshall's risk fleet; today that has risen to 35% and McDowell anticipates further richening of the mix.

Marshall has also enjoyed success in the bodyshop sector and the school mini-bus market, growing from a standing start to 400 units in less than four years

"We have solus relationships with many of our top 15-20 customers, but with some we have joint or multi-supply arrangements," said McDowell. "Increasing our penetration with them, and also the customers that we have on-boarded where Covid paused their ordering activity, gives us a good opportunity within our existing customer base.

"We are now seeing a return to ordering in the past four or five months as customers play catch-up. Demand is strong for LCVs as well as hybrid and electric, but demand for petrol and diesel is falling."

> "DEMAND IS STRONG FOR LCVs AS WELL AS HYBRID AND ELECTRIC, BUT DEMAND FOR PETROL AND DIESEL IS FALLING"
>
> **GREG McDOWELL, MARSHALL LEASING**

Greg McDowell was part of the team involved in Bank of Ireland's acquisition of Marshall Leasing

McDowell believes changes to travel patterns, with people working from home and generally driving fewer miles, could result in rephasing of contract terms for cars.

"It is not unreasonable to expect slightly longer terms and less contracted mileage," he said.

SUPPLY ISSUES

An immediate priority is working with customers to mitigate supply issues caused by the global semiconductor and component shortages. McDowell predicts shortages will continue "well into next year" and is encouraging fleets to plan their renewals as early as possible, adding: "Any deferral in orders could see a much longer delay in supply."

Bank ownership is already offering Marshall Leasing benefits.

It not only weathered the storm of Covid-19 but was able to offer support to its customers through rental breaks to help their survival.

McDowell now expects to utilise cross-sell opportunities with corporate banking customers at both Bank of Ireland and its subsidiary Northridge Finance, while development work is underway on new products and services to plug the gaps in the Marshall portfolio.

Further announcements will be made later this year.

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Its product line-ups are evolving rapidly, which allows business partners to benefit from a wide range of solutions and services, and develop their activity to be at the forefront of future mobility.

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FREE2 MOVE

Three reasons why Free2Move is the complete mobility provider

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With Lease, Rent and Connect Fleet services, Free2Move offers mobility solutions with award-winning products and industry-leading services. Its offering is unique in many ways, which is why companies such as Octopus Energy choose it, particularly to transition their fleet to electric.

"Our solutions are adapted for small and larger companies to provide them with flexibility"

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Free2Move Lease commercial director Shane Coomber

"Free2Move offers mobility solutions with award-winning products and industry-leading services"

Free2MoveUK managing director Mark Blundell

business' corporate social responsibility (CSR) goals.

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Free2Move is committed to help fleet decision-makers optimise your mobility costs within your company.

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"Free2Move Connect Fleet is a standalone service and can be integrated within your contract, so you only make one monthly payment for both your vehicle and your telematics solution. It's an online platform so you can receive the reports on your smartphone, tablet or laptop."

Three Connect Fleet packs are available to choose from, dependent on your needs:

The "Fleet Management" pack analyses your vehicle usage and fuel consumption, so you gain additional understanding of your vehicles and save on admin tasks such as gathering mileage, fuel and usage directly. It also enables you to get SMR alerts in real time, to help you keep your vehicles in optimum health.

The second pack, "Eco-driving" includes supplementary analysis, such as driver behaviour, to provide customised eco-driving advice. Analysing driving-styles it enables you to reduce fuel costs but also to reduce accident-related downtime and promote safer driving.

It can also assist with duty of care responsibilities and risk reduction.

The third pack, "Geolocation" adds vehicle tracking and geo-fencing notifications. This means the location data of your vehicles can be accessed at any point, activity and trip scheduling is made easier, and non-essential use can be minimised.

In addition to the telematics offers and support that Free2Move provides to its customers, the mobility provider recently launched "PHEV Connect". This new solution enables you to improve your experience of managing your plug-in hybrid vehicles. PHEV Connect is a dashboard solution, providing the relevant usage, charge behaviour and consumption data, enabling you to monitor and unleash the full plug-in hybrid potential, while decreasing your global total cost of ownership (TCO). Free2Move offers this service free during the first year.

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To meet your business needs, Free2Move has developed a rental service. This short-term rental platform enables you to rent a vehicle from one day to one month, with a 100% digital experience. It covers all your needs; for example when a temporary worker joins your team and needs a vehicle quickly, or where you're experiencing a peak in activity and need a temporary vehicle while awaiting a lease vehicle to be delivered.

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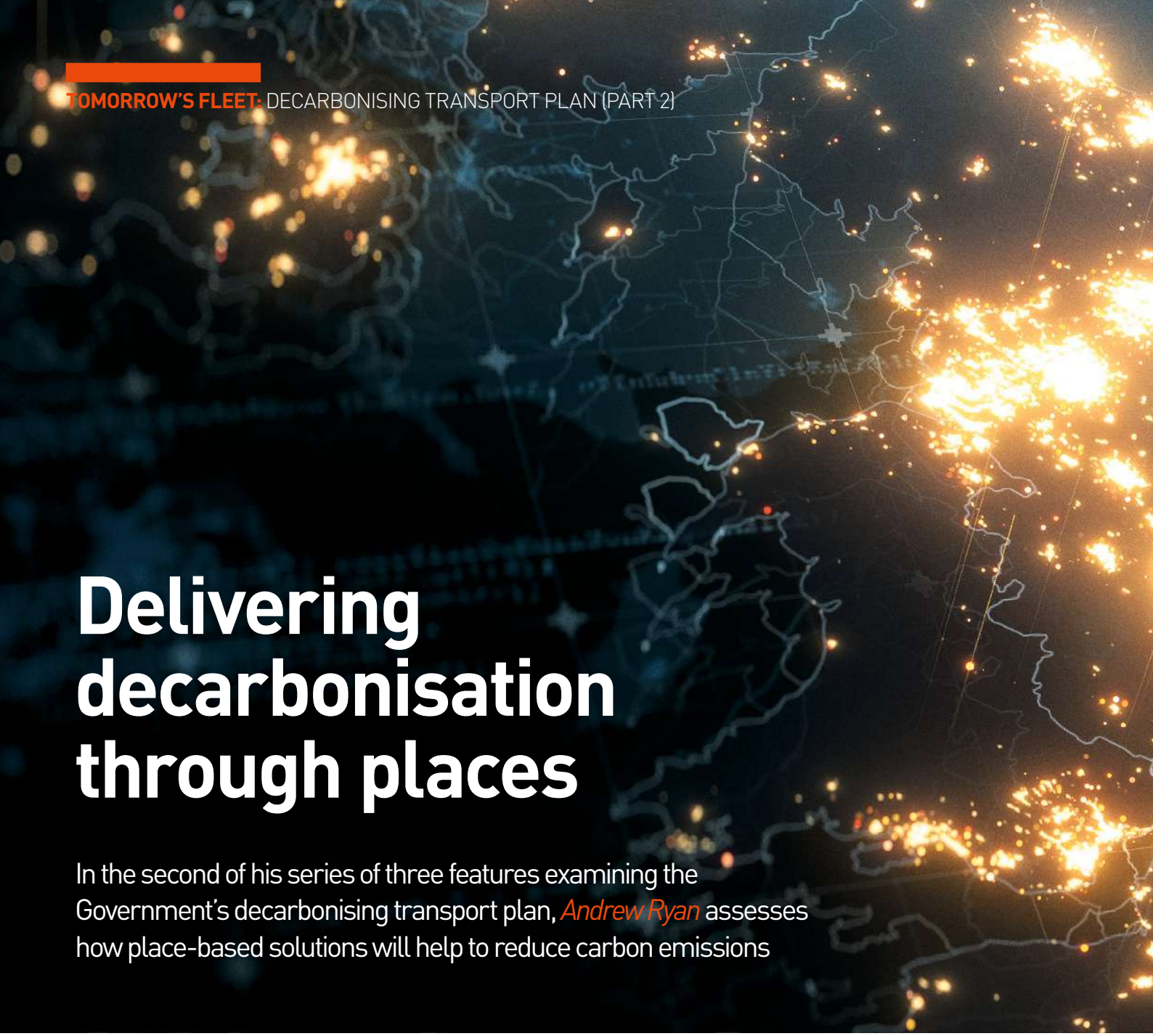

Delivering decarbonisation through places

In the second of his series of three features examining the Government's decarbonising transport plan, *Andrew Ryan* assesses how place-based solutions will help to reduce carbon emissions

There is no doubt that vehicle technology will have the biggest part to play in the Government's ambitions to decarbonise transport. Without zero-emission vehicles, the only emission-free way of getting about would be to walk or cycle everywhere.

But there is also plenty each town, city and area of the UK can do to encourage, accelerate and facilitate the transition.

This may be through encouraging a change in behaviours though measures such as introducing ultra-low emission zones (ULEZs), building mobility hubs or changing planning rules to ensure new developments are designed in a way that promotes sustainable travel choices.

These are among the actions outlined in the delivering decarbonisation through places section of the Government's decarbonising transport plan (DTP), which sets out a path towards a zero-emission transport system.

"We have already seen many improvements that a place-based approach can achieve," says the report.

"These include reducing congestion in areas where it is a barrier to productivity, bringing extra capacity to greener public transport, improving health and wellbeing by making places more pleasant to live and work in, and supporting jobs to deliver our future transport needs. With strong local leadership and ambition, these benefits will be felt by everyone, everywhere."

The Government says it will continue to support such an approach through policy, regulation and guidance, and by encouraging strategic co-ordination and sharing of best practice across authority boundaries.

CHARGING ZONES

In some areas, local authorities have decided that charging schemes can provide a fair and efficient mechanism for reducing congestion and emissions while also raising additional funding to support greener public transport.

Potential schemes which can be implemented include congestion charges, ULEZs and clean air zones (CAZs).

London operates a congestion charge, low emission zone (LEZ) and ULEZ and spends the income on improving transport in line with the Mayor's transport strategy.

The DTP report says that, although it has been difficult to distinguish between the impacts of the Covid-19 pandemic and the ULEZ, the Greater London Authority in January 2020 said the ULEZ had a "significant impact" on air quality after the first 10 months of operation.

It also observed an increase in the rate above the normal churn at which older vehicles were being replaced.

Other cities which currently have CAZs are Bath and Birmingham, while Portsmouth will launch its scheme late this year.

Manchester and Bristol are also due to introduce them next year.

Bath introduced the first charging CAZ when its scheme launched in March. This sees non-compliant vans, taxis and minibuses charged £9, while non-compliant trucks, lorries, coaches and buses face a daily fee of £100. Private cars and motorbikes are not charged.

Bath and North East Somerset Council says

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there are early signs the zone is having its intended effect with the number of non-compliant vehicles entering the city reducing.

Between 30,000 and 40,000 individual vehicles enter every day, and in the first three months of operation 54,000 charges were paid, while 28,000 fines were issued to drivers who did not pay within six days.

"While the total number of vehicles is going up, the total number of chargeable vehicles is going down, which indicates some emerging trends of behaviour change," says Cath Brown, who is zone manager for Bath and North East Somerset Council.

"Older diesel light goods vehicles represent the largest category of non-compliant chargeable vehicles coming into the zone.

"These are the vehicles that are having a disproportionate impact on air quality."

Some residents, however, have complained the charges have meant that lorries have simply changed their routes to avoid the zone, creating rat runs.

ZERO TRANSPORT-EMISSION CITY

The Government has also pledged to create one zero transport-emission city and says it will shortly set out further details of how it intends to work with at least one small- or medium-sized city to achieve this.

It also says it will create four "world-leading Industrial SuperPlaces" in areas such as the north-east, the Humber, north-west, Scotland and Wales, that will unite clean industry with transport and power.

These will see the Government invest up to £1 billion to establish carbon capture, usage and storage (CCUS) industries in these areas, with the ambition of capturing 10Mt of carbon dioxide a year by 2030, the equivalent of four million cars' worth of annual emissions.

CCUS technology captures CO_2 from power generation, low carbon hydrogen production and industrial processes, storing it deep underground where it cannot enter the atmosphere. In the Government's proposals, this will be under the seabed in the North Sea.

"We will establish CCUS in two industrial

> "WHILE THE TOTAL NUMBER OF VEHICLES IS GOING UP, THE TOTAL NUMBER OF CHARGEABLE VEHICLES IS GOING DOWN"
>
> **CATH BROWN, BATH AND NORTH EAST SOMERSET COUNCIL**

COVENTRY LOOKS DOWN VERY LIGHT RAIL LINE

Coventry City Council has committed to reducing its emissions and driving a shift toward a low carbon economy.

Transport forms an important part of its plans and it is collaborating with WMG at the University of Warwick, Transport for West Midlands and Dudley Metropolitan Council to develop Very Light Rail (VLR) technology, with the aim of creating a reliable, frequent, environmentally friendly, battery-driven transport system that will work in small- to medium-sized towns and cities at a fraction of the cost of a traditional tram.

The vehicle will operate autonomously and run on a lightweight track which is laid closer to the surface than conventional tram track, making it much cheaper to install.

The first VLR route will link Coventry's train station, city centre and University Hospital, and the council aims to have a section operational by late 2025.

It is expected the VLR system will be commercially available to other towns and cities across the UK.

Coventry City Council is also looking at last-mile solutions such as electric scooters and the creation of mini transport hubs to link in with VLR.

The city is also receiving £50 million from the Department of Transport to fund 297 fully-electric buses by 2025, meaning it would be the first city in the UK to host all electric buses.

As well as funding for new vehicles, the grant will also cover investment in wider infrastructure such as charging points and upgrades to the electricity grid.

The £50m will be supported by a further £78m from local bus operators into the new electric buses, charging facilities and associated power upgrades.

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clusters by mid-2020s and aim for four of these sites by 2030," says the report.

LOCAL TRANSPORT INVESTMENT

The Government is pledging to support decarbonisation by investing more than £12bn in local transport systems over the current Parliament.

This will, it says, enable local authorities to invest in local priorities including those related to reducing congestion and improving air quality.

The Government will also use the levers of planning processes and legislation to speed up the move into zero carbon transport.

"The planning system has an important role to play in encouraging development that promotes a shift towards sustainable transport networks and the achievement of net zero transport systems," says the decarbonising transport plan.

It says where developments are located, how they are designed and how well public transport services are integrated have a huge impact on whether people's natural first choice for short journeys is on foot or by cycle, by public transport or by private car.

"We need to move away from transport planning based on predicting future demand to provide capacity, to planning that sets an outcome communities want to achieve and provides the transport solutions to deliver those outcomes," it says.

Changes to the Local Transport Plans, which are existing statutory requirements that set out holistic place-based strategies for improving transport networks, proposed projects for investment and, ultimately, lay out how key objectives will be achieved, will also be made.

These will also need to set out how local areas will deliver quantifiable carbon reductions in transport, taking into account the differing transport requirements of different areas.

The Government will also make it a condition for local areas to demonstrate how they will reduce emissions through transport investments when considering future local transport funding.

Transport decarbonisation principles will also be embedded across spatial planning and transport policymaking.

LOCAL AUTHORITY TOOLKIT

The Government will also publish a 'local authority toolkit' later this year, providing guidance to support local areas to deliver more sustainable transport measures.

The plan says by February this year, more than 70% of local authorities had declared the urgent need to act on the causes and impacts of climate change, and this toolkit will help them build business cases, develop sustainable transport policies, secure funding and deliver measures.

Its contents have not yet been finalised, but could include changing behaviours through promoting zero emission car clubs, encouraging car- and ride-sharing, best practice implementation of mobility hubs and the introduction of transport hubs.

Offering advice schemes such as congestion charging and emissions zones is also being considered, as is guidance on the decarbonisation of local authority-run own fleets.

FIVE EXAMPLES OF PLACE-BASED SOLUTIONS TO DECARBONISING TRANSPORT

1. PLYMOUTH

Plans are being drawn up for a network of up to 50 mobility hubs across the city to encourage the use of electric bikes and cars, including in the most deprived neighbourhoods.

2. TEES VALLEY

The Tees Valley Combined Authority, in partnership with Ginger, was the first pilot region to test the rental of e-scooters as a zero-emission alternative to conventional public transport for shorter trips.

3. LONDON

Since the world's first ultra-low emission zone was launched in London in 2019, it has had a significant impact on reducing the number of older, more polluting vehicles that enter London's central zone.

4. GREATER MANCHESTER

The Government has committed almost £16 million of funding to Greater Manchester, enabling a further 24 miles of cycling and walking routes in addition to the 55 miles that will be created by December 2021.

5. WALES

Transport for Wales is expanding its demand responsive 'fflecsi' bus service operating in north-west Pembrokeshire.

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SPONSOR PROFILE

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With City Auction Group we provide corporate clients with a dedicated multichannel auction programme which includes e-auction, live lane, timed online and buy now options.

Purple Rock strengthens our product line by offering supporting services including nationwide logistics, vehicle delivery hubs, tactical repair, inspection and compound storage services.

Many clients choose a combination of both which results in a holistic approach whereby our management team oversees each sector with City Auction Group providing the end-game sale result.

CITY AUCTION GROUP

City Auction Group opens UK's largest re-marketing centre

Belfast-based City Auction Group (CAG) has opened the UK's largest automotive logistics and re-marketing centre in eastern England city of Peterborough.

Based at the East of England Showground on the outskirts of the city, it's well located for customers travelling from all over the country and has the ability to handle up to 500 vehicles per sale on its extensive site.

CAG chief executive Michael Tomalin takes up the story. "As a company, we've been based for many years at our Carryduff site just outside Belfast, but we opened a highly successful centre at the old Rockingham Speedway complex, not far from Peterborough, a number of years ago," he said.

"Rockingham helped to establish the City Auction Group brand name in the GB marketplace, but we needed certainty over our lease there going forward which just wasn't possible so we decided to make a clean break and relocate.

"The new centre at the East of England Showground is perfect for our needs. At 50,000 square feet, the centre represents the biggest of its kind anywhere in the country, and the wider complex also offers plenty of car parking, vehicle storage and easy access to the English motorway network."

It represents a significant investment by the City Auction Group which has also been busy re-structuring during the pandemic. A couple of non-executive directors have parted company on an amicable basis, leaving a four-strong board of directors to guide the fortunes of the fast-growing automotive re-marketing group.

Management team

Tomalin works alongside the founder of the original company, Carryduff Auctions, Raymond Hill in the chairman's role, as well as financial director Helena O'Neill and group sales director David Scott.

It's a group that now extends from its Carryduff headquarters and auction centre out to a second Northern Ireland base at Omagh in County Tyrone and over to the new Peterborough centre and a network of smaller depots dotted around England, Scotland and Wales. CAG also owns Purple Rock Logistics, a specialist vehicle transport company.

The new re-marketing centre at Peterborough ranks as a state-of-the-art facility in the industry, not just because of its

physical scale and the number of vehicles it can process, but also because of the technology and facilities on offer to customers buying or selling vehicles – cars, motorcycles and light commercials included.

The complex includes a busy vehicle preparation facility and NAMA (National Association of Motor Auctions) graded inspections carried out on vehicles. The centre also has market-leading scanning and photography technology.

"As we do here in Carryduff, we operate live auctions throughout the week at Peterborough. So our customers can come along to touch, see and feel the vehicles before they bid for them at auction. It's how most of them still prefer to do it. But we also offer full online access to every auction that we hold.

"You can come along and be part of the action, or you can bid for cars on your phone while relaxing at home. It's up to you," he smiles.

For Tomalin, the opening of the new Peterborough centre is of special significance. He's a native of the Cambridgeshire city, and started his career there before setting in Northern Ireland.

Speedway link

Along with members of his family, he used to attend speedway fixtures at the East of England Showground.

Bringing things full circle, CAG is now one of the main sponsors of the Peterborough Panthers speedway team.

The vehicle auction, or re-marketing business is on something of a high at the moment, partly due to the current delays in the pipeline for new vehicles.

"The only thing holding us all back at the moment is a bit of a shortage of vehicles coming through for auction. But, as the net effects of the pandemic start to pan out, I think we'll see a lot more coming through.

"We're geared up and ready to be even busier both over in Peterborough and here in Northern Ireland."

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GET SMART

Using artificial intelligence in electric vehicle charge points is seen as key in managing future energy demands. *Andrew Ryan* reports

Demands on the UK's electricity network are set to rocket as the country moves closer to the ambition of a net zero economy by 2050.

National Grid estimates overall electricity consumption in that year will be 890tWh, almost three times as high as 2020's figure of 304tWh.

Much of this will be down to the increased use of electricity in energy-consuming sectors such as industry and heating, but the electrification of the UK's road transport network will also have a significant impact.

National Grid expects EVs to account for more than 80tWh. "Questions will be raised about how they will be charged as the demand on the electricity supply grows," it says in its *2021 Future Energy Scenarios* report.

"Smart charging, where EV owners release some control on the best time to charge to third parties or automation based on price, will be an effective tool to support the local and national electricity networks."

The most basic form of smart charging allows the user to manually set the times a vehicle will be charged, allowing them to make savings by taking advantage of the time-of-use tariffs which feature lower electricity prices at times of high supply and low demand, such as at night between 1am and 5am.

Fleets which operate a back-to-base model where vehicles are plugged in at a depot can use this to stagger charging times to help avoid a costly electricity network upgrade that may be needed if all their EVs are charged at the same time.

"In some cases, the cost to electrify the site could be higher than the cost of the vehicles, making the transition commercially unviable," says Nicole Thompson, director of social innovation and head of co-creation partnerships for Hitachi Vantara.

The next step in smart charging is to use artificial intelligence so the chargers communicate with the electricity network to respond to changes in the level of supply, demand and cost.

For this, the user would specify the level of charge required and the time the vehicle is needed by, and the system would manage the flow of energy to the battery to ensure this happens.

Moixa is partner in a project which aims to show how AI can break down the barriers to electrification for fleets

SPONSOR'S COMMENT

By Nicola Austin, senior consultancy analyst at Zenith

What are the barriers stopping you from moving to a zero-emission fleet? The milestones of 2030, 2035 and 2040 set out in the Government's decarbonisation plan are fast approaching, especially when you consider the replacement cycles for some types of vehicles. If you've not yet set off on the road to a 100% zero-emission fleet, it's time to understand what your barriers are and how you'll overcome them.

Your fleet may include vehicle or driver segments that are currently unsuited to zero-emission fuel. To define a roadmap to transition these segments, work closely with your fleet partner to review your operating model.

There are often many ways to adapt your fleet to support your organisation's decarbonisation strategy and go from low to zero-emissions. Start by tracking your vehicle utilisation and challenging your existing business practices to identify the opportunities and what your business requirements are.

It's more important than ever to work with a fleet partner that can support a complete transition to zero-emissions. From policy to vehicles to the infrastructure which brings everything together, Zenith does more than simply help you make the switch. Our consultancy experts guide you through every fleet decision, drawing on their detailed knowledge of the evolving infrastructure, vehicle releases, and experience of developing bespoke transition roadmaps to support you every step of the way.

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GREATER FLEXIBILITY

"There is much more renewable energy coming on to the grid now and that's really good news for a whole host of reasons," says Ben Fletcher, associate director of EV at smart battery hardware and software company Moixa.

"It also means that having the flexibility where you can decide what vehicle is – and isn't – charging and work with the grid is super important in probably a way that hasn't been as important before, especially with the size of EV fleet that's coming.

"That's where the smartness comes in. There are electricity tariffs which are helping to support like Octopus Agile, which tracks the wholesale price of electricity.

"That's a ground-breaking tariff and is a fantastic tool that has the ability to change every half-hour, but you have to be on top of it and tracking what's going on as well as triangulating it back to when you actually need your vehicle to be ready by.

"The smartness will allow customers to make the most of these kinds of tariffs alongside the energy companies and the National Grid in the transition to more and more renewable energy."

Moixa is a partner in the EV Fleet-centred Local Energy System (EFLES) project, which aims to show how artificial intelligence (AI) can break down the barriers to electrification for fleet operators by maximising the cost and carbon savings from EVs.

Supported by the Government's Industrial Strategy Challenge Fund for Research and Innovation, other project partners are UK Power Networks, UPS and Cross River Partnership.

It builds on the Smart Electric Urban Logistics (SEUL) trial from 2017 to 2019 which saw Cross River Partnership, UPS and UK Power Networks develop charging technology at UPS's Camden depot to meet the challenge of charging an EV fleet without a costly upgrade of the local power network.

"We started off with EVs in London back in 2008 and had an expensive power upgrade, which could take us up to 63 EVs," says Claire Thompson-Sage, sustainable development co-ordinator at UPS.

"We reached that limit in 2017, so we worked with the SEUL project to develop smart grid technology to enable us to have a fully-electrified fleet in London, which we're aiming towards now.

"The (EFLES) project is built on looking at how we can optimise the power."

Thompson-Sage says that, as UPS charges its vehicles overnight, it uses very little power during the day and it will use the project to look at how it manages its energy systems, including on-site solar panels and static battery storage.

CAPITAL EXPENDITURE SAVINGS OF 70%

The SEUL project identified capital expenditure savings of around 70% through using a smart charging solution instead of upgrading the local electricity network.

ELFES takes this a step further and the integration of Moixa's GridShare platform will monitor and analyse a multitude of data sources at the depot including energy prices, power demand and weather forecasts to optimise charging for when energy is cleanest and cheapest, while also using on-site energy storage and solar power generation.

"SEUL was about managing capital costs, but what about operational costs?," asks Sefinat Otaru, ELFES project manager, Cross River Partnership.

"This was how this project came about and, once it wraps up next year, it's going to be very much about sharing the results and just helping other organisations that are interested make connections with the right people so that, hopefully, they will pick up the ball and keep it rolling."

Smart charging for fleets is also the subject of a number of other trials, such as the Fleet Connected Smart Charging (FCSM) project.

This is led by data science company Miralis Data, energy management company Envisij and EV charging firm Mina. It aims to produce a smart charging solution to optimise the electricity capacity of a site to enable fleets to transition to EVs quicker and more efficiently.

During the project, which has secured funding from the Office for Zero Emission Vehicles, Envisij will report real-time and projected site power capacity and site demand, while Miralis will devise a smart charging solution to optimise the remaining capacity, charging vehicles within cost and capacity parameters. The solution is expected in 2022.

The Government has also identified smart charging as having a key role to play and the Automated and Electric Vehicles Act 2018 gives it the powers through secondary legislation to mandate that all charge points sold or installed in the UK have smart functionality.

In 2019, it introduced the requirement that all Government-funded home EV charge points must use smart technology and it is now proposing that home and workplace chargers installed from May must be pre-programmed to switch off during peak hours (8-11am and 4-10pm) to ease pressure on the National Grid.

Owners and fleets will be able to override the pre-set times to take account of night workers and people who have different schedules.

SMART CHARGING NOT FOR ALL

While the number of smart chargers – both at homes and at businesses – are rapidly increasing, smart charging may not suit all drivers, says Fletcher, adding: "There will be some people who will take their vehicle home and they might be on 24-hour call, so they need to charge the vehicle as quickly as possible.

"For them, it's go home and put the vehicle on charge immediately because that person needs the confidence that if they are called out in the middle of the night, they'll be able to respond.

"Other drivers will have a much more

UPS charges vehicles overnight, meaning it avoids paying peak rates to charge its vans

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predictable duty cycle. They may get home at 6pm and leave at 7am the next day, giving a window of opportunity where the charging can be optimised against the relevant tariff to make sure that both work in terms of money and CO_2.

"That would benefit the fleet manager in terms of the costs that are being put in, but it's also benefiting the user because they're not thinking about any charging schedules."

National Grid's Future Energy Scenario also highlights the role vehicle-to-grid (V2G) – which enables battery electric vehicles (BEVs) to provide energy storage services to the electricity network – can play.

This allows users to plug their BEV in to charge and, potentially, sell any surplus electricity back to the local and national networks at peak times.

The Project Sciurus trial found the simulated annual revenue for a driver using V2G was £340 compared with using an unmanaged charger. In contrast, smart charging could capture £120 from tariff optimisation.

The initiative, which project partner Cenex says is the world's largest V2G trial, began in 2018 and has more than 320 V2G units installed in UK homes.

Participants are able to set their preferences for charging parameters and remain in control of when their vehicles are ready to use. They get paid a fixed rate for every kWh exported to the grid.

In its Project Sciurus White Paper, Cenex analysed the plug-in behaviour of users over a 12-month period, looking at different user-types, and found that, although domestic V2G propositions are suitable for a range of drivers, 'utility-style fleet vans' are among the prime candidates for the technology.

The low-carbon consultancy describes this category as small vans used to carry small volumes of tools and equipment between domestic appointments.

They are owned by a company, but kept by the driver and charged at home or on public networks.

However, Cenex points out the home the vehicle would be connected to would not be the property of the company and, therefore, is unlikely to support V2G activities with the vehicle at the premises unless there are financial or other benefits for the organisation.

V2G DRAWBACKS

While there are other benefits to a fleet opting to install V2G technology, for example the potential to preserve the health of a battery, there are also drawbacks.

Currently the cost of a V2G charging unit is around £4,000 to £6,000, which is significantly more than a smart charger.

Other trials are also taking place in the UK, such as Western Power Distribution's Electric Nation initiative, which features 100 Nissan EV owners in the Midlands, south-west England and South Wales.

Some industry figures are less convinced about the role V2G will play in the future of the wider charging ecosystem.

"The way I explain it to people is that smart charging gives you 90% of the benefits of V2G for 10% of the complexity," says Erik Fairbarn, founder and chief executive of Pod Point.

"For that reason, I don't think it's a very significant part of charging in most cases, but if you're talking about depots of buses or fleets of vehicles in a particular location, there are use cases there which I think it could make sense in.

"But if we're talking broadly across the charging ecosystem, it's probably one to keep an eye on but I wouldn't expect much to happen there in the short-term."

Fletcher adds: "The answer to the question 'will V2G work for me?' is 'it depends'. It depends on the type of fleet and the way the vehicles are used.

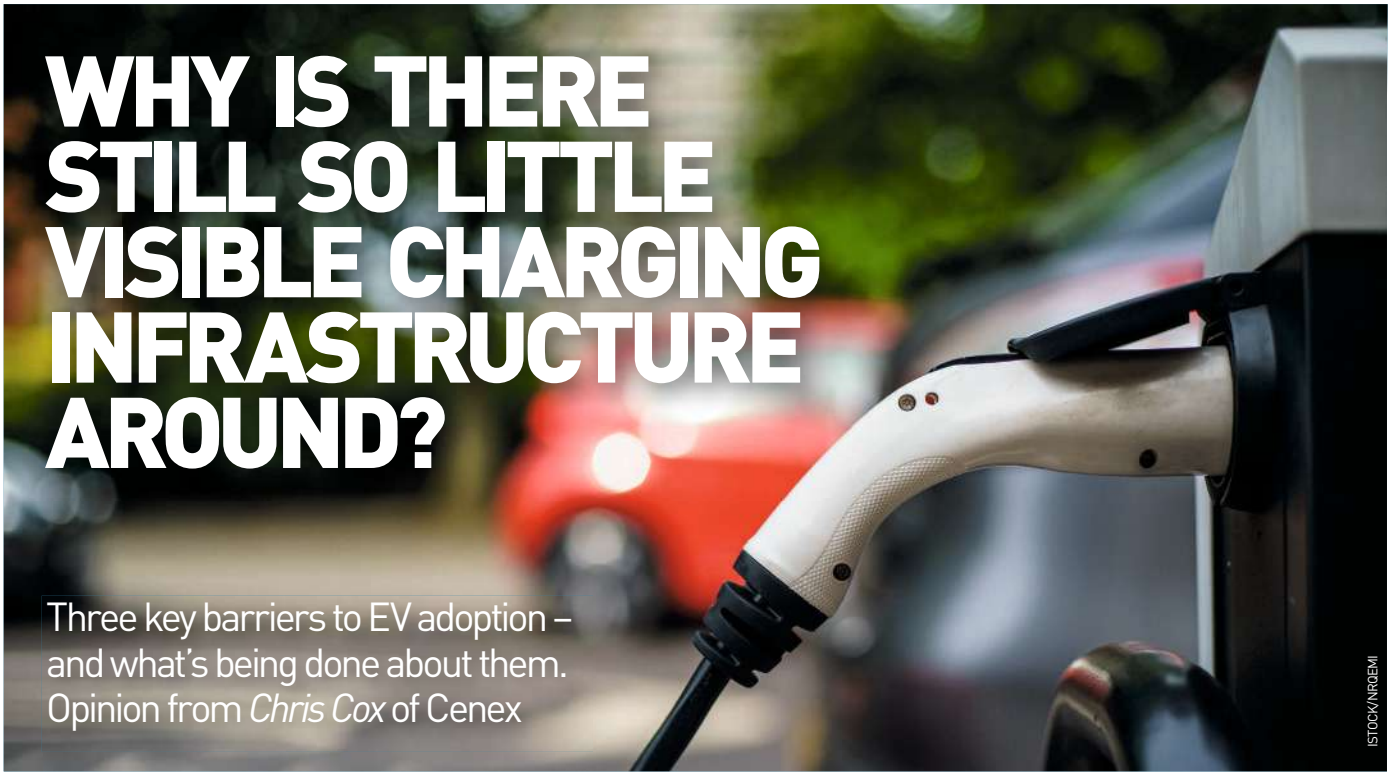
"There will be points when the grid is under immense stress but to have the benefit of feeding power back to the grid at those times, the vehicles actually need to be plugged in and available.

"That will absolutely fit in with how the duty cycle of some fleets work, but for other fleets it might be more difficult.

"When you're talking about BEVs and V2G it's easy to fall into the trap of talking about them as batteries with wheels, but the key point to remember here is that people actually buy vehicles to get from point A to point B.

"That has to be at the heart of running a BEV. The smartness and V2G needs to be there to enable the vehicles to move things or people from A to B as easily and efficiently as possible, not to have supporting the grid as its main function."

WHY IS THERE STILL SO LITTLE VISIBLE CHARGING INFRASTRUCTURE AROUND?



Three key barriers to EV adoption – and what's being done about them. Opinion from *Chris Cox* of Cenex

ISTOCK/NROEMI

Like many people, over the various lockdowns of 2020/21 one of the things I've missed the most has been hanging out with family on a summer's evening, putting the world to rights. And so it was, that as lockdown started to lift, I found myself in the garden on a hot day chatting with my brother-in-law whose opinion I value – especially when it comes to cars. As is often the way, the conversation turned to electric vehicles (EVs).

"I spent my whole day driving around Halifax and I don't think I saw a charge point," he said.

Since 2015, Cenex has been managing the National Chargepoint Registry (NCR) on behalf of the UK Government, so I know that there are 20 locations across Halifax with EV charging, consisting of 51 unique charge points.

This got me thinking – what are the barriers businesses and fleets face when they are considering switching to EVs and which can be easily solved?

In January 2021, Cenex published a report* funded by The European Federation for Transport and Environment exploring the key barriers that prevent the growth and effective operation of the UK's EV charging infrastructure network. The study identified 19 unique barriers and 21 interventions to help the industry overcome these challenges. Of these barriers, three stand out as regular issues:

1) Absence of accurate open data on location, specification and status of infrastructure.

While for many fleets it may be possible to charge in their own car parks, some will need to rely on public charging infrastructure, and as my brother-in-law pointed out, it is not always easy to find them.

As of June 2021, there is roughly one charge point for every six battery electric vehicles (BEVs) in the UK. That's not a bad ratio. And, if a similar ratio can be maintained as the number of EVs grows, then there should be plenty to go around. The main questions then become – where are they, and how do I know if they are available?

ABOUT THE AUTHOR

Chris Cox is head of energy systems & infrastructure, Cenex. After a decade leading research and innovation projects in the energy industry, Chris now leads Cenex's research and consultancy activities relating to energy and transport infrastructure.

A Cenex survey found that 80% of drivers believe that it is essential or important to know if a charge point is available in advance, and that this is one of the key barriers which would prevent drivers switching to an EV.

While further innovation and changes in policy are required to tackle this barrier, fleets can make use of open data sources such as the NCR to quickly and easily identify charge points located near their businesses or along key transit routes.

2) Property leaseholders and tenants cannot unilaterally install domestic charge points.

Many fleets and businesses rent rather than own their offices and, particularly, their car parks. From my experience of installing EV charging infrastructure, the leased sites are always the worst, resulting in long delays in gaining permissions.

This is a barrier many fleets are unaware of until they have committed to going electric and this can come as quite a shock (excuse the pun). There has been some work looking at incorporating EV charging infrastructure provision into building regulations, but much more is still needed – along with legal obligations for landlords and freeholders to provide suitable EV charging facilities for their tenants.

> "THERE'S NOT A SINGLE BUSINESS OUT THERE WHICH HAS REGRETTED GOING ELECTRIC"

3) Lack of accessible, clearly targeted capital funding to cover grid reinforcement costs.

Let's assume you have decided to switch to EVs, you have agreement from your landlord to install the charge points and you are just waiting for quotes to get the kit installed. However, when you get the quotes you find that there is an extra £100,000 or so added on for "grid reinforcement" – now, you know your CEO will never agree to that and, suddenly, your plans to go electric are dead in the water.

Unfortunately, this is quite common. Installing one or two charge points can often be done within the existing capacity of the local electricity distribution network. However, as we move to higher levels of EV adoption, the power requirement of charge point deployments is growing significantly, from tens of kilowatts to, potentially, megawatts. Network upgrades to facilitate these deployments can be prohibitively expensive, directly impacting the commercial viability of going electric, and, as of January 2021, existing funds did not allow for these costs. The good news is that on May 24 it was announced that Ofgem is investing £300m into the electricity distribution network to support EV charge point roll out.

So, where does all this leave us? There are certainly still a number of barriers making it more difficult for businesses to switch their fleets to electric. However, there is also a lot of progress and, in my experience, there's not a single business out there which has regretted going electric.

*More about the barriers and recommendations identified at cenex.co.uk/app/uploads/2021/04/Electric-Vehicle-Infrastructure-Barriers-FINAL.pdf

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FleetNews AWARDS Summer Garden Party 2021

SPONSOR PROFILE

Four decades supporting companies with fleets

Leading contract hire and fleet management specialist, Grosvenor Leasing, celebrates 40 years of serving companies with vehicle fleets this summer having opened its doors on June 2, 1981.

The Grosvenor Group's late founder, Brian Johnson, entered the Fleet News Hall of Fame with a standing ovation at the Fleet News Awards event at Royal Ascot.

Over four decades The Grosvenor Group has grown to become the UK's largest privately-owned contract hire and fleet management provider and is now leading the way with its 0Zone solution to help companies make the smooth transition to electric vehicles.

With a comprehensive offering of corporate contract hire, specialist fleet management, personal contract hire (to support drivers who are opting for cash instead of a company car) and salary sacrifice The Grosvenor Group offers the perfect blend of solutions for companies with cars, light commercial vehicles and grey fleet drivers.

GROSVENOR GROUP
FORWARD THINKING FOR FLEETS

Offering personal contract hire to cash drivers benefits the grey and the green

Businesses that give drivers the choice to opt out of the company car scheme and instead choose cash, should support the process with a robust personal contract hire (PCH) solution to avoid a growing grey fleet headache and a worsening carbon footprint.

That's according to Shaun Redhead, who leads Grosvenor Leasing's personal contract hire team. He argues that those drivers who opt for cash can create extra work for fleet managers, HR teams and health and safety personnel, and they can also worsen the company's green credentials.

"The problem many companies have is that, as drivers opt out of the company scheme, taking cash in lieu of a car, employers end up handing over an amount of money every month with no control over how it is spent," says Shaun.

"That money is clearly meant to be for the individual to fund a vehicle that enables them to continue to do their job, yet it often ends up being used for other things, leaving the employee with a vehicle that's old, poorly maintained or not fit for purpose.

"That, in turn, creates a growing grey fleet problem and also results in employees driving on company business in older, higher emission vehicles.

"A means of overcoming this is for companies to offer a strong personal contract hire scheme at the time the cash allowance is provided which replicates the benefits of a company vehicle, with low deposits, maintenance cover, road tax and breakdown cover.

"In doing so, drivers will be more inclined to use their monthly allowance to fund a new car. This has advantages for grey fleet management and it encourages drivers to opt for new, low-emission cars that not only improve the company's overall green credentials but also create

the right impression when travelling to meetings."

Grosvenor launched its PCH solution in 2019 in partnership with Select Car Leasing and since then the PCH team has already doubled in size.

"The uptake has been beyond our wildest expectations," says Shaun, "and many Grosvenor Leasing corporate customers now offer their drivers a Grosvenor PCH solution if they decide to take the cash alternative.

"It means the driver moves quite seamlessly from Grosvenor corporate contract hire to Grosvenor personal contract hire, with all support provided for both the corporate and personal schemes from our offices in Kettering.

"Another reason why the adoption of our PCH scheme has been so successful is that it's so easy to implement. In fact, a PCH scheme is one of the easiest things a fleet or HR manager could put in place, and the benefits are far reaching.

"There's no financial obligation from the company, because with any personal contract hire our agreement is directly with each individual.

"There is no risk to the business. Whether the individual has opted for a cash allowance instead of a company car, or are a member of staff simply looking for a new vehicle, they are responsible for repaying the lease and the company is not involved in any way.

"The personal lease is in the driver's name, which means if they leave the company the lease remains with them. Companies, therefore, don't have to do anything apart from use our pre-prepared marketing materials to advise their employees that they can access a market-leading PCH solution from Grosvenor Leasing."

According to the BVRLA the true company car market has been reducing year-on-year since 2017 and the number of privately registered cars has been increasing at a faster rate than those owned by companies.

The average age of grey fleet and cash allowance cars is older than both lease cars and those funded through a salary sacrifice scheme, and the average fleet car is 29% cleaner than its cash allowance counterpart.

The total number of cars used for business use is around 12.3 million, of which 10.5 million are grey fleet and 1.8 million company cars, with 32% of drivers being offered a cash allowance instead of a company car if they wish to take it.

"Historically, businesses paid little attention to what a driver did after taking the cash option," says Shaun. "But now more drivers are opting out of the company car scheme, fleet managers are proactively helping these cash drivers source a vehicle that is suitable for business use and we see personal contract hire in the corporate arena becoming very much part of a fleet manager's remit."

For more information call: 01536 536 536 or visit www.thegrosvenorgroup.co.uk

Sleeping giant gets ready to shake off its low-key approach

Supplying software to help fleets make informed decisions when transitioning to electric is just one of AssetWorks' many strengths. *Mike Roberts* reports

ORGANISATION: AssetWorks
NUMBER OF EMPLOYEES: 250+
HEADQUARTERS: Pennsylvania, USA
REGIONAL OFFICES: UK and Canada
NUMBER OF ASSETS MANAGED WORLDWIDE: 14 million
NUMBER OF CUSTOMERS: 575+

Despite looking after four million vehicles and 10 million other equipment assets globally, AssetWorks is barely known outside of its home market in North America.

This sleeping giant of the fleet industry is about to awaken, though; those running the business believe now is the right time to shout about its success.

As UK managing director Mike Gadd explains, previous company bosses have been content to quietly grow the business over the past 40 years.

"Very little is known about our brand in the UK, our presence has always been low-key," says Gadd, who joined the company two years ago.

He and new recruit sales and development director Simon West-Oliver are keen to raise the profile of the AssetWorks name.

Headquartered in Pennsylvania, USA, with global regional offices including Manchester, UK, the company provides fleet management, enterprise asset management (EAM) and fuel management systems across the UK and North America.

Its FleetFocus fully-integrated fleet management system delivers software and services to improve fleet management and operational efficiency. The 'cradle-to-grave' vehicle and equipment management system is delivered with modules managing preventive maintenance schedules, work orders, inventory and much more.

OPTIMAL LIFECYCLES

Its Capital Asset Management (CAM) system helps fleet operators determine the optimal lifecycle of an asset, and the company also offers a series of role-based mobile applications called SmartApps.

Companies use the software for fleet management and maintenance, lifecycle cost analysis, fuel management and motor pool management, which aims to increase vehicle utilisation and phase out grey fleet.

Globally, the company works with more than 500 private and public sector businesses and, closer to home, lists several county councils as well as Royal Mail and TNT among its customers. Although reluctant to reveal the finer detail of its UK operation, the company says its clients run cars and around 91,000 commercial vehicles.

Although predominantly focused on vehicle assets in the UK, worldwide it counts airlines and US cities among its customers and looks after several unusual assets from trees in New York's Central Park to gun racks in city police cars.

West-Oliver joined the company earlier this year. He has more than 30 years' experience in industry, most recently working for Drive Software Solutions.

"Our organisation is very different to others in this sector," West-Oliver says. "Globally, we manage more than 14 million assets, our nearest competitor manages about one and a half million."

ISTOCK/SMEDEREVAC

"AssetWorks' fleet covers every element of a fleet operation, from acquisition through to disposal, it's how you acquire vehicles and how you manage them."

As you'd expect following the Government's announcement of a ban on the sale of new petrol and diesel cars from 2030 and HGVs from 2040, AssetWorks is in conversation with customers about transitioning to electric vehicles (EVs).

Such a huge undertaking requires careful planning and proper data analysis, something that the company's Capital Asset Management can assist with by calculating the lifecycle costs of a fleet's vehicles and its assets.

It is available as part of the FleetFocus package or as a standalone product.

West-Oliver says: "Many fleets are focused on replacing all of their ICE (internal combustion engine) vehicles, but we ask them 'is this the best route for you? Is what you're doing financially viable within the timescale?'

"The modelling we do with CAM helps organisations understand what the impact is going to be so they can make critical decisions in a financially and eco-sensible way."

REMOTE IMPLEMENTATIONS

Gadd states that 95% of implementations for new and existing customers are performed remotely, which reduces its own carbon footprint.

In 2020, the company launched FuelFocusEV to help fleets record and monitor electric vehicle (EV) data as vehicles charge. The system can be installed in existing charging points, for example at a company depot.

Information collected includes date and time of charge session, length of charge verses plug-in time, kilowatts consumed and kilowatt per hour cost.

The data is fed into FleetFocus, presenting fleets with the opportunity to benchmark and make informed decisions about their business moving forward.

West-Oliver says: "We'll see a shift from data being the new fuel rather than oil. EVs are driving computers that can provide intel, not just about range capabilities but about the actual asset and its performance."

He describes the automotive sector "as an exciting place to be" adding: "There are changes around decarbonisation, mobility management and the growing emphasis on usage as opposed to ownership.

"The world is changing and we're now developing this concept of a circular economy, where people need to do more with less. And software providers in that circular economy must embrace it – it's no longer just about managing that piece of tin on the road, with the four bits of rubber on each corner.

"And behind all that you need a software platform that embraces that whole economy – and that's what AssetWorks has. Every part of the circular economy is embedded in the total solution."

WORKSHOP WORKFLOW

The requirement for technology to offer a digitalised contactless workflow in customers' commercial vehicle workshops is a growing requirement as a result of the Covid-19 pandemic, AssetWorks says.

> "WE'LL CONTINUE TO INVEST IN OUR PEOPLE AND BUSINESSES. THAT HELPS US TO BE THE BEST IN CLASS"
>
> **MIKE GADD, ASSETWORKS**

No longer are technicians happy to pass pieces of paper around so the use of technology to perform this – through hand-held mobile devices and SmartApps – is crucial.

But such technology can be applied to many other areas of a fleet operation.

For instance, AssetWorks has developed hands-free workflow processes centred around Driver and Vehicle Standards Agency (DVSA) Earned Recognition, a voluntary scheme for vehicle operators to prove their organisation meets driver and vehicle standards. Information is regularly shared with the DVSA and, in return, vehicles are less likely to be stopped for inspection.

Being part of a such a large organisation – parent company is the Volaris group, itself an operating group of Toronto Stock Exchange-listed Constellation Group, a huge software business with a presence in 150 countries – gives AssetWorks the high level of financial security that many fleets demand, Gadd says.

"We're a large, financially secure organisation and that's an important factor for many of our clients. A lot of our competition has been challenged in this uncertain economic time. We didn't furlough any staff throughout the pandemic," he adds.

> "YOU NEED A SOFTWARE PLATFORM THAT EMBRACES THAT WHOLE ECONOMY – AND THAT'S WHAT ASSETWORKS HAS"
>
> **SIMON WEST-OLIVER, ASSETWORKS**

HAVEN OF STABILITY

"We believe that we are a safe-haven of stability in a world of uncertainty, providing optimisation, mobility solutions which are productivity-based to help improve operational efficiency, sustainability, social responsibility and compliance and safety.

"We'll continue to invest in our people and businesses. That helps us to be the best-in-class fleet management software supplier that provides a circular economy to support the road to carbon neutrality – fleet management software must be able do that."

FLEET MANUFACTURER OF THE YEAR (CAR)
MOST IMPROVED FLEET MANUFACTURER OF THE YEAR
WINNER: BMW

BEST EXECUTIVE CAR
WINNER: BMW 5 SERIES

BEST PREMIUM CAR
WINNER: BMW 3 SERIES

BMW general manager corporate sales Rob East (in light blue jacket and colour-cordinated shoe trims) shares the delight with his team on collecting four awards

BMW puts electrification at the heart of its fleet strategy

Head of corporate sales is bullish about BMW's prospects for 2022. *Stephen Briers* reports

The interview ends with a quip: "How can I beat this year – I'll have to move to another brand!"

Rob East is joking, of course. Fresh from collecting four Fleet News Awards trophies – taking his tally to 11 in three years – the BMW general manager corporate sales is excited about the future at the premium manufacturer.

BMW is embarking upon a major electric offensive in the UK, which will result in 25 electrified models on sale by the end of 2023 – 13 will be full electric. Coming this year are the i4 and iX SUV, with 5 Series, 7 Series, X1 and Mini Countryman to follow. From 2025, Mini will only launch electric cars.

Huge pent-up demand caused by the industry-wide pause on orders during Covid-disrupted 2020 has coincided with this flood of benefit-in-kind (BIK)-alluring product – although the semiconductor and component shortage has put a slight dampener on progress.

East, though, is typically bullish about BMW's prospects, pointing to strong corporate demand and a positive reaction to his channel optimisation strategy as reasons for optimism.

Fleet News: Last year you told us about your plans to further reduce volumes into short-cycle channels such as rental. In the first half of the year, you registered 28% fewer (a drop of 1,271 units), although Q2 was up by 310% (or 966 units) on 2020. How do you rate your progress?

Rob East: We have a clearly defined strategy about optimising our channel mix focusing on the true customer channels rather than the push channels, and it's been super effective. We're already seeing residual values (RVs) improve by more than 10%. We have an H1-loaded rental plan, but we will end the year in line with what we predicted – a 50% reduction on last year.

FN: Your rental strategy dovetails neatly with rising corporate demand as companies start to renew their car fleets.

RE: The market is pretty buoyant. Premium fleet is up 33%, we are up 35%, so broadly in line. We've seen a return to normality with a lot of our large end-user customers and with leasing companies. People are updating their fleet policies to reflect the much richer mix of PHEV and BEV product – we surveyed recently and 85% of our large customers are reviewing their

policies; they all want to talk about electric models. Our order rate is beyond where it was pre-pandemic, especially the run rate for iX3, a great reaction to iX and lots of pent-up demand for i4, which we don't launch until December.

This year is all about electrification. But we are still seeing solid performance for our plug-in hybrids: 330e continues to be our best-selling fleet model and we don't see that changing any time soon. And it's across the channels, including public sector and SME.

Now our focus is on preparing for iX in November and i4 in December. We have positive feedback from the residual guides, and they are very bullish about the RV position.

FN: Is pent-up demand still driving the number of fleet registrations?
RE: A lot of our customers went into contract extensions and a lot of those are now maturing so they are looking to replace. We expect this level of demand to continue for the foreseeable future. We are also seeing people come back into company cars, especially segments where there are structured salary sacrifice schemes. We are working with a number of large end users who have a very clear objective to get cash takers back into company cars.

FN: The latest HRMC figures show another drop in company car drivers. Are you suggesting this might reverse over the next couple of years?
RE: Yes, definitely. There's no surprise there has been a reduction because, arguably, the BIK regime was becoming ever more draconian, but we also, as an industry, had BIK uncertainty for several years. We are optimistic that we will see growth in the true fleet sector up until at least 2025, particularly in large end users.

FN: The semiconductor shortage has affected every manufacturer; how are you able to mitigate supply issues?
RE: We've made individual adjustments to our production programme based on the inconsistent supply of semiconductors; we have flexible global production and worktime approaches. In half-year one, we've been able to compensate for the lack of semiconductors – we didn't cancel our supply which has protected us – but we are realistic, and we will see restrictions for the rest of this year. We've been clear and transparent with communication and we hope to see it ease for 2022.

FN: Looking ahead to next year, what are you excited about?
RE: Obviously the new models, not just electric but also PHEV and combustion engine. But also the whole customer engagement element is really important to us. It's all about giving them the best possible service which then starts to influence loyalty and retention which, in the corporate market, is very difficult.

FN: How have leasing companies and fleets reacted to your latest customer initiatives which seek to have direct relationships with the driver?
RE: We didn't rush the pilot scheme, we wanted clear and robust feedback. But it's been positive. We are delivering to company car drivers what they expect – they select a brand with the mindset of a retail buyer. We did it in partnership with the leasecos – it wasn't presented as a *fait accompli.* It was never about cutting across them; it was about enhancing the experience for the driver which also has a positive affect for the leasecos. We think it's a point of differentiation for us in the marketplace.

FN: In addition to the product, how is BMW helping fleets and drivers to make the transition to electric?
RE: In the research we've done, there's been a shift from range anxiety to charging anxiety. So what we are doing, particularly with products like the BMW Charging card and our BMW charging app which shows local charge points, is make the transition as easy as possible. There is rapid investment in infrastructure, so education is also important.

FN: You've also just launched an incentive scheme for PHEV drivers that enables them to earn points for driving on electric then receive vouchers for free charging.
RE: It is controlled via the app and is open to all customers, retail and corporate, who use PHEVs. There are some nice tangible rewards for people who optimise the use of the car on electric. You can earn some fairly substantial charging credits over a relative short space of time. But I think it's a fallacy that people don't charge their PHEVs. We talk to our large end-user customers and to have a PHEV, their drivers have to, one, have a charge point at home and, two, prove they are charging it. Many people have changed their usage profile and they are operating the car almost entirely on electric now their mileage has reduced.

BMW goes through an extensive handover with customers, explaining the regenerative settings and the benefits of preconditioning the car. However, increasingly, its cars have the intelligence to optimise their own settings for maximum efficiency.

Input the destination into the sat-nav and the car plans the route via data points and makes the decisions on where to regeneratively brake and where to lift off the throttle, such as when approaching a junction.

In addition, if the journey includes a low emission zone, the car will save enough electric for that portion of the trip.

"All this can have a significant impact on range," says East. "We're finding that customers are very knowledgeable – they aren't selecting these cars on a whim or for BIK purposes. They know what they are buying, how to optimise it, where the fast chargers are, they have home charge points and they know the correct energy tariffs."

BMW currently offers 17 PHEV models in 95 markets worldwide.
In the UK, they are:
- 225xe
- 330e
- 330e Touring
- 530e
- 530e Touring
- 545e
- X1 xDrive25e
- X2 xDrive 25e
- X3 xDrive30e
- X5 xDrive45e
- 745e/Le/Le xDrive
- Mini Cooper S E Countryman ALL4

Outside the UK:
- 320e
- 320e Touring
- 520e
- 545e Touring
- X1 xDrive25Le (China only)

The company also has three BEV models in the UK: the i3, iX3 and Mini Electric, with the i4 and MW iX due to launch before the end of this year followed by BMW 7 Series, BMW 5 Series and BMW X1. By 2023, there will be at least 13 BEV base models.

> "WE'RE FINDING THAT CUSTOMERS ARE VERY KNOWLEDGEABLE – THEY AREN'T SELECTING THESE CARS ON A WHIM OR FOR BIK PURPOSES"
>
> **ROB EAST, BMW**

FleetNews AWARDS Summer Garden Party 2021

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Martin Evans, managing director, said: "Jaama is the industry's benchmark for quality and innovation and is established as the UK's most recommended software supplier in the fleet, leasing and hire markets by customers. Fleet News Reader Recommended further underpins the company's industry-leading status."

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fleet, leasing and hire software innovators

Document management problems double in two years, according to latest Jaama survey

Document management is currently the most time-consuming aspect of fleet maintenance, according to a recent survey by asset management systems specialist Jaama.

The survey of 208 operators saw maintenance more than double since Jaama's 2019 survey from 19% to 36% in 2021.

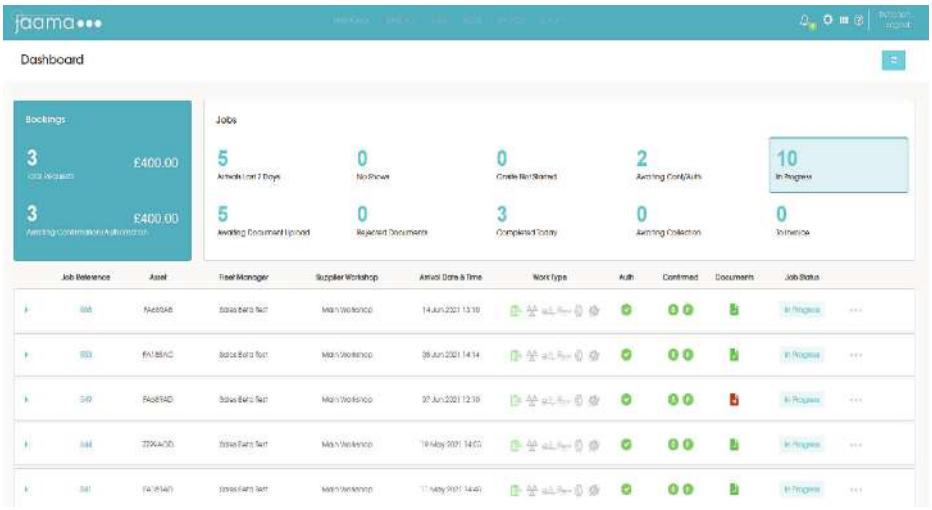
When Jaama spoke to operators at the recent ITT Hub and CV Show while showcasing its new Maintenance Exchange maintenance and compliance platform they stated that the pandemic had exacerbated document management issues, with vehicles and drivers working flat out over the past 18 months.

This had not been helped by drivers and workshop staff being absent from their workplace due to Covid-19 infections and it had become a key concern among operators that poor document management risked compromising fleet compliance and driver safety.

Meanwhile, 23% of operators surveyed put maintenance as the most time-consuming element of their job up from 19% in Jaama's 2019 survey. This is because commercial vehicles have been busier than normal since the pandemic began and are generally covering higher mileages than before and so are experiencing more maintenance events.

Many customers concurred that supplies of new commercial vehicles have been limited by the global semiconductor shortage which has meant more fleets extending current vehicle contracts which

MD Martin Evans says Maintenance Exchange was developed to address all of the operators' issues mentioned in the survey



TESTIMONIAL

Introducing Maintenance Exchange is the next enhancement along the road to providing a cohesive, 'real-time' paperless system. Streamlining processes and reducing administration further, Maintenance Exchange delivers seamless booking, authorisation, invoicing and auditing of vehicle maintenance work. It ensures quick and easy communication between us and our suppliers and it will allow essential documents such as MOT certifications, vehicle inspection sheets, servicing and routine maintenance documents to be uploaded and shared, to negate the risk of lost paperwork.
This is an exciting journey for us all to be on.

Pat Skelly – Group Operations Manager, Prohire Ltd

has, in turn, meant fleets are getting older and more expensive to maintain.

The Jaama survey also revealed that 18% of operators said capturing defects was their most time-consuming challenge, which was down from 29% in 2019. This has fallen dramatically as most commercial vehicles are being serviced more regularly so defects are being captured more effectively.

"Maintenance Exchange interfaces with third party fleet systems and with Key2, Jaama's fleet, asset and driver management solution and was developed to address all of the operators' issues mentioned in the survey," explained Jaama managing director Martin Evans.

"The 'end-to-end' system allows seamless maintenance booking, authorisation of work and invoicing and auditing of vehicle maintenance work.

"This means vehicle maintenance information is streamlined along with related documentation between maintenance suppliers and fleet management companies/end-user fleets in real time. This includes MOT certifications, vehicle inspection sheets and servicing and routine maintenance documents."

One fleet operator running 450 trucks stated that after just six months of using the system they had recognised that its fleet was more compliant than ever due to its legal documentation being electronically stored on the system.

Maintenance Exchange provides transport and fleet operators with a secure and transparent audit trail of service, maintenance work undertaken on commercial vehicles for compliance requirements.

All required documentation is stored electronically and gives a centralised view and single repository of all compliance data and documentation. Earned Recognition Data can be submitted directly to the DVSA as Jaama is a validated IT Supplier for the Earned Recognition Scheme.

"We have worked with transport fleets, rental, leasing and fleet management companies in developing Maintenance Exchange as we were aware of the changing face of commercial vehicle fleet maintenance. The platform fulfils many requirements and focuses on reducing vehicle and driver downtime with the objective of delivering 100% compliance," said Evans.

FleetNews AWARDS 2022

NOW OPEN FOR ENTRIES AT:
fleetnewsawards.com

1. CREDIBILITY AND RECOGNITION OF BUSINESS EXCELLENCE

VALIDATION AND RECOGNITION OF YOUR ACHIEVEMENTS

That's what it means to win a Fleet News Award: entries now open for 2022

The sun has set (and, indeed, the rain subsided) on the Fleet News Awards 2021 Summer Garden Party and our gaze is now firmly fixed on a return to our traditional home at Grosvenor House Hotel for the 2022 Awards.

Entries are now open for those wishing to follow in the footsteps of the likes of British Gas's Steve Winter, the 2021 Fleet News fleet manager of the year, who said: "Any award is a nice recognition of the work that you, your team or your business undertake, but to get it from *Fleet News* is a clear validation and recognition from industry experts of your achievements."

Or Fraser Crichton, corporate fleet operations manager at Dundee City Council, winner of the environmental innovation award, who said: "It is wonderful to be acknowledged for our innovative EV strategy by a transport industry leader such as *Fleet News*."

Like them, you can boost your business credibility, as well as your own careers and staff motivation. All it takes is half an hour of your time!

Interested? Then enter the Fleet News Awards 2022 – your opportunity for recognition within the fleet sector and beyond.

Judges are looking for quality, innovation and evidence of improvements in each of the fleet, manufacturer, supplier and headline categories.

Numerous studies have shown the positive impacts that winning industry awards can have on a business and its employees. Even being shortlisted can have big benefits.

Being a fleet finalist, for example, is about more than a pat on the back for the fleet decision-maker; it's about raising the profile of the company brand with existing and potential customers.

Organisations who take seriously their safety and environmental obligations to their vehicle fleets are ideally placed to win business – these things really matter to consumers.

Award winners say it has helped them to acquire new talent, raise their brand profile and improve client relationships.

Audited by Brian Cooper of EY and chaired by Christopher Macgowan OBE, the Fleet News Awards has the outstanding credentials and credibility to make entering worthwhile.

But don't just take our word for it, we've also included more testimonials from previous winners. STEPHEN BRIERS

AWARDS 2022 TIMELINE

23 SEPTEMBER 2021
Entries open. Go to the awards website – awards.fleetnews.co.uk

19 NOVEMBER 2021
Entry deadline for all categories

25 JANUARY 2022
Judging day for manufacturer awards – cars and vans

26 JANUARY 2022
Judging day for supplier awards

7 BENEFITS OF ENTERING AWARDS

2. PERSONAL RECOGNITION; CAREER-ENHANCING

3. BENCHMARKING VERSUS COMPETITORS

4. EMPLOYEE ENGAGEMENT AND MOTIVATION

5. FREE MARKETING FROM POSITIVE PRESS COVERAGE

6. INCREASED CUSTOMER AWARENESS

7. ATTRACT TALENT TO THE BUSINESS

THE CATEGORIES

FLEET AWARDS

Excellence in Fleet Safety and Compliance
Environmental Fleet Trailblazer
Fleet Benefits Scheme of the Year (NEW)
Most Improved Fleet
Diversity and Inclusivity in Fleet (NEW)
Fleet of the Year – up to 250 vehicles (NEW)
Fleet of the year – 251-1,000 vehicles
Fleet of the Year – more than 1,000 vehicles

SUPPLIER AWARDS

Leasing Company of the Year (up to 20,000 vehicles)
Leasing Company of the Year (more than 20,000 vehicles)
Rental Company of the Year
Outstanding Product of the Year
Fleet Customer Partnership of the Year
Fleet Dealer of the Year

MANUFACTURER AWARDS

Vans
Best Small Van
Best Medium Van
Best Large Van
Best All-terrain Workhorse (NEW)

Trucks
Best two-axle lightweight rigid truck up to 12 tonnes (NEW)
Best rigid truck more than 12 tonnes (NEW)
Best tractor unit (NEW)

Cars
Best Small Car
Best Lower Medium Car
Best Compact SUV
Best Mid-size SUV
Best Premium SUV
Best Compact Premium Car (NEW)
Best Premium Car

Alternative fuels
Best Zero Emission Car – up to £35,000 (NEW)
Best Zero Emission Car – more than £35,000 (NEW)
Best Zero-emission Van
Best Zero-emission Truck (NEW)

HEADLINE AWARDS

Fleet Supplier of the Year
Fleet Manufacturer of the Year – Car (VOTED)
Fleet Manufacturer of the Year – Van (VOTED)
Fleet Manufacturer of the Year – Truck (VOTED)
Fleet Manager of the Year
Fleet News Hall of Fame

> "IT IS WONDERFUL TO BE ACKNOWLEDGED FOR OUR INNOVATIVE EV STRATEGY BY A TRANSPORT INDUSTRY LEADER SUCH AS *FLEET NEWS*. THROUGH ITS WIDE-REACHING INFLUENCE IT HAS BEEN A CATALYST FOR BRINGING A DIVERSE RANGE OF STAKEHOLDERS TOGETHER TO UNDERSTAND THE COMPLEXITY OF THE CHALLENGES AHEAD. THE CEREMONY ITSELF IS A FANTASTIC OPPORTUNITY TO NETWORK AND I WOULD RECOMMEND ANYONE TO ATTEND"
>
> **FRASER CRICHTON, CORPORATE FLEET OPERATIONS MANAGER AT DUNDEE CITY COUNCIL – WINNER OF ENVIRONMENTAL INNOVATION**

27 JANUARY 2022
Judging day for manufacturer awards – trucks

2-3 FEBRUARY 2022
Fleet manager interviews/ judging takes place

Mid-FEBRUARY 2022
Shortlist revealed

16 MARCH 2022
Winners revealed at Fleet News Awards black-tie ceremony, Grosvenor House Hotel, Park Lane, London

MEET THE JUDGES

CHAIRMAN
Christopher Macgowan OBE

AUDITOR
Brian Cooper EY

Stephen Briers

Steve Winter

Paul Hollick

Julie Madoui

Mike Roberts

Graham Short

Chris Connors

Lorna McAtear

Jo Coffey

Simon Gray

Cliff Lewis

Ryan Coles

Matt de Prez

Debbie Floyde

James Rooney

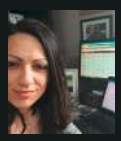
Andy Cutler

Mark Jowsey

Jeff Knight

Shaun Sadlier

Andy Picton



Kat Hawker

Ken Brown

Natasha Jones

Tim Campbell

Chris Hall

Justin Laney

Rob Smith

Sally Warren

Matt Hammond

FLEET AWARDS
- Stephen Briers, editor-in-chief, *Fleet News*
- Steve Winter, British Gas fleet manager and current Fleet Manager of the Year
- Paul Hollick, Association of Fleet Professionals (AFP) chair
- Julie Madoui, Kier fleet manager and former Fleet Manager of the Year

SUPPLIER AWARDS
- Mike Roberts, *Fleet News*
- Steve Winter, British Gas
- Graham Short, Zip Water (UK)
- Chris Connors, Countryside
- Lorna McAtear, National Grid
- Jo Coffey, Anglian Water
- Simon Gray, SSE
- Cliff Lewis, Interserve
- Ryan Coles, Aviva

MANUFACTURER AWARDS

CARS
- Stephen Briers, *Fleet News*
- Matt dePrez, *Fleet News*
- Lorna McAtear, National Grid
- Jo Coffey, Anglian Water
- Debbie Floyde, Bauer Media
- James Rooney, British Gas
- Andy Cutler, Glass's
- Mark Jowsey, AutoTrader
- Jeff Knight, Cap HPI
- Shaun Sadlier, Arval

VANS
- Stephen Briers, *Fleet News*
- Matt dePrez, *Fleet News*
- Lorna McAtear, National Grid
- Jo Coffey, Anglian Water
- Andy Picton, Glass's
- Kat Hawker, Severn Trent Water
- James Rooney, British Gas
- Ken Brown, Cap HPI
- Natasha Jones, Hitachi

TRUCKS
- Stephen Briers, *Fleet News*
- Tim Campbell, truck expert
- Chris Hall, Asda
- Justin Laney, John Lewis Transport
- Rob Smith, Cap HPI
- Sally Warren, Zenith
- Matt Hammond, M Group

> "TO WIN 'MOST IMPROVED MANUFACTURER', AFTER SUCH A DIFFICULT YEAR, WAS A REAL HONOUR. TO THEN ALSO WIN FLEET MANUFACTURER OF THE YEAR – VOTED FOR BY READERS – IS A HUGE ACHIEVEMENT. REGARDED AS A BENCHMARK IN THE INDUSTRY AMONG OUR CUSTOMERS, WE VALUE THE ANNUAL FLEET NEWS AWARDS AND THE SPOTLIGHT THEY SHINE ON OUR TEAMS"
>
> **ROB EAST, GENERAL MANAGER FOR CORPORATE SALES AT BMW GROUP UK**

For more information visit: fleetnewsawards.com or contact Sandra Evitt on 01733 468123 or sandra.evitt@bauermedia.co.uk

Fleet 200

THE UK'S BIGGEST FLEETS

2021

Analysis and insight into the UK's professional car, van and truck fleet operators

Powered by PULSE

Sponsored by bp RIVUS FLEET SOLUTIONS ŠKODA

Are you ready for the road ahead? Have you started the transition to electric vehicles (EVs), or do you keep putting it to one side to avoid the daunting prospect of the 2030 ban fast approaching?

At bp, we know how difficult it can be to make a case for change within your fleet, but we're with you all the way.

That's why we are embarking on a three-stage journey to inform, inspire and support the industry at this crucial time.

We're commissioning some exclusive research, for the first time as a fuel card provider, that will provide insight into both the manager's and driver's view on the switch to EV. We'll then be broadening the conversation by hosting a roundtable with industry leaders and figures to explore the findings.

To bring all this insight and data together, in a way that is easy for fleet managers and drivers to apply to their fleets, we'll launch a digital toolkit later in the year as a complete guide on switching your fleet to EV before 2030.

Now's the time to make the switch! What are you waiting for?

Adrian Brabazon UK fleet sales manager, bp Fleet Solutions

This year has seen ŠKODA UK mark two significant milestones: the 20th anniversary of our vRS performance sub-brand and the launch of our first fully-electric SUV, the Enyaq iV. In the design and innovation embodied in Enyaq iV, we see the traits which will enable the brand to continue delivering exceptional cars for our customers.

While the ongoing effects of the pandemic pose challenges across the industry, ŠKODA has continued to develop its strong relationships with the fleet market. SKODA's success is built on two key elements: fantastic cars and unparalleled customer service. Our consultative approach has helped us earn a reputation for quality and responsiveness.

Looking at the decade ahead, we are fully committed to reducing our impact on the environment, starting with the arrival of Enyaq iV, which is delivered to customers with a carbon-neutral balance sheet. A more sustainable approach, achieved through thoughtful design, environmentally-minded production and zero-emission models will help us to meet our sustainability targets.

As we celebrate our continued sponsorship of the Fleet200 and reflect on another year of exceptional progress, we are also working to ensure ŠKODA and its customers are in an even stronger position to continue thriving in the future.

To find out more visit www.skoda.co.uk/fleet

Henry Williams, Head of Fleet, ŠKODA UK

It's great to be back face-to-face here at the Fleet200 event. The Rivus Fleet Solutions team is attending today's event and team members are looking forward to meeting all the guests both familiar and new.

Our CEO, David Myers is presenting today, and we hope you enjoy his insight into the fleet challenges we will all face in the coming months.

For many of us, 2021 has been exceptionally busy so far.

Our fleet solutions provide around-the-clock support to some of the UK's biggest utility and infrastructure organisations and, while we are now seeing a return to the 'new normal', it's clear the demand for operational fleet resilience remains high.

Our national in-house garage network continues to expand alongside our newly acquired mobile vehicle accident repair business AutoRestore®.

We are now better equipped to provide a truly agile, national fleet and mobile solution. For more details on this, and all the comprehensive fleet management services Rivus Fleet Solutions offers, feel free to ask any of the team at Fleet200 or visit our website rivusfleetsolutions.com.

Jason Chamberlain, sales & marketing director, Rivus Fleet Solutions

As fleet operators emerge from the far-reaching impacts of the global pandemic, there remain significant considerations for employers and vehicle operators.

With record levels of investment, VWFS | Fleet have accelerated the development of our funding and fleet management propositions, including our EVolve electric vehicle consultancy. This places us in an ideal position to help operators of all shapes and sizes.

As we bounce back from an unprecedented 24 months – WLTP, Brexit, political uncertainty and the impacts of Covid-19, there are clear themes to note.

1. AFVs are now the go-to powertrains for car operators. Decreasing mileage, confirmation of benefit-in-kind taxation and increased range are combining to make battery electric vehicles and salary sacrifice hugely attractive.

2. Supply shortages and changes to how we work are resulting in the biggest review of fleet providers in a decade. For many, it is time to review leasing provider, OEM and fleet management supply.

3. If the electric debate is settled for cars, for CV operators it is far from the case. The entire value chain will need to collaborate to solve the challenges that lie ahead; however, the pace of innovation suggests a carbon-neutral future is within our grasp.

In summary, fleet topics that might have felt somewhat abstract or theoretical just a year or two ago are today's reality. Impartial, clear and tailored advice is the imperative.

Tom Brewer, head of sales and marketing, VWFS

ŠKODA

THE LATEST ADDITION TO OUR AWARD WINNING FLEET

We're delighted to have won Fleet Manufacturer of the Year, a fleet that now includes our first fully electric SUV, the ŠKODA ENYAQ iV.

fleetworld 2021
THE GREAT BRITISH FLEET AWARDS
Fleet Manufacturer of the Year
Škoda

DRIVEN BY SOMETHING DIFFERENT

Official fuel consumption WLTP for the ŠKODA ENYAQ range in mpg (litres/100km): N/A. WLTP CO_2 combined emissions for the ŠKODA ENYAQ range is 0g/km. These figures were obtained after the battery had been fully charged. The ŠKODA ENYAQ iV is a battery electric vehicle requiring mains electricity for charging. Figures shown are for comparability purposes. Only compare fuel consumption and CO_2 and electric range figures with other vehicles tested to the same technical procedures. These figures may not reflect real life driving results, which will depend upon a number of factors including the starting charge of the battery, accessories fitted (post-registration), variations in weather, driving styles and vehicle load. Zero emissions while driving. Data correct at 6 April 2021. Figures quoted are for a range of configurations including non-UK and are subject to change due to ongoing approvals/changes. Model shown is not UK spec. Some of the equipment shown will be optional. Please consult your retailer for further information.

FLEET200

CONTENTS

Company car interest diminishes, but home delivery vans surge

Changes influenced by numerous factors with impacts of pandemic at the forefront. *Stephen Briers* reports

178,043
number of vans operated by Fleet200

100.9
g/km average car CO_2 emissions
(2020: 108g/km)

17,644
number of trucks operated by Fleet200

158.7
g/km average van CO_2 emissions
(125.1 for orders)

The past couple of years have been unprecedented. Changes to the fuel testing regime, Brexit, clean air zones (CAZs), a surge of electric product and then, to top it all, Covid-19.

For some fleets, coronavirus has led to an explosion in demand for home deliveries resulting in huge increases in their vehicle fleets, particularly vans; for others, furloughed staff and those working from home saw interest in company cars diminish. Then there were those whose office-based staff no longer wanted to take public transport and were, instead, returning to car schemes.

Sitting alongside the pandemic is another macro issue: climate change. It is also having a significant effect on business fleets as they grapple with the challenges of investment in ultra-low/zero emission vehicles and workplace charging infrastructure, while the advantageous benefit-in-kind (BIK) tax rates are incentivising some staff who opted for cash to return to the company car scheme.

This year's Fleet200 highlights many of these trends, particularly the impact on fuel types. Diesel now accounts for 55% of cars, down from 68% last year, while pure electric is 6% (up from 2.8%) and plug-in hybrid (PHEV) 13% (up from 7%).

In terms of cars on order, the proportions are even more dramatic, with just 22% diesel, but 32% pure electric and 27% PHEV.

Vans are more prosaic; diesel's grip is little unchanged on these workhorses, but electric has made small inroads, now accounting for 2.5%, up from 1.6% last year. The pace of change is gathering, though, with electric accounting for 8.2% of forward orders.

> "WE WILL CONTINUE TO LEAD THE AGENDA OF ZERO CARBON FLEETS"
>
> **SIMON KING, MITIE**

The biggest fleets are pushing hardest in electric. The average make-up of the fleets for those operating 1,000-plus vehicles is 7% full electric car and 15% PHEV, compared with 6% and 11% respectively for companies operating fewer than 1,000 cars. It's a similar picture on forward orders, with battery electric vehicles (BEVs) accounting for 34.5% of car orders for large fleets (29% for smaller fleets) and PHEV 31% (versus 23%).

Surprisingly, the tables are turned for vans, with smaller fleets jumping out to an early lead – full electric accounts for 3% of their vans compared with 1.8% for larger fleets. However, the big operators will soon overhaul the gap, as electric comprises 13% of order books; sub-1,000 3%.

Supply shortages is one explanation for the difference with large fleets placing bulk orders for the few electric vans that are available after announcing ambitious sustainability targets. Smaller companies do have the larger share for PHEV orders (5% versus 0.3%) and hybrid (3.5% compared with 1.7%).

Consisting of 126 companies (one fewer than last year), with 20 public sector and 106 private, the Fleet200 operates 103,403 cars, 178,043 vans and 17,644 trucks making a total of 299,090 vehicles (2020: 306,066). The top 100 is running 100,468 cars (down on 2020's 105,620), 174,802 vans (almost identical year-on-year) and 17,010 trucks (2020: 16,616).

Vans account for 59.5% of the total fleet size (2020: 58.5%), cars 34.5% (2020: 36%) and trucks 6% (2020: 5.5%).

Eighty-two companies remain in the Fleet200 from 2020 allowing direct comparisons. Of these, 50 (61%) are running fewer cars than a year ago, 17 are running more and 15 are unchanged.

The position is far more positive for vans. Here, 34 businesses are operating more vehicles compared with 2020, 34 fewer and 14 unchanged.

FLEET200 BY NUMBERS

126
number of Fleet200 survey returns

54
g/km average car CO_2 emissions cars on order
(2020: 93g/km)

299,090
number of cars and vans and trucks in the Fleet200
(2020: 306,066)

30
number of companies increasing their fleet size year-on-year
(2020: 24)

5
average number of brands on fleet
(2020: 4.9)

103,403
number of cars operated by Fleet200

Among the fluctuations, there are some obvious areas of growth – note the impact on home delivery fleets, including Asda, up almost 35% from 2,300 to 3,100 vans with a corresponding rise in its car fleet of 300 to 1,000; Iceland, up 17% or 300 vans to 2,000; and Yodel, up 8% or 377 vans to 4,917, although a large portion of its fleet is owner-drivers.

However, the biggest rise in volume terms is Network Rail, which increased its van fleet from 4,294 to 7,854. At the same time, its car fleet shrank by 16%, from 1,600 to 1,329.

A combination of reasons is behind the vans rise, according to the company. They include a more diverse need for specific specifications, heavier equipment and heavier base vehicles chassis which limit the amount that can be carried safely/legally, thereby requiring more vehicles, and the need for social distancing, which has seen it retain a large number of older light commercials.

M Group increased its van fleet by a fifth, taking it to 4,220, with growth both organic and through acquisition.

"The water and energy businesses have seen significant growth through contract awards over the past six-12 months, with more growth forecast in these and our telecoms division over the next year," says Matt Hammond, M Group head of fleet.

"In addition to this, we have acquired several businesses which have brought additional fleet into the business and has also contributed to the increase in fleet size.

"With the predicted growth and imminent additional acquisitions, we are predicting our fleet size to exceed 10,000 vehicles within 24 months."

Acquisitions also saw Mitie grow its van fleet by a quarter, from 3,600 to 4,500. It bought rival Interserve's facilities management division, which also resulted in a 31% rise in its car fleet from 1,900 to 2,500.

It has given director of sustainability, social value and fleet Simon King an additional challenge as he bids to switch cars and vans to full electric by 2025. Interserve was tracking behind the progress made by Mitie and King will need to accelerate its transition to meet the ambitious 'Plan Zero' deadline.

"We will continue to lead the agenda of zero carbon fleets while reinforcing the importance of prioritising safety and the environment within fleet," King says.

Forty per cent of its cars (equating to 1,000 models) are full electric – they are now the only option on the choice list – but just 5% of vans (225), illustrating the gap in model choice between the two. However, 70% of light commercial vehicle orders are BEV; the remaining 30% are diesel, primarily larger vans.

Not all fleets have expanded their fleets. Construction and infrastructure services company Kier reduced vans by 400, to 2,600, and cars by 800, to 2,000, following a business restructure.

Head of fleet Julie Madoui explains: "The company has been going through a review to focus on core areas of business, and this has impacted upon the fleet size. We are now stable and will probably have some growth over the next year."

Rival infrastructure provider Amey, which is in talks to sell its non-core businesses, including utilities and environmental services, also cut its van fleet, by 34%, taking it from 3,000 to 1,985.

Utilities company SSE cut its van fleet by 45%, from 5,044 to 2,735, after offloading some of its gas business assets, the second consecutive year that business disposals have lowered its fleet size. In two years, the company has gone from 9,500 cars and vans to 4,585 as it puts all its focus on renewables energy and the network.

Fellow utilities business British Gas, the UK's third largest fleet operator, has an unchanged van fleet, but is showing a 300-car drop, taking it to 1,400 and 10,900 cars/vans overall.

Fleet manager Steve Winter says some of the reduction was due to the business offering junior operational managers the option to take cash, which meant some exited the car scheme.

However, company policy now stipulates either full electric or plug-in hybrid and the attractive BIK is encouraging some staff to opt back in.

"I suspect the number has gone up a bit now as we are seeing some cash takers coming back, circa 150-ish," Winter says.

"We are also about to launch a sal-sac scheme and we expect that to have a large uptake; we have 250 in the order bank at present."

Salary sacrifice is poised to play a more dominant role in the company car fleet, according to many Fleet200 members. The proportion offering it this year has started to inch up, hitting 19% of those responding to the question, compared with 15% a year ago.

THANKS FOR TAKING PART

Thanks to all the companies who supplied us with their fleet figures this year. Thanks also to our partner Fleet Intelligence for collating the data and providing the tables for this report. If you believe your company should be in the Fleet200, please email the editor stephen.briers@bauermedia.co.uk

Position	Company	Cars and vans total	Cars	Vans	Trucks	Car replacement cycle (months)	Van replacement cycle (months)	Funding method cars and vans
1	Royal Mail (2020 figures)	46,690	4,373	42,317	3,770	n/a	n/a	OP/OL
2	BT (2020 figures)	31,864	4,000	27,864	1,440	n/a	n/a	OL
3	Centrica	10,900	1,400	9,500	0	48	n/a	OL
4	Network Rail	9,183	1,329	7,854	414	60	60	OL
5	M Group	7,527	3,307	4,220	750	48	48	OL/FR
6	Mitie Group	7,000	2,500	4,500	35	48	60	OL
7	Balfour Beatty	6,000	3,500	2,500		n/a	n/a	OL/FR
8	Environment Agency	5,074	3,675	1,399	31	48	96	OL/FR
9	Yodel Delivery Network	4,917	0	4,917	320	n/a	60	FL
10	Metropolitan Police	4,615	3,447	1,168	85	70	98	OP/OL
11	Kier	4,600	2,000	2,600	700	48	54	OL
12	SSE	4,585	1,850	2,735	450	48	60	OL/ECO/FR
13	Virgin Media	4,279	1,122	3,157	0	48	60	OP/OL
14	Asda	4,100	1,000	3,100	1,000	48	60	OL
15	Saint-Gobain Transport	4,090	3125	965	1,554	36	60	OP/OL/ECO
16	Amey Fleet Services	3,814	1,829	1,985	837	n/a	48	OL
17	Volkswagen UK	3,664	3,664	0	0	6	n/a	ECO
18	Police Scotland	3,564	2,683	881	41	84	54	OP
19	Chiltern Transport Consortium	3,563	2,730	833	10	60	96	OP
20	Connells Group	3,300	3,270	30	0	60	60	OP/OL
21	John Lewis Partnership	3,200	1,400	18,00	700	36	96	OP
22	Siemens	3,184	2,284	900	0	48	48	OL/FR
23	LKQ Euro Car Parts	2,910	110	2,800	110	48	60	OP/FL
24	Severn Trent	2,780	439	2,341	164	72	84	n/a
25	UK Power Networks (Transport)	2,734	978	1,756	0	60	60	OP

Key to funding method abbreviations: **FL finance lease, OL operating lease, OP outright purchase, SS salary sacrifice, ECO employee car ownership, FR flexible rental, O other**

Position	Company	Cars and vans total	Cars	Vans	Trucks	Car replacement cycle (months)	Van replacement cycle (months)	Funding method cars and vans
26	National Grid	2,713	1628	1,085	54	36	60	OP/OL
27	Anglian Water	2,600	800	1,800	100	60	96	OP/OL/FR
28	The AA	2,585	140	2,445	0	36	48	OL/FL
29	Johnson Controls	2,500	1,000	1,500	n/a	54	54	OL/FL
30	Kelly Fleet Services	2,345	95	2,250	45	60	60	FL/FR
31	Yorkshire Water	2,241	541	1,700	100	48	72	OL/FR
=32	Alliance Automotive	2,300	200	2,100	12	48	60	OP/OL/FL
=32	Travis Perkins	2300	1400	900	1,700	n/a	n/a	OP/OL
34	Iceland Foods	2,240	240	2,000	0	36	60	OP/OL
35	Surrey Sussex Joint Transport Service	2,200	1,600	600	0	48	60	OP
36	Capita	2,150	1,800	350	200	48	48	OL
37	VolkerWessels UK	1,915	850	1,065	96	48	48	OL/ECO/FR
38	DHL Express	1,900	450	1,450	350	48	60	OL
39	ISS UK	1,770	614	1,156	2	48	60	OL/FR
40	Morgan Sindall	1,650	1,200	450	4	48	14	OL/FR
41	Sanctuary Group	1,625	360	1,265	0	48	84	OP
42	Murphy Plant	1,500	400	1,100	100	48	72	OP/OL
43	Schneider	1,468	1,207	261	0	36	48	OL/ECO
44	Scottish Water	1,450	250	1,200	115	48	84	OP/OL
45	Howden Joinery	1,400	1,300	100	0	48	48	OL
46	Vodaphone	1,360	850	510	0	48	60	OL
47	Wales & West Utilities	1,340	240	1,100	55	48	80	OP/OL/FR
48	Babcock International Group	1,300	600	700	0	48	48	OL/FR
49	National Crime Agency	1,291	1,133	158	8	66	144	OP/OL
50	Laing O'Rourke	1,280	950	330	0	48	36	OL/FR

Position	Company	Cars and vans total	Cars	Vans	Trucks	Car replacement cycle (months)	Van replacement cycle (months)	Funding method cars and vans
51	Speedy Services	1,229	450	779	22	48	48	OP/OL/ECO
52	Foxtons	1,205	1,200	5	0	36	36	OP/OL
=53	Galliford Try	1,200	1,000	200	1	48	48	OL/FR
=53	PwC	1,200	1,200	0	0	36	n/a	OL
55	Belron UK	1,160	130	1,030	0	42	n/a	OP/OL/FR
56	Ecolab	1,101	650	451	0	n/a	n/a	n/a
=57	Highways England	1,100	0	1,100	0	n/a	n/a	OP
=57	Southwest Water	1,100	150	950	45	48	96	OP/OL
59	Coca-Cola EuroPacific Partners	1,075	900	175	0	39	39	OL
60	West Yorkshire Police	1,069	798	271	5	48	60	OP
61	Persimmon	1,050	850	200	0	36	60	OL
62	NHS Blood and Transplant	943	743	200	88	36	48	OL
=63	Computacenter (UK)	930	850	80	0	48	60	OL/ECO
=63	The Salvation Army	930	750	180	0	36	84	OL
65	Lancashire Police	921	671	250	8	48	72	OP
66	Emcor	916	224	692	0	n/a	n/a	OP/FL
=67	Arcus	900	50	850	0	60	60	OL
=67	Driver & Vehicle Standards Agency	900	830	70	4	36	54	OP/OL
69	Altrad Services	890	90	800	100	48	48	OL/FR
70	Marston Holdings	873	316	557	125	48	48	OP/OL/FL/FR
71	Northern Powergrid	840	0	840	0	n/a	72	FL
72	Dundee City Council	812	151	661	0	84	84	OP/OL
73	Hampshire County Council	714	170	544	85	72	84	OP/OL
=74	Affinity Water	700	240	460	5	48	60	OL
=74	Clarion Response	700	0	700	0	n/a	60	OL/FR

Key to funding method abbreviations: FL finance lease, OL operating lease, OP outright purchase, SS salary sacrifice, ECO employee car ownership, FR flexible rental, O other

Position	Company	Cars and vans total	Cars	Vans	Trucks	Car replacement cycle (months)	Van replacement cycle (months)	Funding method cars and vans
76	Brandon Hire Station	680	80	600	15	42	42	OL/FR
77	South Yorkshire Police and South Yorkshire Fire and Rescue	673	537	136	0	n/a	n/a	OP
78	Kuehne + Nagel	650	600	50	200	48	60	OL
79	East of England Ambulance Trust	646	293	353	645	n/a	n/a	OP/OL/FL/FR
80	Xerox	640	630	10	0	48	48	OL
81	Genus Breeding	635	261	374	0	48	36	OL
82	Nobia UK	628	620	8	0	48	48	OP/OL/FR
83	BCA	626	593	33	0	42	60	OP
84	Close Brothers Group	607	607	0	0	48	n/a	OL
85	CLC Contractors	595	95	500	0	48	60	OP/OL/FR
=86	Aviva	590	590	0	0	36	n/a	FL
=86	National House-Building Council	590	590	0	0	36	n/a	OL
=88	GE Healthcare	575	575	0	0	39	n/a	OL
=88	McCurrach UK	575	570	5	0	48	48	OL
90	Thera Trust	570	500	70	0	48	60	OP/OL
91	Countryside Properties (UK)	565	500	65	0	36	36	OL
=92	Bowmer & Kirkland	555	519	36	0	48	60	OP/OL
=92	Inspired Gaming UK (Includes Gamestec)	555	364	191	0	48	36	FL
94	Thales UK	542	369	173	0	48	48	FL/FR
95	ABB	500	500	0	0	48	n/a	OL
96	Novus Solutions	486	75	411	0	60	n/a	OP
=97	SCC	480	300	180	2	48	72	OP/OL
=97	Unipart Group	480	440	40	250	36	36	OL/FR
99	Willmott Dixon	450	450	0	0	36	n/a	OL
100	AstraZeneca UK	447	443	4	0	48	60	OP/OL/FL

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We're on the up: optimism grows among fleets

Latest data suggests increasing positivity among fleet operators in stark contrast to last year when businesses were in the midst of lockdown. *Gareth Roberts* reports

Nine out of 10 fleets expect the number of cars they operate to either grow or stay the same over the next 12 months. Half of the respondents to the Fleet200 survey say that the size of their car fleet will remain unchanged, while two-in-five (41%) predict that they would grow.

The positive outlook is in stark contrast to this time last year, when the country was in lockdown and one-in-six fleets (17%) expected to see company car numbers fall.

A year later that has halved, with just 9% of respondents expecting their car fleet size to fall.

The manufacturing and construction sector has the most pessimistic outlook, with one-in-seven (14%) predicting a decrease in company cars.

Fleets in the transport, retail and distribution sector, meanwhile, are the most optimistic as just 3% expect cars numbers to fall.

The positive outlook is also shared among commercial vehicle operators, with two-in-five fleets (43%) expecting to operate more vans and trucks next year, and more than half (53%) predicting numbers will stay the same. Just one-in-25 (4%) expect van and truck numbers to go into decline.

No fleet from the transport, retail and distribution sector says they will be operating fewer cars and vans in 12 months, while larger fleets (operating 101-plus vehicles) – irrespective of sector – do not also expect to see a decline.

ECONOMIC SHOCK

The magnitude of the recession caused by the pandemic is unprecedented in modern times. Gross domestic product (GDP) declined by 9.8% in 2020, the steepest drop since consistent records began in 1948 and the most in more than 300 years on some estimates.

The lifting of lockdowns and easing of restrictions has brought better economic news this year, but the outlook still looks far from certain.

Britain's economy grew by 4.8% in the second quarter of the year, but remains more than 4% smaller than it was before the pandemic.

"Rising virus case numbers are deterring many forms of spending, notably by consumers, and ➲

have hit growth via worsening staff and supply shortages," explains Chris Williamson, chief business economist at IHS Markit.

"Supplier delays have risen to a degree exceeded only once before – in the initial months of the pandemic – and the number of companies reporting that output has fallen due to staff or materials shortages has risen far above anything ever seen previously."

He adds: "In manufacturing, sectors including automotive production and electrical goods have fallen into decline due mainly to supply constraints."

The economic shock illustrated by fleet expectations in last year's survey appears to have eased as operators look forward to 2022.

DRIVING GROWTH

Business growth is mentioned by more than half (59%) of fleets as a driver for an increase in their car fleet size, while business re-organisation is highlighted by almost two-in-five (38%).

An even greater proportion of respondents (85%) says business growth was behind the predicted increase to commercial vehicle operations, with more than two-thirds (69%) mentioning business re-organisation as a driver for truck and van growth.

A third (34%) of fleets also highlight the merger or acquisition of another business as possible driver for a growth in commercial vehicles.

Same-day delivery company CitySprint, for example, has been bought by DPD UK for an undisclosed sum, subject to regulatory clearance.

Elaine Kerr, CEO of DPD UK, explains that same-day delivery is one of the fastest growing segments of the logistics market.

"Even before the pandemic, demand for both next-day and same-day deliveries was soaring, and this trend has only escalated, something which we see continuing," she says.

Menzies Distribution recently acquired logistics and supply chain services business JBT Distribution, extending its network coverage with the addition of 200 vehicles and six operating sites.

It was the fourth strategic announcement made by Menzies in six months. In December 2020, it acquired Bibby Distribution, now Menzies Distribution Solutions, adding 38 new operating sites and a large, young fleet to its well-established platform.

NEW CARS AND VANS

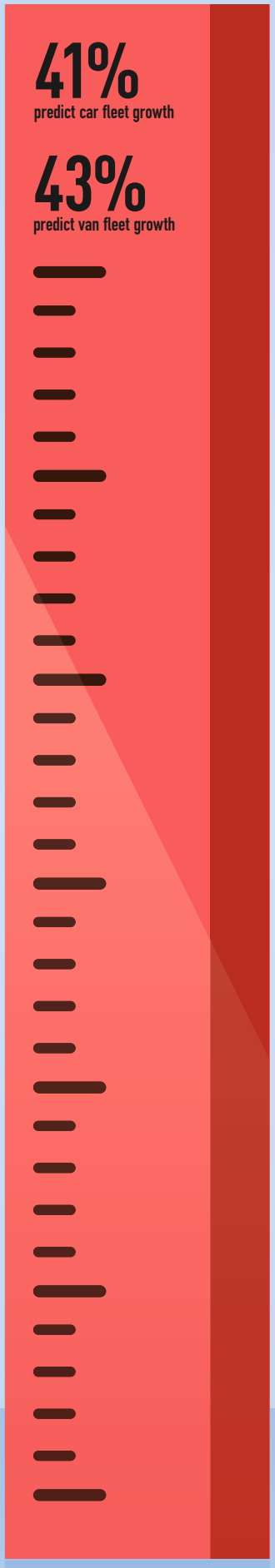
Growth in the construction and transport, retail and distribution sectors has helped drive new van sales, according to the Society of Motor Manufacturers and Traders (SMMT).

As of the end of July, 215,119 new vans had been registered, with its latest quarterly forecast anticipating the light commercial vehicle (LCV) market to increase by 24.3% to 363,880 units in 2021, which would leave it just shy of the total number of vans registered in 2019.

Meanwhile, from January to July, there have been 562,730 company cars registered to fleet and business – a 30% increase on the 433,873 units registered over the same period last year.

However, SMMT forecasts that overall registrations will reach around 1.82 million units in 2021, down around 21.8% on the average new car market recorded over the past decade.

The decrease in new car sales could have been greater were it not for strong fleet sales, which have been helped by new benefit-in-kind (BIK) tax rates for pure electric and hybrid vehicles.



"EVEN BEFORE THE PANDEMIC, DEMAND FOR BOTH NEXT-DAY AND SAME-DAY DELIVERIES WAS SOARING AND THIS TREND HAS ONLY ESCALATED"

ELAINE KERR, DPD UK

SMMT now estimates that battery electric vehicles (BEVs) will account for 9.5% of registrations by year end, while plug-in hybrid electric vehicles (PHEVs) are forecast to comprise 6.5% of the market, collectively totalling around 290,000 units by the end of the year.

Many of those vehicles will join fleets, with Fleet200 data suggesting drivers are returning to company car schemes, encouraged by favourable BIK rates and a growing corporate social responsibility (CSR) agenda among employers.

Employees choosing to move from a cash allowance to a company car is mentioned by almost one-in-six fleets (17%) as a reason behind expected car fleet growth.

More than twice as many (38%) respondents to the Fleet200 survey say they expect the number of cars they operate to grow after changing their fleet policy to move drivers from a cash allowance to a company car.

FLEET PRESSURES

It remains to be seen how the potential growth across the Fleet200 over the next 12 months will be impacted by the ongoing shortage in some raw materials, including semiconductors.

Every car- and van-maker is being impacted by the crisis, with some delivery times for cars lengthening from three to six months, and many new vans not expected to be delivered until 2022.

Vehicle production lines have been temporarily halted, focus has been shifted to high demand vehicles and some options are not being offered. Experts are suggesting it will be next year before supply chains begin to normalise.

Meanwhile, the main drivers highlighted by those fleets that expect to see company car numbers (9%) and commercial vehicles (4%) fall, illustrate that not all businesses are bouncing back.

Cost-cutting is mentioned by 56% of operators as a driver for reducing commercial vehicles on their fleets, with 45% highlighting a downturn in business/staff redundancies.

It was a similar picture for car fleet operators predicting a fall, with three-in-five fleets (60%) mentioning cost-cutting as a reason for reducing company car numbers and two-in-five (41%) citing a downturn in business/staff redundancies.

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Electrification is major fleet concern, but it's far from being the only one

Vehicle and driver shortages are also high on decision-makers' lists. *Stephen Briers* reports

The transition to an electric fleet remains the overriding challenge facing fleet decision-makers over the next 12 months. Nearly two-thirds (66%) of Fleet200 businesses pinpointed it as one of their major focuses.

Even among companies that have already heavily invested in electric cars and vans and the associated charging infrastructure, it remains high on the list of business priorities.

However, Fleet200 members also highlight several other concerns, chiefly citing vehicle availability as the semiconductor shortage and scarcity of other key components causes plant shutdowns and reduced working, the driver shortages and the drift from car to cash, resulting in larger grey fleets.

Then there are the challenges specific to individual businesses, such as amalgamating two fleet policies in the case of Connells Group or renewing multi-million-pound contracts while "ensuring service continuity and value for money" at the Metropolitan Police.

M Group's new head of fleet Matt Hammond is looking to increase his electric vans while taking into consideration operating restrictions and limitations on range choice.

ALTERNATIVE FUEL OPTIONS

Hammond is also exploring alternative fuel use on HGVs, principally hydrotreated vegetable oil (HVO), a paraffinic bio-based liquid fuel originating from vegetable oils, such as rapeseed and palm oil, as well as animal fats.

HVO can be used in conventional diesel engines and is claimed to reduce CO_2 emissions by up to 90%.

Alternative fuel options for vans and chassis cabs is an issue also vexing Mitie, one of the trailblazers in the uptake of electric vehicles (EVs). Its journey profiles require a range for vehicles of 200-plus miles. The group, which has converted 40% of its 2,500 cars to pure electric, has switched just 5% of its 4,500 vans.

However, 70% of LCV orders are battery electric (and 100% of cars) as it looks to transition to a fully electric fleet by 2025. Mitie's biggest challenge is with the larger vans where availability and model options remain limited.

DHL Express has converted 5% of its 1,450 vans to full electric, but says they account for a quarter of its order book. It would also accelerate the transition if there was better suitability of range, payload and charging infrastructure for 3.5-tonne vans.

The company has opted for a plug-in hybrid solution for its cars; 40% of the existing 450 are PHEVs, but they account for 100% of orders.

SSE head of fleet and travel Simon Gray is wrestling with the need to deliver on corporate sustainability targets and expectations while "the suitability of product and power source in the commercial vehicle sector remains both a debate and timescale uncertainty". Just 1% of his van orders are pure electric; 99% are diesel.

Fleets are clambering for electric vans, but while there are more than 30 battery electric cars available in the UK, there are just 16 full-electric LCVs – and the majority of these are the smaller vehicles. In the 3.5-tonne sector, fleets currently have a choice of the Fiat e-Ducato, Iveco Daily Electric, Maxxus eDeliver 9, Mercedes-Benz eSprinter or Renault Master ZE.

That's not to say all the electric challenges are reserved for vans. For Mitie's car fleet, the difficulty is the lack of on-street charging infrastructure for drivers who do not have off-street parking for home charging points, while SSE says the debate needs to focus on "centralised delivery from government including funding or incentivisation of


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infrastructure providers to allow cross-party collaboration relating to payment solutions".

Gray has converted 18% of his 1,850 cars to full electric, while 60% of orders are BEV. In contrast, diesel accounts for 35% of the current car fleet, but 8% of orders.

The Government recognised the infrastructure conundrum in its recent delivery plan for the transition to zero emission cars and vans. It published an Electric Vehicle Infrastructure Strategy this year, which outlines plans for:

- The number of rapid chargers near major roads to expand from 460 in 2016 to 1,170 by 2030.
- The number of public chargers needed for 'top-up charging' to rise from 2,700 in 2016 to more than 27,000 by 2030.
- Overall, nearly 29,000 charging points are needed across Great Britain by 2030, of which around 85% are fast (22 kW) or rapid (43+ kW).

It also points to the On-Street Residential Chargepoint Scheme which provides local authorities access to up to 75% of funding to install EV infrastructure on-street and in public car parks.

This year, the maximum funding available per charge point installation increased from £7,500 to £13,000 to address the high connection costs, while the maximum project cap has been removed. The scheme has a guaranteed pot of £20m for 2021/22 while the Government has pledged to continue providing funding until at least 2024/25.

The spread of infrastructure across the UK is one of the issues worrying construction group Morgan Sindall, particularly in remote parts.

Zap-Map data reveals that 30% of the UK's 25,000 public charge points are in London, with a further 13% in the south-east. Just 3% are in the north-east and 5% in Yorkshire, while Scotland has 10%, primarily in the Glasgow to Edinburgh corridor plus pockets in major cities.

With the south-west having around 1,750 charge points (7% of the total), South West Water head of fleet services Mark Karkeek's biggest challenge is deciding when to start the transition.

"Given the geographical challenges in our operational area, public charging infrastructure is an issue as well as range limitations," he says.

Sufficient infrastructure is not purely about the number of charge points; availability is also a worry for Severn Trent transport manager Kat Hawker, who also raised similar fears when it comes to other alternative fuels such hydrogen.

"The infrastructure is still needing more investment. A lot is being done, but the current infrastructure lacks proactive maintenance," she says. "I recently spent many miles looking for a charge point which wasn't broken. Hydrogen tech is accelerating but I fear the infrastructure won't follow at the same pace."

Volkswagen UK group fleet operations manager Andy Lamb says public charging infrastructure is one of five objections raised by staff who are nervous about taking the plunge. The others are cost, size of vehicle, lack of home charging and not having time to wait for vehicles to charge.

All can be overcome, and Lamb believes his role as a fleet decision-maker will increasingly be involved in the journey to electric mobility, explaining the advantages and considerations to employees and utilising information internally and externally to facilitate the transition to electric, such as understanding of home charging solutions.

Jo Coffey, fleet manager at Anglian Water, agrees, stating that she expects to become more of a "negotiator to get electric buy-in from technicians and managers that electric can work, it's just a different way of working".

CHANGE IS TOO SPEEDY

However, not all fleets are ready for the speed of change being driven by Government.

Yodel head of fleet Ian Leonard says the biggest challenge he is facing is the "corporate push to move to EV even when EV isn't suitable" while the impact of ultra-low emission zones on the parcel delivery business when a large proportion of work is handled by self-employed people, is a related concern.

Leonard is also apprehensive about new tax legislation from local authorities, with the Transport for London's Direct Vision Standard a "prime example", while shortages of vehicle parts, availability of fitters and the lack of HGV Class 1 drivers are also high on his agenda.

Nevertheless, most Fleet200 fleet decision-makers believe that electric

vehicles, sustainability and innovation will be the major factors dominating their responsibilities over the next 12 months.

Matt Hammond says: "The role of developing and providing a business-ready fleet is challenging enough, but this is now compounded by the need to consider the environmental impact of the vehicles over the whole life, predicting where the market and business will be during this time and if vehicles which on paper may not offer the ideal solution now will become more compatible, making them the correct long-term option.

"The role of fleet decision-maker is much more varied and wider reaching than ever before. We need to consider how decisions we make now will impact the business in two, three and four years' time. We have never experienced such a seismic shift in the fleet industry, with so many moving parts and constantly developing technology that is making innovations outdated before the end of their lifecycle."

PROCUREMENT MORE COMPLEX

Speed of change aligned to business complexities require adequate resource, according to Leonard.

"The procurement side of the job is becoming more and more complex and finding a clear path among the pace of change in both technology and compliance is on the verge of becoming unmanageable without a sizeable team behind you," he says.

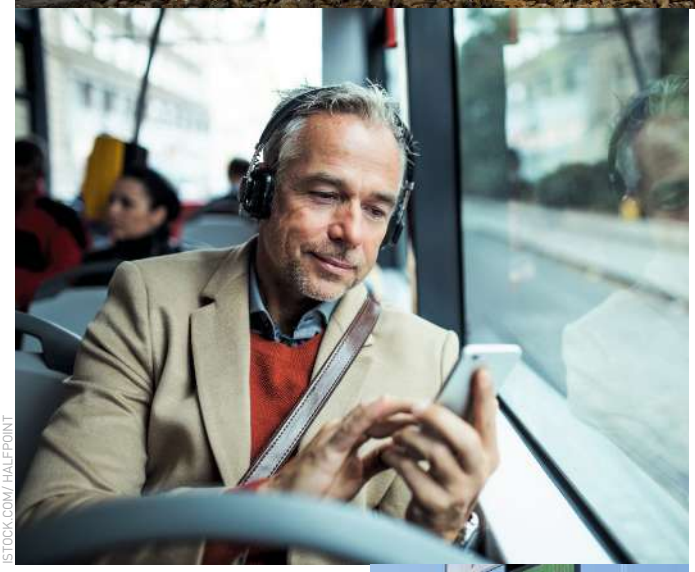
Flexibility to adapt to ever-present change is a crucial fleet skill, according to SSE's Gray, while Alan Baker, head of fleet at Galliford Try, says "promoting and facilitating moves towards a sustainable fleet is becoming a larger part of my role".

From an operational perspective, Severn Trent's Kat Hawker sees her decision-making criteria changing when it comes to vehicle selection.

"I will be selecting more on range than specification and payload," she says. "I believe technology will be the industry I am in, not automotive anymore. It's not a bad thing, but it will change the dynamic. The choice between operational efficiency and CO_2 reduction will be tricky; while we all want to reduce the impact on the world, there is always a fine line between cost and efficiency."

The myriad issues and growing complexity will put fleet at the centre of the solutions but will require deeper collaboration across key business units.

South West Water's Karkeek says: "Fleet can't work in isolation; issues around home charging, HR policies and operational utilisation will all be key to transition to BEVs. It is likely to require far more in-depth data analysis as well as needing to inform colleagues at all levels of the realities."



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Keith Loveday, category buyer at Thales UK, agrees, pointing to the challenges presented by Covid which could fundamentally change the shape of fleet.

"There will be more requirement to engage with stakeholders as to the future of the fleet, in so far as compensation in the perk car arena and job-related cars, as the impact of Covid and potential lower business travel miles could mean a full return to business travel may not happen," he says.

Sustainability and environment targets are further reasons to engage with stakeholders, Loveday adds, particularly in the face of vehicle availability and reducing grants.

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"I expect to have to present on these issues to a wider stakeholder audience as to how cost modelling will be impacted in order to move to EV and net carbon zero," he says.

The role of the fleet decision-maker is also broadening to incorporate mobility and travel management, a trend that has already gathered pace in some European countries as highlighted at Fleet & Mobility Live 2020. Further examples will be presented as case studies at this year's event on October 5-6 at the NEC, Birmingham.

Clarion Response fleet and environmental manager Colin Hutt says: "I am being asked to increasingly widen my role to involve all transport solutions including how we can operate without the one man, one van model by utilising things like public transport, car clubs, oyster cards, uber, e-bikes etc."

Altrad, McCurrach and Computacenter highlight the move towards mobility solutions, including greater integration with travel, while Duncan Webb, head of fleet at ISS, believes this will see the role becoming both more strategic and fundamental to core business decisions.

"I see the fleet manager becoming ever more integrated into key business decisions, especially in the areas of alignment of property and wider mobility/travel," he says.

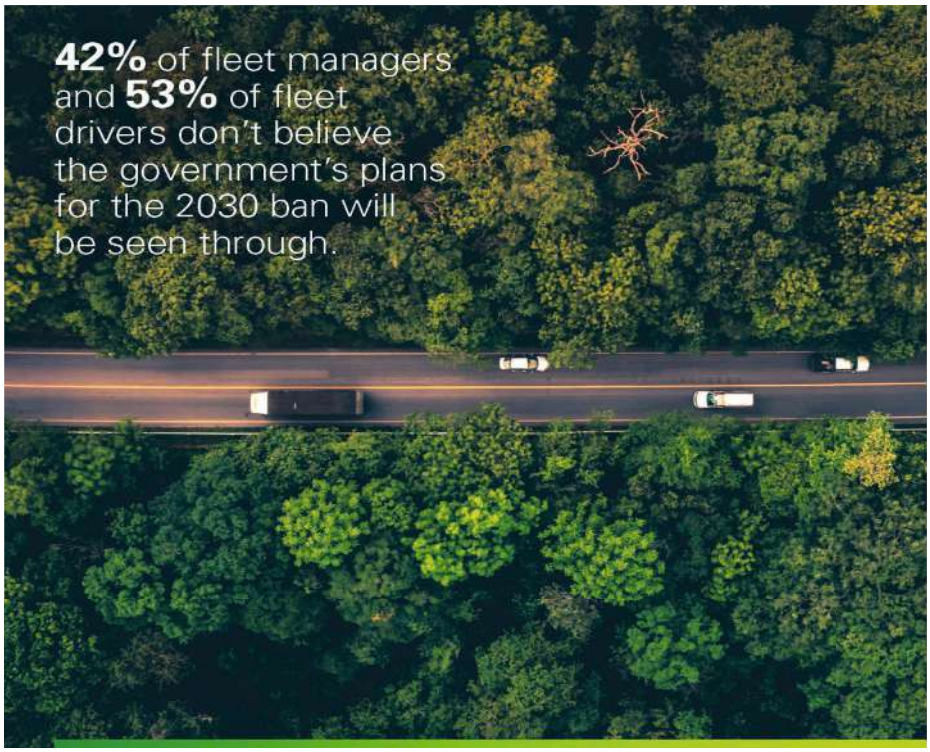
Sarina Vale, global category manager – travel & fleet, Aggreko, agrees, adding: "I see my role becoming more strategic and less tactical and also incorporating more mobility elements."

The journey to EV

Now's the timE – and bp will be there to help every step of the way

We've all been thinking about what 2030 might bring as we hurtle towards the date when the sale of new petrol and diesel cars will be banned in the UK. With an ever-increasing focus on the drive towards electric vehicle (EV) adoption, it can seem like a daunting task and one to put off for another day.

But don't let the switch catch you unprepared, bp is here to help fleet managers and drivers tackle the EV adoption problem head-on, to help you understand the comprehensive support offered through BP Fuel & Charge and bp pulse, and to guide you through your journey to electrification.



ARE YOU READY FOR THE ROAD AHEAD?

While 2030 isn't a long way away, there is more than enough time to adapt with a little help from bp. As part of the support offered to fleet managers and drivers, BP Fuel & Charge and bp pulse are embarking on a three-stage journey to inform, inspire and support the industry in this time of transition.

We'll be here to help fleets develop their EV charging technologies at work and at home for their drivers while providing access to bp pulse, the largest public network of rapid chargers in the UK.

The key to a successful switch is understanding the obstacles that stand in your way as fleet managers and drivers and how to successfully navigate them.

That's why we'll be sharing research, for the first time from a fuel card provider, that provides an insight into both the manager's and driver's view on the switch to EV.

We'll also be teaming up with key industry figures to discuss and challenge the research and broaden the conversation. The insights from these industry leaders will help you to make the case for change within your organisation.

As well as sharing the knowledge and insight from our research and industry roundtable; we'll be launching a digital toolkit for fleet managers and their drivers later this year. Our toolkit will be available via the bp website and will be neatly integrated with the BP Fuel & Charge app, the toolkit will be a fully featured 'how to' guide on making the switch to EV for you and your fleet.

NOW'S THE TIME

There has never been a better time to begin the switch to EV. Now's the timE and bp is here to provide the support you need to make a smooth transition. Remember to watch this space, keep an eye on our website and social channels, and look out for lots of data-rich content at our Fleet Mobility Live stand on October 5-6 to support the case for change within your fleet.

If you would like further information on BP Fuel & Charge or bp pulse, please visit the Now's the timE bp website.

bp

Call us on 0345 603 0723 or email us at BPCardsAdmin@bp.com. Website: bp.com

Using technology to find the right solutions for your fleet

Running a fleet has never been as complicated or demanding as it is now. The days when one of the biggest decisions was choosing between outright purchase and contract hire for diesel vehicles are long gone.

Today, fleet decision-makers face a plethora of funding methods to choose from, new vehicle technologies, ever-changing tax rules and complex compliance regulations, to name just a few.

This means it is vital to choose the right partner for fleet funding and management solutions, one which understands the markets and operates with the customers' interests at the core of its business.

These were among the reasons JCT600 Vehicle Leasing Solutions was named the Leasing Company of the Year (up to 20,000 vehicles) in this year's Fleet News Awards.

It operates a fleet of 6,238 vehicles – 4,817 cars and 1,421 LCVs – for a variety of clients from SMEs to FTSE 100 companies.

Maintaining service levels

During a period dominated by the Covid-19 pandemic, the leasing company was able maintain its high level of customer service, grow its customer base and launch its Origo customer platform.

"At times like these, a customer can suddenly become very clear on the benefits of dealing with a company like us," says Ben Creswick, managing director at JCT600 VLS.

"To compete in this space, you need to have brilliant technology, but you also need to have very good people, who are very knowledgeable and highly experienced.

"Can fleet decision-makers pick up the phone and speak to their account manager

The JCT600 VLS head office in Yorkshire has welcomed many new members of staff in recent months

with no voice mail or call queuing at a time when they are really in trouble?

"During an unprecedented year, we have very carefully transitioned from a business that has been renowned for customer service and retention for more than 30 years, into a business that has the best team, the best tech, and the trust to deliver for the next 30 years."

Central to its offering is its modular Origo (Latin for 'source') customer platform, which has been designed to help businesses make the right policy decisions to meet their objectives, as well as helping employees make the right decision for them.

The dealer group-owned leasing company has invested around £500,000 over the past two years to develop the system which can compare funding types like business contract hire, structured cash alternatives, salary sacrifice and employee car ownership schemes side-by-side with a full breakdown of costs.

"Whether its WLTP, EVs, OpRA, CAZ, CAFE or BIK, there are so many acronyms and I wanted something in a central place that was going to provide all the answers," adds Creswick.

"I had conversations with customers across the UK and they were all saying the same thing. Has the company car become too expensive? Drivers were asking to take cash and fleets were not sure what to do.

"Many fleets and drivers are also looking at electric vehicles (EVs), and we can help with how they best transition into an EV world.

"They are not yet always right for every situation at the moment, and I knew we had to develop something that was going to help customers navigate all the changes in the simplest way possible.

"In order to do that, Origo was built as a modular system that could cater for pretty much any individual wanting to source a vehicle.

"You have to have that team, that experience, that knowledge to be able to map out to the nth degree each different kind of solution."

The leasing company works with customers to customise the Origo platform so it is tailor-made for their fleet polices and organisations.

Once vehicle choice lists and funding options have been determined, drivers can then go into the system to see how different vehicles compare against different funding options.

Individual driver profiles can be created which link with their own details and their employer's details, as well as the rental information for each funding method to be compared.

Costs can be compared on personal and business mileage, tax rate and vehicle preferences, with the ability to adjust contracts and even fuel economy to give a realistic figure tailored to an individual's driving.

Implementation timescale

Once a fleet strategy has been developed, a while-label version of Origo can be built. Implementation with a customer takes around three months.

Origo also tackles corporate social responsibility concerns and the duty of care risk when providing cash to employees, with a structured personal contract hire offering aimed at the employees looking to take cash where they can realise potential savings, but carry out business mileage.

"Some drivers might think that taking the cash and walking away is the end of the conversation, but it's not as simple as that," says Creswick.

"It's still a company vehicle and there's still a responsibility to evidence a duty of care from the fleet.

"By offering a more structured cash alternative you can still give drivers options, but it gives the fleet more control."

As well as investing in its Origo technology, JCT600 VLS has also invested in its staff over the past 18 months, growing its team to further improve customer service levels.

These investments have been rewarded by a 30% growth in its customer base in the past 12 months, as well as a 100% retention of all customers over the past two years.

A number of fleets which left JCT600 VLS in 2018 have also returned, while it has also seen more customers convert to sole supply than ever before

"We believe in the value of our people," says Creswick. "We've got the team, we've got the tech and we have the trust.

"Trust, for us, is built on a sense of togetherness and this is threefold, it encompasses how our employees work together, how we work with our partners and how we work with our customers.

"Without our team, its experience, culture and passion, then Origo could just be a piece of software, but our group of people is always going above and beyond and with that anything is possible."

> **"WE'VE GOT THE TEAM, WE'VE GOT THE TECH AND WE HAVE THE TRUST**
>
> **BEN CRESWICK, JCT600 VLS**

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Britain's largest fleets race to net zero

The rapid adoption of plug-in vehicles is putting many Fleet200 members ahead of the Government targets to decarbonise new vehicles by 2030. *Jonathan Manning* reports

Forget the 'marginal gains' strategy of multiple tiny improvements espoused by British Cycling and Team Sky; Britain's largest fleets are taking huge strides towards decarbonisation. Against the background of the 'code red' warning in August's Intergovernmental Panel on Climate Change (IPCC) Report, figures compiled from Fleet200 members reveal a sharp year-on-year decline in average vehicle emissions. Even more encouraging is the dramatic reduction in greenhouse gases produced by company cars on fleet order books.

However, progress towards low and zero emission light commercial vehicles (LCVs) lags significantly behind the car market, with a distinct shortage of battery electric vehicles (BEVs) capable of matching the cost and operational effectiveness of their diesel equivalents.

Across the Fleet200, the average company car's CO_2 emissions have fallen to 100.9g/km, from 109g/km in 2020. The switch to plug-in hybrid vehicles (PHEVs) has delivered a step change in emissions – new, real-world CO_2 figures from fuel management specialist TMC reveal that petrol PHEV cars produce 8% less CO_2 than diesel cars (140g/km compared with 152g/km). On the road, there is still clearly a significant discrepancy between real-world performance and official WLTP test figures, but this will vanish with the transition to pure battery electric cars with their zero tailpipe emissions.

The impact of this change is already visible in the average CO_2 emissions of the cars that Fleet200 businesses have on order.

At just 54g/km, this is about half of the combined fleet's average CO_2 emissions today.

This trajectory towards zero tailpipe emissions is borne out by official sales figures from the Society of Motor Manufacturers and Traders (SMMT), which reveal that the market share of battery electric cars almost doubled year-on-year during the first seven months of 2021 to 8.2% (2020: 4.2%), while the share of PHEVs is twice as high at 6.6% (2020: 3.3%). The combined sales of all plug-in vehicles now dwarf diesel registrations, with fleets leading the way thanks to the company car tax advantages of ultra-low and zero emissions cars.

The private car market is proving slower to react, with data in the British Vehicle Rental & Leasing Association (BVRLA) latest Leasing Outlook report disclosing that cars supplied on personal leases during the first quarter of this year had average CO_2 emissions of 120g/km compared with 70g/km for business cars.

"Fleets are funding record numbers of electric vehicles (EVs), with plug-in cars accounting for around one-third of orders during Q1 2021," says the report. "In total, 47% of new vehicle orders during the quarter were for plug-in or hybrid vehicles, with 19% for pure electric variants, three percentage points more than diesel."

The SMMT now estimates that battery electric cars will account for 9.5% of registrations by year end, eclipsing PHEVs, which are forecast to comprise 6.5% of the market.

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If the projections prove correct, UK buyers will acquire 290,000 zero emission-capable plug-in cars by the end of 2021.

The total may be promising, but it still only represents one-in-six new cars at a time when the IPCC has established inextricable links between man-made greenhouse gases and climate change. The challenge lies in converting the remaining five-in-six cars to zero emission technologies by 2030.

A number of Fleet200 members, however, are working to much more ambitious net zero targets than those set by the Government. The Government's own 40,000-strong fleet of cars and vans will be fully zero emission by 2027. Mitie (7,100 vehicles), Centrica (15,000 vehicles),AstraZeneca (17,000 vehicles internationally) and Asda (600 company cars) are among those pledging to be zero emission by 2025.

Zip Water, part of Culligan international, has the lowest average CO_2 emissions in the Fleet200 across its car fleet, at just 43.5g/km, a reflection of its rapid transition to EVs. It added its first in March 2020, and is already at 47% EV penetration, and a further 22% PHEV. The company's electrification of its van fleet started even earlier, in a policy that has paid dividends ever since.

"We started our EV journey in 2018 with one demo Nissan eNV200 operating in central London," says Graham Short, Culligan fleet manager. "This was successful. So, by the end of 2019 we were operating 20 fully-electric vans, all in London. We are currently saving around £70k a year on the Congestion Charge alone, not to mention fuel, maintenance and parking charge savings on top of the reduction in tailpipe emissions from our fleet."

AVERAGE CARS CO_2

Sector	Average CO_2 cars 2020	Average CO_2 cars 2021	Average CO_2 cars on order
Primary, manufacturing, construction	108	98.7	46.4
Transport, retail, distribution, information, communication	105	97.3	57.5
Business services	113	101.3	50.7
Other services	108	115.2	88.5
Public sector	106	97.8	57.9
Fleet200 average	108	100.5	53.2

Elsewhere in the Fleet200, the win-win scenario of lower tax and motoring costs for cars while helping the environment has yet to be mirrored in the commercial vehicle sector, where fleet decision-makers' best intentions are thwarted by a limited choice of battery electric vans and chassis cabs capable of conversion to specialist fleet applications.

Fleet200 data reveals that the average LCV emission is 158.7g/km of CO_2, although this drops sharply to 125.1g/km for commercial vehicles on order. As business-critical vehicles, the range and recharging of LCVs requires more operational certainty before fleets take the plug-in plunge, although some are already investing.

"I have made a commitment that all my cars and small- and medium-sized vans, which is about 480 vehicles, will be electric by the end of 2022," says Fraser Crichton, corporate fleet manager, Dundee City Council.

Councillors have to approve all new vehicle acquisitions, he says, and "now I would have to justify why I'm not buying electric, whereas 10 years ago I had to justify why I wanted to buy electric, because we are so far advanced down this road, with 25% of my vehicles being electric already. I would hope that in five years' time, 70%-to-75% of my fleet will be electric, and that includes bin lorries and all the big stuff, so long as I can get the right infrastructure in by then".

DPD opened its first all-electric depot in Westminster in 2018, and its electrification plans are accelerating rapidly, says CSR head Olly Craughan.

"At the start of last year we only had 149 EVs, today we have 1,031 and we'll have 1,700 by the end of the year," he adds. "We delivered our first all-electric city, Oxford, at the end of July and we are on a mission to do that in 25 towns and cities by 2025, while continuing to grow our electric fleet at depots outside those 25."

DPD's Vision 25 pledge will save 42,000 tonnes of CO_2 by the end of 2025, but the company needs wider fleet sector support to sustain its zero emission momentum.

"We need electric 7.5-tonne vehicles to be available and affordable, and for peak periods where we need to increase the number of vehicles, we need rental and lease companies to offer EV options, so there are challenges to continue delivering all-electric 52 weeks of the year," says Craughan.

While the combination of EVs and renewable energy is enabling some fleets to curb their tailpipe carbon emissions to zero, for other fleets carbon offsetting provides an interim solution until adequate charging infrastructure is in place.

South West Water, for example, is about to sign a new fuel supply agreement that will involve a carbon offsetting agreement for all diesel bought at filling stations, as it transitions its cars and 1,000 light commercial vehicles to electric power by 2030.

"Carbon offset will carry us through the next couple of years while we start bringing on EVs," says Mark Karkeek, head of fleet services at South West Water.

Across the Fleet200, diesel is shrinking in the rear view mirror as Britain's largest fleets surge towards a zero emission future.

CAR AND LCV POWERTRAINS (CURRENT PROPORTION ON FLEET)

Sector	Petrol		Diesel		BEV or pure EV		PHEV		Hybrid	
	Car	LCV	Car	LCV	Car	LCV	Car	LCV	Car	LCV
Primary/manufacturing/construction	13.2	3.1	55.8	91.7	8.7	4.1	16.8	0.9	5.5	0.2
Transport/wholesale/retail/ distribution/information/communication	19.4	0.7	59.7	97.3	4.4	2.1	13.3	0	3.2	0
Business services	13.5	0.3	55.5	98.4	7.1	1.2	15.1	0.1	8.8	0
Other services	43.3	3.5	36.2	96.5	0	0	0.2	0	20.3	0
Public sector	26.6	0.7	51.0	93.9	9.8	4.2	6.8	1.2	5.7	0
Fleet200 average	18.6	1.6	54.3	95.2	6.9	2.6	13	0.5	7.2	0.1

Where next for company car replacement cycles?

Amid contract extensions, low lockdown mileages and the potential obsolescence of first generation electric cars, establishing the most cost-effective holding period has become a complicated business for Fleet200 companies. *Jonathan Manning* reports

Scrutinising the fine detail of the Fleet200 data it is reasonable to ask whether contract terms have any significant relevance. After the turmoil of the past 18 months, with contracts extended and mileages limited by lockdown, the headline criteria of age and mileage in vehicle holding periods appear to bear little relation to real-world experience. Add into the mix substantial delays in new car lead times, due to semiconductor shortages, and the notion that a vehicle will head for auction as it hits its three-year, 60,000-mile or four-year, 80,000-mile threshold seems wildly optimistic.

Across 109 fleets that supplied their car replacement cycles, the average holding period is 47 months, just four weeks longer than last year. The spectrum, however, stretches from the six-monthly cycle of a manufacturer's in-house fleet all the way to 84 months. The median in this range is 48 months, indicating that the four-year holding period remains the benchmark for large fleets.

There's a similar spread in maximum mileages, extending from 9,000 miles to 150,000 miles, with the average of 77,639 lower than last year's 81,157 miles, a reflection of fewer trips during lockdown.

For many Fleet200 decision-makers, the key mileage figure is arguably not the 12-month total, but the average annual business mileage. In 2021, this stands at 14,675 miles, well beyond the threshold to justify the offer of a company car, and evidence that employees are still making a significant number of business journeys despite the pandemic's promotion of videoconferencing. Overall, lockdown appears to have saved about 3,000 business miles from company car odometers, given 2020's pre-Covid average of 17,481 annual business miles.

The shortfall will not, however, lead to windfall profits for leasing companies, with most large fleets enjoying mileage pooling arrangements with their suppliers. Some Fleet200 operations undertake even more involved negotiations with their leasing companies, renegotiating each contract at the end of a vehicle's first year when it has accumulated sufficiently comprehensive data to give an accurate forecast for its full-term mileage.

AVERAGE LEASE TERMS

Fleet200 replacement cycles are longer than the average across all fleets, according to the British Vehicle Rental & Leasing Association (BVRLA). Data for 2016-to-2019 reveals the UK average lease term for cars is 36 months and around 15,000 miles per annum, says Phil Garthside, BVRLA's research and insight manager.

"In 2020, we saw a slight lengthening in car leases to an average of 38 months and mileages appear to have risen slightly in 2020 – up about 1,000 per annum to 16,000," he says. "Given the other factors faced by the leasing sector, it is too early to attribute any of these changes directly to the transition to zero emission vehicles, but we will be watching this space."

Fleet200 members deploy a variety of funding

CAR REPLACEMENT CYCLES

Sector	Average car replacement cycle – months	Average car replacement cycle – mileage
Primary/manufacturing/construction	47.5	78,577
Transport/wholesale/retail/distribution/ information/communication	43.4	77,474
Business services	44.6	75,120
Other services	42.0	62,500
Public sector	55.8	87,182
Fleet200 average	46.4	77,322

methods to finance their company cars, and there are strong correlations between replacement cycles, funding and whether a fleet operates in the public or private sector.

Among organisations that outright purchase at least 80% of their company cars, the average holding period is 60.2 months, while those that lease at least 80% of their cars keep them for an average of 44.5 months.

There is also a distinct difference between private sector fleets, which typically operate a 45-month replacement cycle, and public sector fleets where this extends to 55.8 months.

One dilemma facing every decision-maker, regardless of sector or funding method, is identifying the sweetspot of electric vehicle (EV) holding periods. On the one hand, the temptation is to keep plug-in cars for longer in order to amortise their higher acquisition costs over a greater period of time.

On the other hand, the fearsome pace of development in new battery technology and range risks rendering this first generation of electric company cars obsolete, undermining their residual values. Drivers, too, are likely to want to switch to longer-range vehicles as soon as they become available.

Siemens offers its drivers the choice of two-, three- or four-year leases, giving the opportunity to switch to new technology as early as possible, or to save money by opting for a longer lease.

"The majority of our drivers have stuck to four years, which is very similar to an ICE (internal combustion engine) vehicle, but I think we will see two and three years increasing," says Wayne Warburton, head of mobility services, Siemens.

The quicker the churn of vehicles, moving drivers from diesel and PHEVs into pure electric models, the quicker Siemens can reach its net zero target.

Close Brothers will move its last driver out of diesel by the end of this year, early terminating contracts, as it transitions its 600 company cars to electric by 2025, says Steve Cuddy, head of fleet (Banking Division).

The bank has halved its average CO_2 emissions in the past five years, down to an average of 55g/km, and is adjusting its replacement cycles to accelerate the transition to battery power.

"Some of the newer plug-in hybrids we have changed from four- to three-year contracts so that in 2024 someone can reorder a car and be full electric by 2025," says Cuddy.

The bank is pursuing a similar policy with electric cars, based on their range.

"Any vehicle that has an average 200-mile range we are trying to put on three-year contracts, but anything on 300-plus miles like the Tesla and Ford Mach-E we are keeping at four years," says Cuddy.

He has also negotiated a reduction in contract mileages, driving down monthly lease rates.

"We were on 20,000 miles per year five years ago, but we then did a lot of analysis and increased our staff to cover the bigger territories, so individual mileages shrank. And, because we had so many contracts on 20,000 miles, we accrued a lot of pooled mileage. So, we reduced to 15,000 miles per year and now 10,000 miles. Even if we go slightly over it won't cost us anything because of our spare pooled mileage," adds Cuddy.

Another Fleet200 member, Countryside Properties, has also shortened its lease contracts to improve both the recruitment and retention appeal of company cars and lower its wholelife fleet costs.

> "THE MAJORITY OF OUR DRIVERS HAVE STUCK TO FOUR YEARS (FOR LEASES), WHICH IS VERY SIMILAR TO AN ICE VEHICLE"
>
> **WAYNE WARBURTON, SIEMENS**

"Working with our fleet provider, we moved to a three-year replacement cycle for our vehicles last year," Chris Connors, head of facilities and fleet, Countryside Properties told a recent Fleet News at 10 seminar. "We did not want older vehicles on our fleet and we didn't want to go into the fourth year where we know the financial cost goes up for us, with the risk of cars being out of warranty. Plus, you have the driver downtime when older vehicles are spending more time being repaired and the knock-on cost of courtesy cars and rental cars."

EXTENDED CONTRACTS

Under normal circumstances, holding cars beyond 48 months would be outside the bounds of most organisations, except local authority and police fleets that have their own workshops. However, due to the uncertainty during the early months of the pandemic, many fleets extended contracts for 12 months, a decision that has left them trying to replace vehicles that turned four, or even five, years old this summer in the midst of acute supply shortages.

This has the potential to become a major HR issue in the light of the benefit-in-kind (BIK) tax advantages of battery electric cars. A driver who took delivery of a new diesel car four years ago with modest emissions of 100-104g/km would have paid company car tax based on 20% of its list price when the car was new. That percentage has escalated to 29% in the current financial year, representing a 45% increase in tax to the driver and a commensurate rise in national insurance contributions (NICs) to the employer.

At the Fleet News at 10, Duncan Webb, head of fleet at ISS, said he was investigating mid-term leases and even short-term cash allowances as solutions to "get people out of these older vehicles where they are going to start to be charged higher tax", until new car availability improves.

In today's extraordinary circumstances, the traditional contract parameters "really don't count any more", he concludes.

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For many businesses, fleet vehicles are among the most significant investments they will ever make. Safeguarding those assets, thus maximising ROI, is clearly a key consideration.

To help organisations best protect their fleet investment, Trakm8, the UK's leading vehicle technology specialist, designed, developed and launched its RH600 Dashboard Camera.

The most advanced 4G telematics camera available globally, Trakm8's RH600 represents a truly game-changing solution for drivers and fleet managers alike.

The RH600 combines rich telematics data with a cutting-edge in-cab camera provision. All told, this blend of insight and hardware makes RH600 one of the most pioneering, yet cost effective, fleet solutions available.

One of the key strengths of the RH600 is its versatility.

Usable as a traditional dash cam, the RH600 has a dual-camera function that provides a 280-degree field of view, delivering valuable peace of mind and making the gathering of post-collision evidence easier than ever before. What's more, the ultra-HD cameras provide crystal clear footage from the driver's perspective; a valuable tool through which to mitigate claims of poor or distracted driving.

That commitment to flexibility is evident in every element of the RH600's design, with the camera heads removable and repositionable to give a clear view of anywhere in the cab, providing total tractability for monitoring the driver, the road or the vehicle's cargo.

RH600 at a glance

Adopted and trusted by some of the biggest names in UK business, the RH600 has an unparalleled track record in shoring-up fleet safety and efficiency.

The RH600 is proven to:

Up to **39%** **Decrease** in accident rates

Up to **50%** **Reduction** in insurance claims

Up to **35%** **Decrease** in speeding incidents

Up to **10%** **Improvement** in fuel economy

Business/Private mileage

As an increasing number of businesses move towards the grey fleet model, the RH600 can reduce paperwork and help organisations remain HMRC compliant with its innovative business / private mileage function. At the touch of a button, users are able to toggle between a business and personal mileage journey – making it the ideal tool for grey fleet and company car drivers.

But the RH600 is so much more than just a dash cam.

The solution features the same technologies as some of the market's most sophisticated telematics units, with all of the intelligent, integrated functionality users have come to expect from Trakm8 products.

All of those data-rich insights are accessible via Trakm8's easy to navigate web portal or mobile app. This allows customers to reap the benefits of an all-in-one fleet management solution from a single device.

Both data and live footage from the camera is accessible to fleet managers at the touch of a button, helping them prioritise driver and road-user safety, alongside identifying potential opportunities for additional driver training.

This complements the camera's in-built driver behaviour monitoring data, which collates potentially dangerous or fuel inefficient behaviours such as harsh acceleration, heavy breaking, heavy cornering or over-revving.

Insight integration

Trakm8 Insight is a market leading software platform which processes data from the RH600 and other telematics devices and displays them in a digestible and user-friendly dashboard; making key insights into fleet performance easier than ever before.

Beyond the improvements in safety, the RH600 is also proven to deliver significant cost saving benefits.

Recognising the importance of vehicle health to a productive fleet operation, the RH600 features standout diagnostic capabilities, enabling fleet managers to predict vehicle failures before they happen.

This means that potential issues, from rogue tyres to faulty batteries, can be identified and rectified before they cause any unexpected vehicle down time.

With this level of Insight, operators can keep the wheels turning, which means they'll keep earning!

For more information visit

www.trakm8.com/rh600

RIVUS
FLEET SOLUTIONS

Rivus calls for an acceleration on fairer EV investment.

Rivus Fleet Solutions is calling for fairer electric vehicle investment across the UK ahead of phasing out petrol and diesel vehicles by 2030. Rivus offers an Electric Vehicles as a Service (EVaaS) offering to fleet operators to help them navigate the changes to electric vehicles but they feel more can be done to encourage people to invest in new technology.

What's happening now?

As set out in the Government's **Transitioning to zero emission cars and vans: 2035 Delivery Plan**, plenty has been done to get an electric vehicle infrastructure in place. This includes £1.3bn of investment and grants for charge points in homes until 2024/25. In addition to this, analysis from Transport and Energy shows the UK has more rapid charging points per 100km of major strategic road (A-roads and motorways) than any other country in Europe.

Existing EV grants and schemes are available to support the purchases of electric vehicles or charging points for customers, businesses and local councils. However, there are deadlines attached to these grants - some ending as soon as 2022/23 - and it's unclear whether these will be extended to benefit drivers considering switching in several years' time.

Is everybody benefiting from EV infrastructure?

Data from **Zap-Map.com** shows that 30% of existing charging points are currently located in the Greater London area and this rises to over 50% if you include the South East and South West. Although the UK already has 20% more electric charging points in 2021 since the end of 2020, there is a great divide in who is benefiting from the current EV infrastructure.

What's the expert opinion?

Sarah Gray, Product and Services Development Manager at Rivus Fleet Solutions, commented on the EV landscape as it stands and what needs to be done:

"The long-term future of domestic and business driving is going to be powered by electricity. There's no getting away from that. However, we cannot expect people to be confident in switching early if they don't have access to better infrastructure or access to support.

"Although there has been great strides in getting the electric vehicle infrastructure in place, there is a slight concern that some drivers and businesses will be left behind. Some areas of the country are benefiting from quicker investment into electric charging points but our concern is for customers and businesses in remote areas who need support too.

"We are calling for fairer distribution of resources in the future to ensure there is no two tier system where some are better off than others. We would like to see clear targets and timelines set out by the Government so businesses can prepare to invest in electric fleets, and consumers can start planning to switch over from combustion engine models. We are also seeking clarity on whether existing grants will be extended to build confidence in the roll out of EV infrastructure."

Let's drive into the future.

For more information on Rivus' EV solutions, visit **www.rivusfleetsolutions.com** or contact the team on 0121 820 1101.

LCV replacement cycles gripped by uncertainty

Britain's largest fleets intend to keep their LCVs for an average of 100,00 miles

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Fleet200 decision-makers are weighing up when to transition to battery electric commercial vehicles, whether to extend current diesel models until the transition and how long they should keep their new battery-powered LCVs. *Jonathan Manning* reports

Stick or twist? As a growing number of cities plan low and zero emission zones, and public sector bodies and major PLCs make challenging commitments to achieve carbon neutrality, fleet decision-makers face complicated decisions.

If they replace diesel light commercial vehicles (LCVs) with further diesels, how long should they plan to keep them? And, if they switch to battery electric, what is the most cost-effective holding period for the zero emission replacements?

A tantalising line-up of zero emission LCVs is amassing on the horizon, even if precise launch dates and availability remain uncertain. The Government's confirmation of a ban on the sale of new vans with petrol or diesel engines from 2030 has laid a clear deadline for the transition to battery power, but official Society of Motor Manufacturers and Traders (SMMT) figures reveal that diesel accounted for more than 96% of LCV registrations during the first seven months of 2021. The peak monthly market share of alternatively-fuelled LCVs, recorded in June, was just 3.86%.

Beyond EV pioneers such as Centrica and DPD, the majority of fleets are still at the earliest stage of e-LCV trial and adoption. Morgan Sindall Property Services, for example, has just added 13 new Vauxhall Vivaro-e and Peugeot E-Expert vans to its fleet, the vanguard of its pledge to switch all cars and vans to electric by 2023.

Alistair Gears, fleet advisor, Morgan Sindall Property Services, says the new LCVs were being added on the same replacement cycles as their diesel predecessors and anticipates their wholelife costs will compare "favourably" with diesel.

"Although only time will tell us whether we realise all of the benefits, the focus is very much on reducing our carbon footprint," he says.

Siemens, too, is at the early stage of e-LCV adoption, and has chosen to keep its first battery-powered vans for 48 months, the same as its diesels.

"They are all on four-year contracts because of their higher cost and lower discount," says Wayne Warburton, head of mobility services, Siemens.

"When you add in fuel, the EVs come in comparable with an ICE (internal combustion engine) over four years, but there's too much of a price difference between three to four years (to keep them for a shorter period)."

South West Water is debating whether to extend the holding periods of its current commercial

LCV AND HGV REPLACEMENT CYCLES

Sector	Average LCV replacement cycle – months	Average LCV replacement cycle – mileage	Average HGV replacement cycle – months	Average HGV replacement cycle – mileage
Primary/manufacturing/ construction	60	91,391	84.4	244,885
Transport/wholesale/retail/ distribution/information/ communication	55	110,389	71	322,857
Business services	52.7	98,810	81.6	219,444
Other services	60	74,000	n/a	n/a
Public sector	73.9	107,778	113.5	128,625
Fleet200 average	59.6	98,737	87.0	228,311

The way forward for HGVs in terms of their emissions is not as clear cut as it is for vans

ISTOCK.COM/KRISTOARNAUDOV

vehicles by as much as two years, in order to defleet them when there is a greater selection of electric alternatives available, says head of fleet services Mark Karkeek. The decision is a balance between increased service, maintenance and repair (SMR) costs of its ageing diesel vehicles and the speed of development of both vehicle technology and charging infrastructure.

"We are not going to be an early adopter and we will buy into the technology on a rolling programme starting next year," says Karkeek. "We have ordered 50 EVs for next year. They will be our trial set; we will build our site infrastructure around them and learn from them over the next 12 months. In three years, we will probably have transitioned 25% of the fleet to EV, which will take us up to 2024, by which time the business case in favour of EVs will have changed and that will accelerate our uptake in the second half of this decade."

South West Water's stated LCV holding period is seven years or 100,000 miles, although by acquiring its vehicles rather than leasing them, the water utility has the flexibility to flex these thresholds without external penalties.

"More realistically, our vehicles are running for about eight years," says Karkeek. "Rather than work to a set time, we look at each van individually; if it has had an arduous life and it's up on mileage we might replace it earlier, while others with a lower mileage we might keep for a bit longer. We flex it all the time, balancing the increased maintenance spend in years seven to 10."

With a relatively small geographical area to cover, Dundee City Council's LCV fleet can age without racking up high mileages, but the authority's replacement cycle has shortened significantly for its first wave of EVs. Its new electric Nissan eNV200 vans are on three-year lease contracts, replacing eight-year-old Volkswagen Caddys owned by the council.

"The first electric vans I bought three or four years ago could barely do 100 miles per charge," says Fraser Crichton, corporate fleet manager, Dundee City Council. "Now I have vehicles doing 160 miles, and I would predict that could be well more than 200 and maybe as far as 250 miles in three years' time."

> "EVERY TIME I CHANGE A BIN LORRY TO ELECTRIC THAT'S EQUIVALENT TO 1% CUT IN MY ANNUAL DIESEL USAGE"
>
> **FRASER CRICHTON, DUNDEE CITY COUNCIL**

This additional range will mean the vehicles require fewer recharging sessions, which, in turn, means the council will require a smaller charging infrastructure, saving funds. Leasing the new e-LCVs also spares the city's capital for expenditure on electrifying heavy commercial vehicles, such as bin lorries – six of the 38-strong refuse collection fleet are already electric.

"They're on an eight-year cycle, so I change four or five every year. Every time I change a bin lorry to electric that's equivalent to 1% cut in my annual diesel usage or 20 to 25 vans in terms of emissions, so it makes a huge difference," says Crichton.

Across the Fleet200 as a whole, the scheduled defleet mileages of LCVs have continued the decline of recent years, with Britain's largest fleets intending to keep their LCVs for an average of 100,000 miles. The average naturally obscures outliers, with one Fleet200 member keeping its vehicles for 12 years, albeit with a modest 130,000 miles, and another for an intergalactic 200,000 miles, clocked up in just five years.

The 2021 average mileage is down slightly on 2020 and 2019, when replacement cycles stood at 102,000 and 103,000 respectively, and substantially down on 2017's peak figure of 119,600. It will be interesting to see whether this trend continues into 2022, with commercial fleet operators facing the dilemma of whether to capitalise on this year's soaring prices of used vehicles, driven skywards by severe supply shortages of new commercial vehicles, or hold on to vehicles for longer until there's a competitive selection of zero-emission LCVs available.

HGV REPLACEMENT CYCLES

With the Government's transport decarbonisation plan advocating a ban on the sale of all non-zero emission lighter HGVs (3.5 to 26 tonnes) from 2035 and HGVs (above 26t) from 2040, fleet operators are aware that they may be just one replacement cycle from running trucks powered by battery electric, hydrogen or electric road systems (vehicles taking power from overhead powerlines).

"These alternative HGVs don't yet exist – we don't know when they will and what they will cost," warns Richard Burnett, chief executive of the Road Haulage Association. "For many haulage companies, there are fears around cost of new vehicles and a collapse in resale value of existing lorries."

HGV fleets will also suffer anxiety at how 2040 was originally selected as the date for phasing out the sale of ICE cars, only for the Government to move the goalposts forward to 2030.

Across Fleet200 members, the average HGV replacement cycle is 86.3 months and 230,000 miles (median 84 months and 165,000 miles), although the spread is huge, stretching from 12 months and 15,000 miles at one construction company, to 12 years and a million miles for a utility with specialist vehicles. The figures continue the trajectory of recent years in terms of vehicle age, rising from 81 months (2019) and 83 months (2020).

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Operating lease gains ground while finance lease almost halves

Figures suggest businesses are becoming more keen to share the risk with leasing companies. *Tom Seymour* reports

Fleets have broadened their funding methods over the past 12 months, with fewer businesses putting all their cars and vans through one primary source.

Eight-of-out-10 organisations are using contract hire for some or all of their cars, up from 67% in 2020, while 34% are using outright purchase, up from 25%.

Salary sacrifice is also growing in popularity across the fleet sector thanks to the beneficial tax treatment of electric cars, although it continues to be used by 5% of Fleet200 companies, the same as 2020. Several Fleet200 members will shortly be launching salary sacrifice schemes as both an employee benefit and to encourage cash takers back into a company-controlled scheme

Finance lease and Employee Car Ownership Schemes (ECO) are in decline, now used by just 10% and 6% of companies respectively (2020: 20% and 11%).

Funding decisions are commonly based on financial considerations, according to complementary research carried out by *Fleet News* partner Fleet Intelligence for its Pulse data.

Almost a quarter of companies choose outright purchase for either pure financial benefits (23%) or their ability to access business capital at preferential rates (24%), although 18% say avoiding excess end-of-contract recharges is their primary motivation.

Likewise, financial benefits is the top reason for companies to opt for operating lease, closely followed by 'improved cost control', due to the consistent monthly payments. Others point to the fact that they have alternative uses for business capital, which they do not want to tie up in depreciating vehicle assets – 25% said this was their deciding factor in choose leasing.

While outright purchase and operating lease are both being used by a greater number of companies, the latter is strengthening its overall hold on the Fleet200 fleet of cars, with 70.5% of the 103,448 models now funded via this method, up from 63% a year ago. Outright purchase is largely static, registering a slight rise from 16.7% to 17.3% cars, but finance lease has halved in popularity with just 7.5% of cars funded this way, compared with 14.5% in 2020.

ECO continues its decline and is now used to fund just 2.6% of cars, down from 4.8% a year ago. But salary sacrifice is on the rise, accounting for 2.1% of cars, up from 0.6% in 2020, despite no overall change in the proportion of companies using it.

WHO TAKES THE RISK?

While operating lease transfers vehicle risk to the leasing companies, finance lease parks the risk with the business itself, with the opportunity to continue running or sell vehicles when they reach the end of their contract.

Andy Barrell, Lex Autolease head of outsourced relationships, says: "The growth in operating lease speaks to the levels of risk. Companies are becoming more risk averse.

"The price difference between operating lease and finance lease isn't vast either, so companies would rather opt for the leasing company to take the residual value (RV) risk rather than take it on themselves."

Barrell says that 18 months ago, many companies were asking for affinity personal leasing schemes, but this has now died away due to the popularity of salary sacrifice to access the tax-friendly benefits offered to those choosing electric vehicles (EVs).

MIX AND MATCH

More than half of fleets in the UK (55%) opt for a single funding method and this is most likely to reduce accounting burden.

However, 45% continue to mix multiple types of funding methods across their fleet. The most popular combination, as evidenced in the Fleet200, is pairing outright purchase with operating lease.

Matthew Walters, LeasePlan head of consultancy services, agrees that risk has been the deciding factor for funding trends, despite the Fleet Intelligence data suggesting that it is not the primary factor – just 5% said it was their number one reason, significantly behind the financial and cost responses.

Walters says that, while there are some fleets that will still mix and match funding methods, it's "quite a faff" to operate with multiple accounting methods; Fleet Intelligence data shows that 10% of fleets choose leasing to reduce the admin burden.

"If you can divest yourself of any business risk, then you'll be happy to do that," Walters says.

LeasePlan has seen fleets move away from outright purchase to operating lease, again as a reflection of risk-averse behaviour on the part of businesses.

Walters says: "If you look at the behaviour from

PROPORTION OF CARS FUNDED BY THE FOLLOWING METHODS

Sector	Outright purchase	Contract hire/ operating lease	Contract hire/ finance lease	ECO scheme	Other
Primary/manufacturing/construction	12%	79.6%	3.9%	4.6%	0%
Transport/wholesale/retail/distribution/ information/communication	5.5%	74.4%	5%	5.6%	9.5%
Business services	5.2%	82%	12.3%	0.4%	0.2%
Other services	62.8%	29.8%	6.8%	0%	0.6%
Public sector	14.4%	68.4%	14.3%	0%	2.9%
Overall	**17.3%**	**70.5%**	**7.5%**	**2.6%**	**2.1%**

Splitting the Fleet200 data by sector gives a quick glance at the funding trends between different types of companies.

The business services sector clearly favours operating lease for its cars, with 82% of models funded via this method. This has also grown year-on-year, up from 78% in 2020.

In fact, operating lease dominates the majority of the sectors (as would be expected from the Fleet200 average figures), with this method accounting for around three-quarters of cars in the primary, manufacturing, construction, transport, wholesale, retail, distribution, communication and business services sectors.

However, as last year, public sector fleets overwhelmingly opt for outright purchase, with 62.8% of their cars funded this way. Public sector organisations continue to have a fleet acquisition strategy which leverages their buying power for fleet discounts through framework agreements and joint tenders.

fleets over the past 18 months it comes down to Covid-19 or general world economics. Wherever you look there is more risk out there and businesses would rather lease and return the vehicle."

Stuart Cunningham, Alphabet (GB) head of corporate & international sales, says the added benefit of including service, maintenance and repair (SMR), accident management and rental within the contract hire funding, are all major benefits for operating lease.

He says: "Operating lease enables companies to focus on their core business purpose rather than worrying about their fleet."

Alphabet has seen some drivers moving away from taking cash on personal contract hire (PCH) and personal contract purchase (PCP) options and coming back into company car schemes, particularly if an EV is desired.

Cunningham says: "Benefit-in-kind (BIK) tax rates remain the most advantageous to drivers and so it makes sense for people to have a company car rather than purchase their own vehicle when it comes to EVs, due to the higher upfront costs.

"BIK rates on EVs also outweigh the tax savings made on a cash benefit, and so, naturally, more and more people want to take advantage of company car schemes."

SHRINKING OF ECO

A major ECO fleet at LeasePlan has moved to contract hire too, underlining the industry-wide trend away from this funding option.

Walters says: "The simple reason is that EVs don't stack up well financially with ECO. It's a very expensive way of providing an EV. If you provide an EV on contract hire through a salary sacrifice layer, you can deliver a green company car fleet much more cost-efficiently. We are seeing more and more traditional company car schemes convert to salary sacrifice EV schemes."

Walters says one client has managed to save £1 million a year by switching from ECO to salary sacrifice, even though "the ECO scheme that was in place was one of the most efficient I've ever seen".

He adds: "ECOs are still about, but it would be fair to say they're in decline. Fleets will look at them for ICE (internal combustion engine) vehicles, but when we run the numbers right now, we can't find a way to make it work. Every policy I'm looking at now is an EV salary sacrifice scheme with exceptions, rather than vice versa."

Cunningham says ECO schemes may have also dropped away due to the changing travel habits resulting from the pandemic.

Approved mileage allowance payments (AMAPs) apply to cars purchased under an ECO scheme and are free of both national insurance contributions (NICs) and tax, making it a simple way to deliver savings.

However, Cunningham adds: "With fewer people travelling and higher mileages dropping, the tax advantages via AMAPs are not achievable, making ECO a less beneficial funding option currently to drivers."

ROAD PRICING TO BRING BIG CHANGES

Walters says his dealings with HMRC have not hinted at any forthcoming major changes to company car tax to rock the boat on funding methods in the near future.

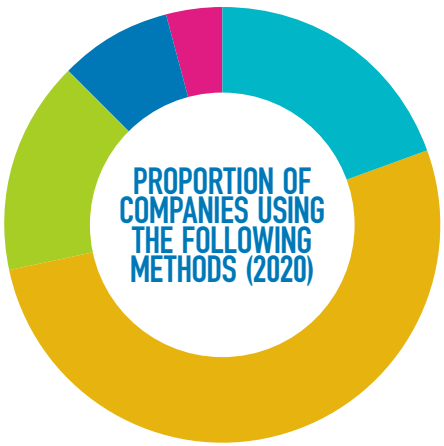
However, he does have concerns the Government is likely to introduce road pricing to plug the £28.4 billion hole left by the lack of fuel duty tax coming in as a result of the switch to EVs.

Road pricing would likely introduce a pay-as-you-go taxation scheme based on miles driven.

Walters says: "Road pricing is the only answer, and the likelihood is the Government will have to deal with this before 2030.

"What we're asking is not to act fast, but to consult fast. The danger of doing something late and rubbish is not going to help anyone."

LeasePlan is expecting a road pricing consultation in 2022.



ChargePoint leads the way

Fleets need help from those who have been there and done that with EVs

The numbers are clear: fleet electrification makes sense. Electric vehicles (EVs) are much more efficient and require less maintenance than fossil fuel-powered vehicles and electricity is much cheaper than fossil fuels.

As a result, EVs offer all types of fleets an unprecedented opportunity for significant cost savings: as much as 20-25% cost reduction in some pilots.

According to clean economy promoters GreenBiz, "the time is now for the leaders of delivery and logistics fleets to pilot, buy and scale EVs and plan and deploy charging infrastructure at fleet yards. Some of the world's largest last-mile logistics providers including Amazon, FedEx, PepsiCo and UPS – as well as brands that work with delivery and logistics providers such as IKEA – are aggressively electrifying their fleets and paving the way for smaller companies that potentially can benefit from these early moves."

In addition to cost savings, government regulations are picking up the pace. The UK has already announced that it will ban the sale of new fossil fuel cars and van by 2030, and London is one of 24 European cities to have committed to ban diesel vehicles entirely by 2030.

City and country commitments are having a broader impact as well: Government and business pledges to reach net zero more than doubled during 2020, with the UN Race to Zero now including 22 regions, 452 cities, 1,101 businesses, 549 universities and 45 of the biggest investors.

Photo: Frito-Lay

A lower total cost of ownership (TCO), including reduced fuel and service, maintenance and repair (SMR) costs, superior reliability and longer lifespans of EVs compared with their internal combustion engine (ICE) counterparts, make electrification a competitive advantage.

Together, cost savings, regulatory requirements and sustainability goals are driving major global fleets to electrify – and fast.

Graphic: ChargePoint

WHAT FLEETS NEED TO KNOW ABOUT ELECTRIFICATION

As fleets electrify, they have an opportunity to reshape their operations to ensure readiness, while taking a fresh look at cost optimisation, meeting routing and scheduling needs at a lower-than-ever cost of operation.

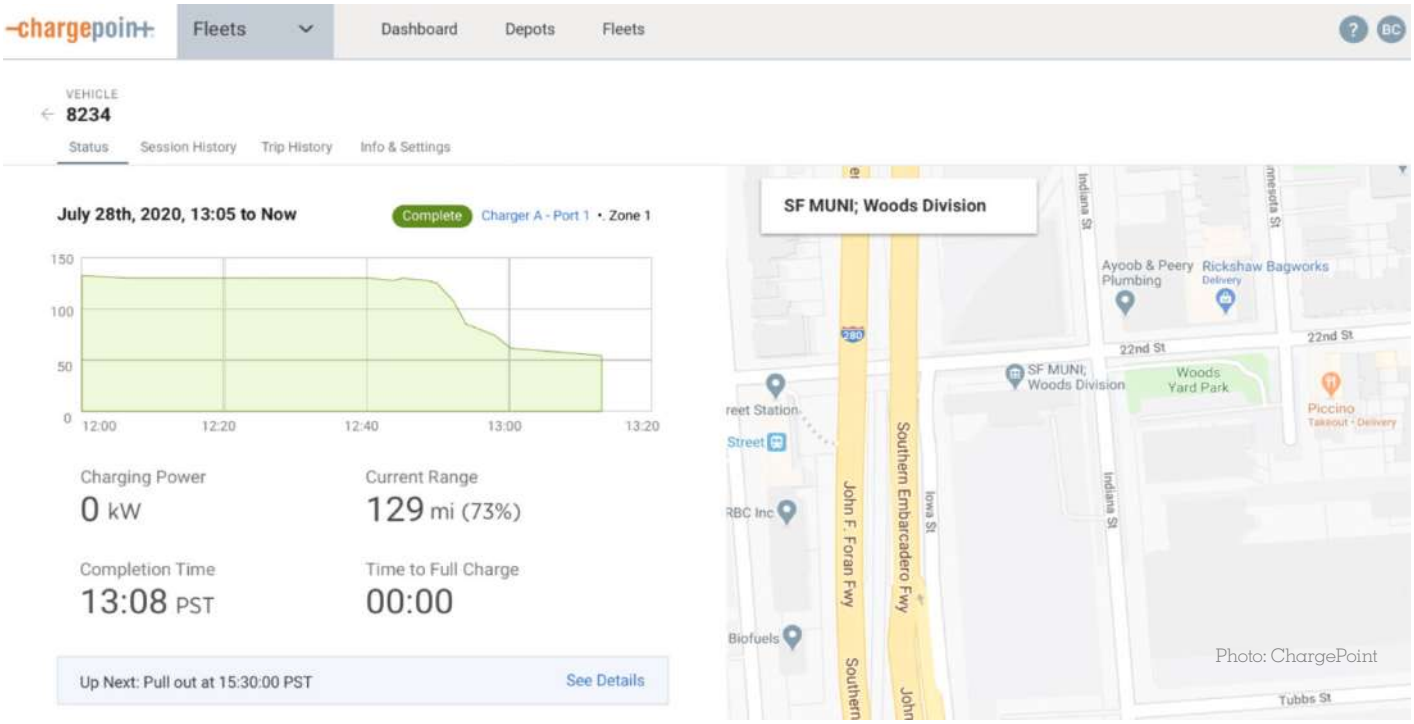
Fleet electrification can be complex. The right partner will accelerate and simplify the process and ensure your success. ChargePoint has the solutions and expertise to guide fleets to make the right choices upfront, scale with ease and save more money over time.

Fleets need a comprehensive charging solution that can adapt to changing needs. Optimising costs requires a networked, or software-based solution – hardware alone isn't enough. Fleets benefit most from networked charging hardware that can be connected to other essential systems like telematics, fleet management and business operations to optimise charging costs, ensure complete visibility into operational readiness and enable quick action if anything needs to be changed.

Each fleet has different operational needs and so each needs a different charging solution, designed from the start to work for the vehicles in operation, routing schedule, terrain, depot layout, route schedules and driver preferences.

EVs are certainly different – they

with large fleet electrification



require different infrastructure, different practices and different driver behaviour. But the payoff in savings, driver satisfaction and customer delight is worth it.

HOW CHARGEPOINT CAN HELP

Picking the right charging partner for your EV journey can mean the difference between scaling smoothly or having to start over. ChargePoint has more than a decade of experience focused solely on EV charging and has helped both small and large fleets make the switch.

We'll be there for you from the start, helping plan your fleet electrification with expert design/build services.

More than a decade of experience in planning and implementing EV infrastructure help us deliver the peace of mind you need when embarking on a fleet electrification project. Our consultative approach takes you from site layout, construction and operational planning through to mission-critical response and resolution. We take care of the details so you can run your fleet.

Our approach is designed for smooth scaling. By assesing your needs upfront, we ensure you have enough electrical capacity to grow your electric fleet and our comprehensive fleet solution portfolio includes everything needed to optimise fuelling as you grow. Fleet management software, designed to work with ChargePoint's AC and DC fast charging solutions, balances charging costs with operational readiness for light- to heavy-duty vehicles across depot, on-route and at-home charging.

We keep fuelling costs down and enable operational efficiency through dynamic depot charging optimisation, easy public charging access and payment and comprehensive take-home vehicle charging management. Our application programming interfaces (APIs) and global partnerships across telematics, fuel cards, fleet and asset management systems ensure seamless integration with your existing fleet operations to accelerate implementation and ensure success.

Our holistic services will make your fleet electrification plan a reality with expert design/build assistance and industry-leading service and support, from site analysis and planning through permitting and construction. The ChargePoint Assure® Pro maintenance


Photo: ChargePoint

and spares management package is designed to support your essential fuelling operations and includes around-the-clock technical support in local languages, one-hour response, same-day dispatch and 24-hour resolution commitments as well as parts coverage.

Since 2007, ChargePoint has been providing industry-leading EV charging solutions. We are the first industry player with our own in-house testing facility to ensure best-in-class product reliability and uptime performance. ChargePoint is fully dedicated to EV charging, with more than a decade of experience shaping the EV charging market through consulting, designing, implementing and supporting charging solutions for all types of fleets.

For more information visit: https://www.chargepoint.com/en-gb/businesses/fleet/

For more information please call: 0203 219 6525 or email: sales.uk@chargepoint.com or visit chargepoint.com

chargepoint®

If the last year has taught us anything, it's to be better prepared for big changes.

While company car drivers are reaping the benefits of EVs, is now the time to consider electrifying your LCV fleet?

Life on volts

A few years ago, nobody would have considered that the company car sector would be embracing electric as readily as it has in the past 12 months. 68% of BEV and PHEV sales in 2020 came from fleets alone.

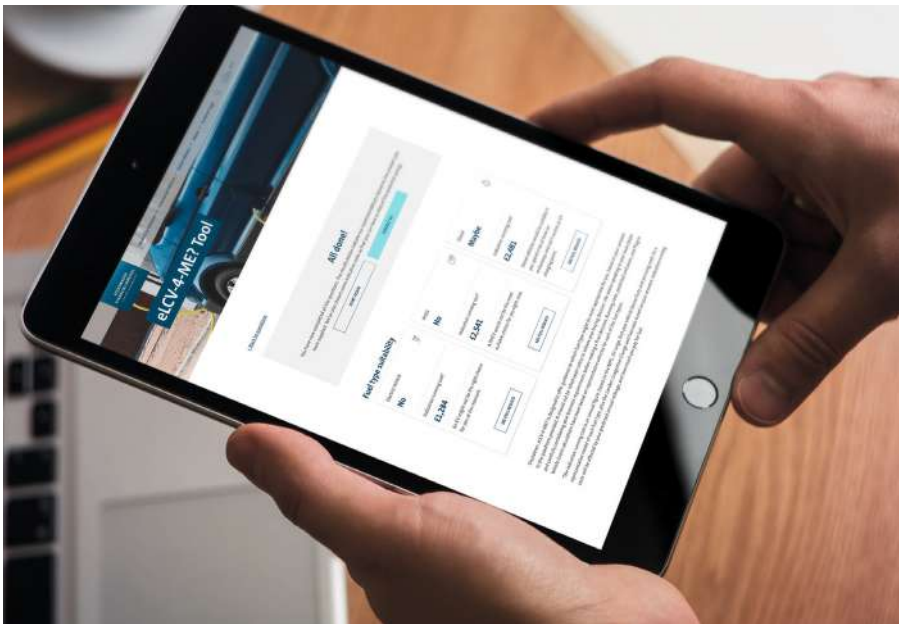
Couple a 1% BiK rate with salary sacrifice, and you end up with one of the cheapest ways to own an electric car. But the benefits don't stop there: no longer are EVs hampered by poor real-world range, and with the reduction in miles travelled due to an increase in remote working, an EV never looked so good.

A new reality

Ongoing Brexit concerns, WLTP changes and fallout from Covid are combining to shift the landscape of fleet operators in a way that's not been seen in years. So, it might be time to act quickly when it comes to your vehicle portfolio, but you want to make sure you're future-proofing your fleet and looking toward a money-saving strategy.

"Due to an increase in remote working, an EV never looked so good..."

EVs aren't something down the road to consider in the future; they're round the next corner.



Switch and save

Changing from an internal combustion engine (ICE) fleet to an electric fleet can mean saving a considerable amount on fuel. Factor in fewer moving parts compared to an ICE, SMR savings, extended service intervals and less wear on brakes and tyres due to regenerative braking; both a fleet's operational costs and downtime can be reduced.

Electrifying the heart of your business

While making the change to EV has obvious benefits for fleet car drivers, embracing the switch for your LCV fleet requires a different approach:

- Analysing the journeys your vans make
- Their weekly mileage
- Required charging infrastructure
- Total life costs
- Available electric vans

This doesn't need to be a daunting task. We've developed an 'EV Readiness' tool to help you through this process. 13 simple steps to assist you in planning for EV integration, along with some essential resources every fleet operator should have on hand.

Meanwhile, our eLCV-4-ME tool uses eight questions to show your fuel-type suitability and potential cost savings.

We're here to guide and support you through your EV transition, by helping you create a plan that works for everyone in your business.

For more information visit **www2.vwfsfleet.co.uk/fleet200**

FLEET

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Trend away from outright purchase continues

ISTOCK.COM/ENERGY

Operating lease gathers momentum, standing at nearly half the market. *Tom Seymour* reports

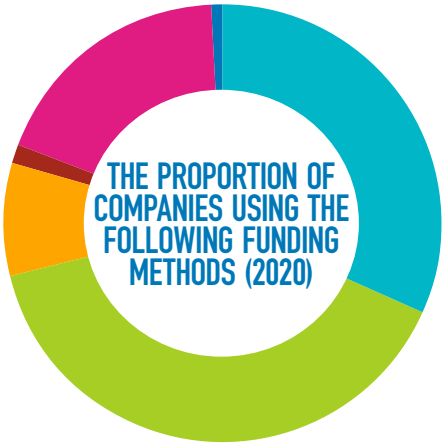
Operating lease has soared in popularity for vans over the past 12 months, with more companies using it to fund more vans.

The proportion of Fleet200 companies now opting to lease some or all of their light commercial vehicles (LVCs) has risen from 47% to 62%. Operating lease now accounts for 48.7% of all vans funded by the Fleet200, up from 41.7% in 2020.

In contrast, while slightly more companies are also using outright purchase as they spread their funding options – half compared with 47% in 2020 – this method accounts for fewer vans than a year ago at 33.9% compared with 37.2%.

The funding method that has seen the biggest increase in penetration is flexi-hire/rent. It is now being used in some form by 29% of Fleet200 members, up from just 3% a year ago. However, it is still seen as a complementary addition to traditional purchase or lease, accounting for 9.3% of van funding, up slightly from 7.3% in 2020.

Growth across purchase, operating lease and flexi-hire/rent has come at the expense of finance lease. Once seen as the flexible option for van operators, giving them control of residual values (RVs) and lower risk of end-of-contract charges from their leasing provider, it is now falling out of favour. It is used by 13% of fleets, down six percentage points, but accounts for just 6.3% of vans, less than half of 2020's 13.5%.



- **50% (47%) Outright purchase**
- **62% (47%) Contract hire/operating lease**
- **13% (19%) Contract hire/finance lease**
- **2% (N/A) Self-funded by owner/driver**
- **29% (3%) Flexible hire/rental**
- **1% (N/A) Other**

The overriding reason companies opt to buy their vans outright is the flexibility to convert their vehicle with racking or equipment. More than a third (36%) of companies said it was their primary driving force, followed by financial benefits (24%). Just 11% said to improve cost control, while almost one-in-five (18%) said low annual mileage made purchase their preferred option.

In contrast, fleets opting to lease their vehicles say the desire to use their capital for alterative purposes – i.e. on their core business activities – is the defining factor. Forty-three per cent point to this reason, while 24% are motivated by cost control benefits. One-in-five say leasing reduces risk, typically from fluctuating RVs.

Matthew Walters, LeasePlan head of consultancy services, says: "Risk is certainly part of why we are seeing an increase in operating lease.

"There has been the rise of the small-to-medium-sized business (SME) too. We're seeing a lot of supply for new vans going to end-user van fleets and that's from the rise of Amazon and online delivery owner-drivers.

"Leasing companies have also matured on

THE PROPORTION OF FLEET200 VANS FUNDED BY THE FOLLOWING METHODS (%)

Sector	Outright purchase	Contract hire/ operating lease	Contract hire/ finance lease	Self funded by owner/driver	Flexible hire/ Rental	Other
Primary/manufacturing/construction	37.5%	38%	6.1%	0%	18.5%	0%
Transport/wholesale/retail/distribution/ information/communication	16.9%	59.5%	9.3%	4.3%	5.7%	4.3%
Business services	14.2%	75.7%	6%	0.1%	4%	0%
Public sector	75.5%	19.1%	0.3%	0%	5.2%	0%

More businesses have opted to fund their vans via operating leases over the past year, but flexi-hire/rent is also growing in popularity.

Operating leases are now being used by 62% of companies, up from 47%, and are finding 48.7% of vans, a rise from last year's 41.7%. In contrast, while slightly more companies are using outright purchase (50% versus 47% in 2020), it is being used to fund fewer vans, at 33.9%, down from 37.2%.

The growth method is flexi-hire/rental which is now being used in some form by 29% of companies, up from 3% last year. However, sourcing vans this way is affected by supply shortages, with the flexi-hire/rent proportion increasing two percentage points on 2020 to 9.3%.

their end-of-contract damage charges. They understand there will be some wear and tear on a van that's been in use for five years."

Walters says cash-rich fleets may still be looking at outright purchase, but some will question whether buying vans is the best use of cash, after factoring in conversions, particularly for specialist fleets.

It's a view shared by Network Rail, which has one of the biggest van fleets in the UK. It moved away from outright purchase in 2016 and now opts to lease all its vans.

Austin Paul, Network Rail business support manager, says: "Buying vehicles is very heavy on capital expenditure.

"You also have to go away and procure maintenance to look after vehicles. Moving to operating lease removes the need for upfront funding, but then you can also use the economies of scale for more cost-effective maintenance rates when that is rolled up into the lease costs."

Network Rail's van fleet tends to be heavily converted, which increases the upfront investment that would be needed if opting to use its own business capital.

M Group Services, which operates 4,220 vans, also opts for operating lease, with the added wrinkle of having an agency agreement to sell the vehicle on behalf of the funder.

While those on an operating lease would not normally own the vehicles at the end, Tony Raymond, M Group Services Plant and Fleet Solutions head of procurement, says any gain from the final balance on vehicles sold comes back to the business.

Raymond says funding decisions are built on a data model that compares every option.

He says: "We'll run a comparison model that looks at damage costs and likely operating periods and we'll run the numbers and take a view."

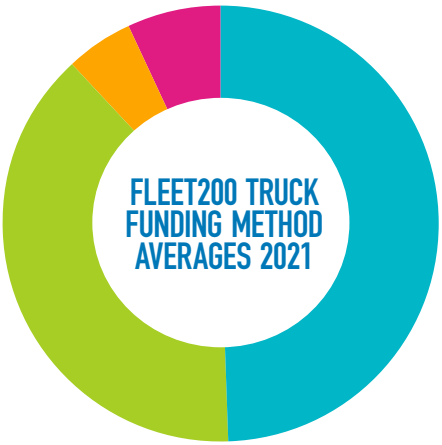
Stuart Cunningham, Alphabet (GB) head of corporate & international sales, reiterates that operating lease for vans allows businesses to release capital tied up in their fleet and reduce their RV risk.

The British Vehicle Rental & Leasing Association (BVRLA) Fair Wear and Tear standards have also meant some fleets are happier with the way end-of-contract (EOC) damage charges are managed.

In previous years, businesses were concerned about attracting high end-of-contract charges due to the vans being well used.

Austin Paul says there can still be conflicts on charges, but the expectations on damages are a lot more aligned than in the past.

He adds: "The process around EOC damage is more sophisticated, so there is more of an evidence base using digital apps and photographs. We get everything we need to challenge charges or accept costs."



- 50.7% Outright purchase
- 39.5% Contract hire/operating lease
- 5.3% Contract hire/finance lease
- 6.9% Flexible hire rental

FLEXIBLE RENTAL DROPS AWAY

The rise in flexi-hire and rental underlines fleets' desire for flexibility during an uncertain period, with contract variations and inconsistent work due to Covid-induced lockdowns.

However, some demand is going unfulfilled due to van shortages caused by a lack of semiconductors and other key components, with rental operators struggling to get volume.

These supply shortages are resulting in strengthening RVs in the used van market, according to Andy Barrell, Lex Autolease head of outsourced relationships.

Both car and van manufacturers are experiencing shortages of supply on the parts needed to complete production on vehicles, with some factories forced to pause production. The situation is not expected to improve until next year (see page 6).

It has pushed used van prices up more than 20% during the first half of the year, according to data from remarketing giant BCA, meaning some rental companies and fleets have been able to sell vans for more than they paid for them new in some cases.

Barrell says: "Daily rental makes its money from selling the asset after it's been used as a rental vehicle. So rental companies or fleets might be seeing they can achieve good money on the used van market, and this has driven volumes down in the flexible rental market overall."

The disconnect between the increase in companies wanting to use flexi-hire and the proportion of additional vans it is funding could also be down to a lack of access to specialist converters, when compared with the level of availability via operating lease.

Cunningham says: "This, combined with the huge growth in businesses that require LCVs as a core part of their solution in the past 12 months has enabled companies to commit to a core fleet with contract hire rather than flexible hire, offering a more stable proposition with more competitive pricing."

Paul says that while some fleets that use outright purchase may be "rubbing their hands" due to the current values used vans are achieving, he doesn't think this will push van fleets to reconsider their funding methods.

"The short-term increase in RV for diesel vans will flatline when it comes to the switch to zero-emission vehicles," he says. "Many fleets will be offloading diesel vehicles which will drop the RVs."

ELECTRIC TO FURTHER BOOST OPERATING LEASE

Electric vans could create a further shift to operating lease funding for fleets in the future.

Walters says: "It's still a big outlay for an electric van and fleets are a little nervous about EV. Electric vans are where electric cars were a few years ago with regards to concerns over the usable range."

Leasing companies are prepared to take the risk on electric vans and so this is where the majority of stock allocation is heading, rather than franchised dealers.

Walters says: "We've been working on cost-benefits analysis and had demos of these electric vans for a long time. We've had time to work the numbers. The leasing industry has, essentially, taken up all of the electric van production slots already for the next 18 months.

"I would expect to see operating lease to be the dominant funding method for electric vans in the years to come."

Alphabet is seeing most companies opt for contract hire on electric vans as they continue to electrify their fleets and it believes more will follow.

Cunningham says: "Not only is this helping them free-up capital to invest in other parts of the business, but it also allows companies to move to new technologies now and renew their fleet every few years as technology evolves, thus keeping vehicles both safe and efficient; all while contributing towards the business' overall sustainability targets."

TRUCK FUNDING METHODS BY SECTOR 2021

Sector	Outright purchase	Contract hire/ operating lease	Contract hire/ finance lease	Flexible hire/ rental
Primary/manufacturing/construction	59.4%	22.8%	0%	17.8%
Transport/wholesale/retail/distribution/information/communication	17.5%	70.6%	14.8%	3.3%
Business services	28.8%	58.5%	10.9%	1.7%
Public sector	83.9%	15.8%	0.1%	0.2

Truck operators are funding more vehicles through operating lease and outright purchase and have moved away from flexi-hire rent over the past 12 months.

Outright purchase remains the most popular option, accounting for more than half (51.7%) of trucks In the Fleet200, which is up from 48.8% last year.

However, operating lease has made the biggest gains, with an eight-percentage point rise to 38.7% of trucks.

In contrast, finance lease has dropped 10 percentage points, from 15.4% to 5.2%, while flexi-hire/rent has nudged up year-on-year from 5.1% to 6.8%.

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Model shown is a Mustang Mach-E Extended Range AWD. Fuel economy mpg (l/100km): Not applicable. CO_2 emissions while driving: 0g/km. Electric Range for Extended Range AWD model: 335 miles.* Electric Range for Extended Range RWD model: 379 miles.*

These figures were obtained after the battery had been fully charged. The Mustang Mach-E is a battery electric vehicle requiring mains electricity for charging. There is a new test for fuel consumption, CO_2 and electric range figures. The electric range shown was achieved using the new test procedure. Figures shown are for comparability purposes. Only compare fuel consumption, CO_2 and electric range figures with other cars tested to the same technical procedures. *These figures may not reflect real life driving results, which will depend upon a number of factors including the starting charge of the battery, accessories fitted, variations in weather, driving styles and vehicle load.
Benefit In Kind (BIK) rates are not applicable to retail or private car buyers. BIK values are the monthly taxation payment applicable to company car users. BIK rates were correct at the time of printing and are based on taxation rates for 2021/22 tax year.

ford.co.uk

Cash allowance or company car? Responses are far from clear-cut

Of the 31 fleets who took part last year, half now have fewer cash-takers, reports *Andrew Ryan*

Anecdotal evidence suggests that the increasing availability of electric vehicles (EVs) and the current favourable benefit-in-kind (BIK) tax rates for plug-in cars is encouraging a sizeable number of drivers to switch from cash allowances into company cars.

There are certainly examples of this happening – for instance, Craig Prendergast, head of HR at ABB UK, says "we've had many people who have taken a cash alternative to a company car switching back to company vehicles" – but the research carried out for the 2021 Fleet200 report shows a less clear-cut picture.

Just more than half (52%) of respondents confirmed they offer cash allowances to drivers, with these 65 organisations having 26,597 cash-takers between them.

Last year, 62 fleets told Fleet200 they offered the allowances, with 22,654 drivers taking them – 3,943 fewer than this year's total.

However, this cannot be treated as a direct comparison as not all of the companies which provided data last year responded this time.

Of the 31 fleets which provided figures for both years, 16 reported fewer cash-takers in 2021, with 11 saying the number of drivers taking the allowance had increased.

Of those companies which had seen a reduction, just two saw an increase in their overall car fleet size, suggesting that factors other than drivers opting back into company car schemes are in play.

Countryside Properties is one of those organisations which has seen an increase in the number of employees opting for cash.

> "RECENTLY, WE'VE SEEN COMPANY CAR NUMBERS DWINDLE RIGHT DOWN AND THE TAKE-UP OF THE CASH ALLOWANCE RISE"
>
> **CHRIS CONNORS, COUNTRYSIDE PROPERTIES**

The company car is undergoing a resurgence, but there are still many cash-takers in Fleet200 fleets

ISTOCK.COM/CIYDEMIMAGES

Chris Connors, head of facilities and fleet for Countryside Properties, says: "Traditionally, we've always had about a 50-50 split, maybe even 60-40 in favour of the company car.

"Recently, we've seen company car numbers dwindle right down and the take-up of the cash allowance rise, so, currently, just over two-thirds are taking it.

"We've grown as an organisation so a lot of people are coming in with their own vehicles, while the impact of Covid has also meant less travelling, especially for those that are office-based, and with the rolling out of a more flexible work approach, we're going to see the need for a commute die down.

"There's also a lot more choice in terms of what people can do with a cash allowance: they can get a PCP or PCL, we are operating an affinity scheme and will soon be launching salary sacrifice."

Connors has reacted to the shift by introducing a new grey fleet policy earlier this year to manage people using their own cars on company business.

Harvey Perkins, director at tax experts HRUX, says that while cash allowances have traditionally been targeted at perk users, fleets can also use them to benefit their job-need car fleet.

"A typical client for us may be someone who has 40 or 50 Škoda Octavia diesel estates doing 40,000 business miles a year, and those people are the ones who are being taxed the highest," he adds.

"If you move to some sort of cash-based scheme but still stipulate the same Octavia and still give a degree of support to the driver, then a company will be able to operate in the way they've been operating.

"From the perspective of a fleet manager, the number one priority is business as usual, but if a driver can't afford the company car tax then they could adopt a hybrid model which is neither full company car or full cash.

"If a driver wants or needs a diesel, the best way of doing that is to put that through the driver and treat it as a cash allowance, but if they want anything with CO_2 emissions of 50g/km and below, then you can put it through the company and it will be a company car."

26,597

cash-takers spread over 65 organisations

Reap the rewards of a streamlined remarketing operation

A robust remarketing process for disposing of end-of-contract vehicles quickly and efficiently is crucial to reducing unnecessary costs and maximising residual values.

But many leasing companies and fleet operators are missing out on achieving the best prices for their used vehicles because of the cumbersome and complex nature of de-fleeting and remarketing, which can involve many parties with lots of time spent manually inputting data.

1link Disposal Network is a powerful online platform that does all the hard work for you, providing an instant communication tool for drivers, manufacturers, dealerships, retailers, traders and auction houses, integrating the entire process electronically.

Launched in 2005, it is used by some of the biggest names in the fleet arena, from contract hire and leasing companies, to vehicle manufacturers, dealer groups and fleet operators – that includes rental companies operating 1,000 vehicles to UK businesses with fleet sizes of up to 630,000.

1link Disposal Network provides a wide range of stock management services for more than two million vehicles, giving users access to more than 50 vehicle inspection and logistic agents nationwide, 68 auction sites across the country and more than 3,500 trade buyers, independent traders, dealers and carshops.

The platform comprises eight separate modules (see panel) which, combined, offer a complete de-fleeting and remarketing package from logistics, refurbishments and client recharges to the vehicle sale process.

It brings everything into one platform, increasing efficiency by streamlining processes and removing manual effort.

One or more individual element of the platform can be plugged into an organisation's existing remarketing operation to open new or improve existing disposal channels.

The system communicates electronically with other applications a company uses to bring everything into one channel to collect data which is then presented to the remarketing manager to spot trends and make informed decisions.

Marc Lees, head of business development for parent company epyx, says: "The data our system provides drives the strategic remarketing decisions our customers make. Having all that data in one place allows them to be more effective in selling their vehicles."

Standardised format

One major benefit for users is that all data collected from a variety of suppliers by Disposal Network is presented in the same way.

As Lees explains: "Customers might have five suppliers giving them information in five different ways, but everything you receive from those suppliers, vehicle data, reports and so on, is fed through Disposal Network and produced to the user in the same standardised format."

Such information gives fleets valuable insight into how their remarketing operation is performing and can influence how they sell their vehicles at any given time.

The beauty of 1link Disposal Network is that users can quickly change their disposal method seamlessly, meaning they are well-placed to react quickly to industry trends.

For example, many fleets are pushing their end-of-life vehicles through to auction houses, to capitalise on the high used values the sector is currently enjoying.

But Lees sounds a word of caution that this situation won't last forever, so customers need the ability to move to a different disposal channel quickly.

"Everyone's really happy at the moment with the auction houses," he says. "But that bubble is going to burst – supply will continue, demand will reduce and then remarketing managers will be in a position where they need to look at how they better sell their vehicles.

"If they're pushing everything into auction then they may want to move to online trade sales arena, selling to the trade directly and that can happen by flicking a switch and publishing vehicles online. It really is


All data collected is presented in the same way

> WHEN WE EXPLAIN THE SYSTEM TO PEOPLE IT CAN BLOW THEIR MINDS
>
> MARC LEES

that simple and will put those vehicles in front of 3,500 trade buyers."

Another channel users could investigate is selling leased cars directly back to the drivers using the Driver Sales Booster.

"If an organisation sells the company car to the driver, they will sell it for more than if sold at auction as it's to a retail customer," Lees says. "They won't have to pay logistics costs or for any damage refurb and, in terms of selling cars quickly, it's ideal."

Allowing comparison

The system allows users to compare how suppliers are performing in different areas of the process and which disposal channels are working best.

Lees says: "Our platform gives users the ability, the flexibility and the agility to move forward in an ever-changing marketplace. The data can help them spot trends and almost predict the future."

Disposal Network was created by epyx, who specialise in technology solutions for the automotive sector. It is one of the parent brand's many 1link platforms, all of which improve the efficiency of major fleets and their suppliers, covering functions including vehicle procurement, maintenance, hire, remarketing and relicensing.

They have been adopted by fleets totaling more than four million vehicles, around 18,000 service providers, and nearly all motor manufacturers on behalf of their franchise networks.

Summarising 1link Disposal Network's capabilities, Lees says: "The technology that we provide is all about process efficiency, it's about control of process and streamlining that process. We don't tell our customers to do anything differently, they are always in control."

Lees likens the offering to that of ordering a takeaway from the comfort of your own sofa. Buying a takeaway is not a new phenomenon; but ordering one through a smartphone app makes the whole process that much easier.

"It's a brilliant piece of technology," he says. "When we explain the system to people it can blow their minds – it can literally do every element of their remarketing process. And it's very simple to use; it's plug and play. All they need to do is load their vehicles, define their rules and the system does the rest for them."

THE PLATFORM'S EIGHT MODULES

The platform is designed to streamline and simplify the many tasks, often manual, associated with the remarketing industry. However, if a company is just looking at improving one aspect of their operation then the platform can be separated into eight distinct modules.

- **The Driver Sales Booster streamlines the driver quotation process using one simple portal, sending out provisional quotes, provides call-back reminders for interested drivers and creates purchase documentation.**
- **The Logistics Organiser manages all vehicle logistics – including electronic orders to collect vehicles, movements from one location to the next, and ensuring car collections occur right on time.**
- **The Inspector automates manual inspection processes, electronically organising thorough examinations of vehicles to check for damage and evaluate their condition.**
- **The Damage Recharger checks the inspection report and spots if anything is awry, highlighting the areas that qualify as a recharge to both users and their customers.**
- **The Auction Operator connects with auction houses to help users achieve the best price. It also gives access to the Auction+ app which enables anyone selling at the auction to inspect the vehicle and make real time changes to key details.**
- **The Task Manager oversees all aspects of a vehicle's disposal journey. With end-to-end foresight, quick communications and built-in industry knowledge, it is designed to act as the central cog in a user's remarketing activity.**
- **The Online Sales Simplifier makes selling ex-fleet stock or PCP returns easier. With access to our dealer-facing 1link Trade Buyer platform, it helps users process cars and vans using our own specially created online auction platform.**
- **The Data Analyser allows users to report on all aspects of their vehicle remarketing, enabling them to identify issues before they become problems.**

Visit: 1linkDN.co.uk, call: 03300 292 752 or email: enquiries@epyx.co.uk

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Home delivery vans grew in large numbers as companies adapted to the lockdowns

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Home shopping boom leads to substantial van fleet increases

One supermarket group adds more than 1,000 vehicles in the year. *Mike Roberts* reports

More than 100 private sector companies have provided valuable fleet insight for this year's Fleet200 survey. Between them, the 106 respondents operate 252,285 vehicles (83,413 cars and 168,872 vans), with an average fleet size of 2,380.

Twenty-seven survey respondents run fleets of one-to-500 vehicles, 26 manage 501-1,000 and the remainder (53) have more than 1,000 vehicles. Fleet sizes range from 40 cars to more than 46,000 cars and vans combined.

By sector, 38 sit within primary, manufacturing and construction; 32 in business services; 28 in transport, retail, distribution, information and communication; and eight in 'other services'.

The survey highlights some notable increases in fleet size when compared with the previous year's figures, particularly for vans, with the boom in home shopping during lockdown fuelling this growth.

Supermarket giant Asda has seen its fleet grow by more than 1,100 vehicles over the past year: 800 vans and 300 cars.

Senior manager – national fleets Sean Clifton says: "Online grocery home delivery growth has been huge over the past 18 months and the van fleet growth is in line with that."

He added that the growth in car numbers represents the start of moving the entire company fleet to electric vehicles (EVs). Cash takers are being encouraged back into a company-run car scheme as part of an employee benefits package.

"Opt-in uptake as a result has been, and continues to be, strong," Clifton says.

John Lewis Partnership, which includes Waitrose, has increased its van fleet by around 400 vehicles through business expansion. The number of cars has declined because of a restructuring of the business, the company says.

The survey also shows that Network Rail's fleet has grown by more than 3,500 vehicles over the past year.

According to business support manager Austin Paul, this is due to a variety of factors, including the company keeping older vehicles for longer while adding new vans to help them adhere to social distancing rules.

Other reasons, he adds, are: "A more diverse need for specific vehicle specifications, and heavier equipment and heavier base vehicle chassis limiting the amount that can be carried safely/legally."

Facilities management company Mitie (sixth in the table) saw its fleet size increase by 1,500 vehicles (600 cars and 900 vans).

Director of sustainability and social value Simon King attributes this to the company's acquisition of Interserve in December last year.

Mitie has already revealed plans to have more than 2,000 pure EVs in its fleet by the end of this year. The business outlined its commitment to reach net zero operational carbon emissions by 2025 in its Plan Zero strategy, announced in 2020.

Regardless of fleet size and sector, business

pressures remain similar for all respondents, who strive to run safe, efficient and clean fleets. The adoption of EVs is a hot topic and a growing number of companies have already started – or are about to start – the transition to electric vehicles.

The two largest private sector fleets, Royal Mail and BT, have joined forces with five other large companies to pledge their commitment to buying British-built EVs. They have created the Electric Vehicle Fleet Accelerator (EVVFA) to help increase the uptake of EVs and have outlined a series of urgent actions needed from both industry and Government to help businesses make the switch (fleetnews.co.uk 29 July).

They intend to be running 70,000 EVs by the end of the decade.

Fourteen survey respondents offer employees a salary sacrifice scheme. This accounts for a total of 2,067 cars. It'll be interesting to see how this number compares with next year's figure as a growing number of employers are expected to explore the benefits of salary sacrifice EV provision: low benefit-in-kind (BIK) tax for the employee and national insurance contributions (NICs) and tax savings for the business.

46
months is the average car replacement cycle

The average car replacement cycle for private sector fleets is 46 months, with average mileage of 75,894 miles and annual business mileage of 14,702, down from 17,796 the previous year. This is the inevitable impact of pandemic-forced home working, which will continue as firms develop hybrid work models.

Private sector fleets in this year's research report an average van mileage of 97,522 at replacement, with the average business mileage per annum of 26,689, up from 20,694 in the previous survey – a sign that many fleets are holding on to their vans for longer as they struggle with lengthening lead times for replacement vehicles, caused by the global semiconductor and component shortage.

14,702
is the annual average business mileage

Fleets are asking for leases to be extended until replacement vehicles arrive, but waiting lists for deliveries of some new vehicles are stretching well into next year.

With experts warning the semiconductor shortage will last for a while yet, next year's survey results could see replacement mileage increase further.

This can have a significant impact on businesses with extra MOTs and service, maintenance and repair (SMR) costs having to be factored in.

At a recent Fleet200 Executive Club meeting, Tom Brewer, head of fleet sales and marketing at Volkswagen Financial Services, said he believed the fleet executive's job was the hardest it had ever been.

"Remember when tax policy, Brexit, WLTP, CAZs (clean air zones) and electrification was all we had to worry about? That was in the heady days of 2019. Things have taken a real turn and none of us could have known what would come next," he says.

"In my opinion, your job as fleet decision-makers has never been harder."

It's a view many fleets would agree with – the ability to be able to quickly adapt to new challenges is more crucial than ever. And that's on top of the demands that the fleet manager experiences daily: fleet utilisation, tax efficiencies and driver safety among them.

Fleets face the more recent challenges of the transition to electric and the introduction of clean air zones. Concerns surrounding CAZs have been highlighted as two of the top three issues that car and van fleets believe they will encounter before 2026.

TOP 20 PRIVATE SECTOR FLEETS

Company	Total car/LCVs	Cars	LCVs	Truck/HGVs
Royal Mail	46,690	4,373	42,317	3,770
BT	31,864	4,000	27,864	1,440
Centrica	10,900	1,400	9,500	0
Network Rail	9,183	1,329	7,854	414
M Group	7,527	3,307	4,220	750
Mitie Group	7,000	2,500	4,500	35
Balfour Beatty	6,000	3,500	2,500	/
Yodel Delivery Network	4,917	0	4,917	320
Kier	4,600	2,000	2,600	700
SSE	4,585	1,850	2,735	450
Virgin Media	4,279	1,122	3,157	0
Asda	4,100	1,000	3,100	1,000
Saint-Gobain Transport	4,090	3,125	965	1,554
Amey Fleet Services	3,814	1,829	1,985	837
Volkswagen UK	3,664	3,664	0	0
Connells Group	3,300	3,270	30	0
John Lewis Partnership	3,200	1,400	1,800	700
Yorkshire Water	3,200	1,500	1,700	100
Siemens	3,184	2,284	900	0
LKQ Euro Car Parts	2,910	110	2,800	110

MAIN CHALLENGES

Findings from Arval Mobility Observatory's 2021 Barometer show that the most common answers to the question, "what are the main challenges facing fleets in the next five years?", were, first, the introduction of stricter CAZs (35%), followed by increased vehicle taxation (34%) and then the creation of more CAZs (30%).

On the fleet decision executive's future role, Steve Winter, head of fleet at British Gas, winner of this year's Fleet News Awards fleet of the year (1,001+), says: "Innovation will be key, it will be easy to get left behind."

Yodel head of fleet Ian Leonard adds: "The procurement side of the job is becoming more and more complex and finding a clear path among the pace of change in both technology and compliance is on the verge of becoming unmanageable without a sizeable team behind you."

And, although Capita head of group fleet Denise Lane doesn't anticipate much change in her role, she does expect it will "become more challenging until such time as the industry settles following all this change".

The issues and long-term challenges of moving people and goods around will be addressed at this year's Fleet & Mobility Live, at the NEC Birmingham on October 5 and 6. Visit fleetandmobilitylive.com or see the special show preview in this issue.

How bp pulse is transforming EV charging for fleets

bp pulse explains how it is making EV charging faster, more seamless and more convenient for fleet drivers with the UK's first EV Fleet Charging Hub

At bp, we pride ourselves on our ability to get our customers from A to B, but the way in which we enable these journeys is undergoing a change like never seen before.

As more and more consumer and commercial fleets choose to invest in electric vehicles (EVs), we aim to help accelerate the switch and further support the UK's race to net zero.

Using more than 100 years of engineering expertise and our knowledge of the energy sector, we have now dedicated ourselves to making the switch to electric easier for drivers and businesses.

We have opened the UK's first rapid charging hub for fleet vehicles – and we intend to open hundreds more in other UK and European cities by 2030.

We are using certified renewable energy to power our new fleet hubs – providing fast, reliable and convenient access to EV charging infrastructure for professional drivers. Our goal is to keep fleets charged and ready for business – maximising the time they can be on the road.

We have launched our first EV Fleet Charging Hub in London's Park Lane – the largest rapid charging facility in the city with 22 charging points. This unique model has already attracted major ride-hailing companies and emergency services and

stands to meet the needs of all professional drivers, whether it be taxi and delivery drivers or blue light vehicles.

London anticipates that, by 2025, taxis and private hire vehicles will account for 80% of all public charging demand in the city – and the fleet hubs will deliver essential infrastructure at scale. With 22 rapid charging points and a convenience offer for professional drivers, the EV Fleet Charging Hub in Park Lane is already supporting the city's green transition by giving organisations confidence that they can find fast charging when they need it.

The Park Lane hub is a one-stop-shop for fleet drivers and has combined convenience with comfort by offering a drivers' lounge.

Now open for selected fleet partners, the hub includes:

- Vending – hot/cold drinks and snacks
- Seating area with mobile phone charging points
- Bathrooms
- Free Wi-Fi

One of the problems facing EV uptake is the lack of availability of fast and reliable charging stations in convenient city centre locations. Plans for our EV Fleet Charging Hubs will help tackle this problem by placing charging points – operating at 50kW+ each – in prime locations to ensure drivers minimise the opportunity cost when vehicles are stationary.

The EV Fleet Charging Hub in Park Lane is just the first of many hubs bp pulse is launching with Heathrow, Gatwick and other central London locations planned for later in the year.

To gain access to these benefits for your drivers, find out more by contacting us at Fleethubs-bppulse@bp.com

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KEEP YOUR BUSINESS MOVING THROUGH FLEXIBLE RENTAL

Over the last two decades, Nexus has successfully carved its market niche by applying technology to provide some of the UK's largest fleets, access to an unrivalled rental supply chain through its pioneering online rental management platform, IRIS.

ADAPTING TO UNCERTAINTY

Following some of the most challenging supply conditions ever seen in the rental marketplace in the wake of Brexit - and amidst ongoing issues like the global semi-conductor shortage and Covid-19 – fleet operators are struggling to ensure their businesses continue to run smoothly.

Nexus has unrivalled visibility of available vehicles nationally and therefore is able to identify the most viable options to scale your fleet at any given time.

AN UNRIVALLED SUPPLY CHAIN

Operating the UK's largest supply chain of 550,000 vehicles from over 2,000 UK locations, Nexus uses cutting edge technology to connect customers to any vehicle, anytime, anywhere through its pioneering rental booking and management platform, IRIS.

POWERED BY TECH

The IRIS platform enables users to have full visibility of the whole rental management process, from initial bookings, to analysing rental use to identify the most cost-effective options, saving Nexus customers up to 20% on rental. To date, IRIS has managed over two million rental bookings. The technology also offers real-time insights such as the number of damage claims invalidated by Nexus – typically 20-30% of damage claims per annum – and savings made as a result.

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Leading vehicle rental management platform IRIS

FLEXING YOUR FLEET

As fleet managers increasingly require short, medium and long-term rental solutions, Nexus' proposition allows businesses to flex and grow despite market uncertainty and unforeseen events with the flexibility to off-hire when no longer required without penalty.

THE FUTURE IS FLEXIBLE

Nexus understands the difficulties that businesses face and is committed to supporting the UK's fleets across all industries. With supply issues continuing as the UK economy is poised for growth, Nexus' flexible rental solution provides businesses with the freedom to adapt their fleet size as needed, respond to changes in the market and keep moving. Nexus customers also benefit from fixed rates, meaning they will never pay more than originally quoted – even if supplier costs fluctuate.

This all-encompassing mobility solution means that customers can always meet the demands of the job – with access to the right vehicles at the touch of a button – without long-term financial commitments.

"Our work with Nexus inspired the sort of partnership relationship we now seek with all suppliers. It is typified by proactivity, in-depth knowledge and a willingness to meet any challenge."

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Transition from the ICE age to ULEV proving slow, but steady

Biggest fleet gains are NHS-related, Fleet200 survey shows. *Matt de Prez* reports

Public sector fleets accounted for 30,483 vehicles in this year's Fleet200, representing a drop of 3,884 vehicles since last year.

That's not to say that public sector organisations have been reducing the number of vehicles, however. *Fleet News* was able to collect data from 20 public sector fleets this year, five fewer than in 2020.

If we take the average number of vehicles per fleet, the data shows that public sector fleets actually increased in size by around 150 vehicles.

Looking at the data on a case-by-case basis shows that it was those serving the NHS that saw the biggest gains, in response to the additional demands placed on the health sector as a result of the coronavirus pandemic. This countered fleet size reductions elsewhere in the category.

NHS Blood and Transplant boosted its fleet by 33%, with the addition of almost 250 cars, while the East of England Ambulance Trust expanded its operation by 27% – adding 63 cars, 73 vans.

In contrast, the Fleet200's largest public sector fleet, Defra (Department for Environment, Food and Rural Affairs) Group Fleet Services, culled the largest number of vehicles. Its fleet size has dropped 14%, to 5,105 vehicles.

The Government department, which operates the Environment Agency's fleet, removed more than 600 cars and 200 vans in the past 12 months. Despite this, it remains at the top of the public sector league table.

The Environment Agency has made a commitment to reduce the number of leased cars it operates by 50% and to reduce its commercial vehicle fleet wherever possible by 2030. These targets form part of the organisation's overall target to reduce its carbon footprint by 45% in nine years.

PUBLIC SECTOR FLEETS TOP 20

Organisation	Cars	LCVs	HGVs	Total fleet size
Environment Agency (Defra)	5,074	1,399	31	6,504
Metropolitan Police	4,615	1,168	85	5,868
Police Scotland	3,564	881	41	4,486
Chiltern Transport Consortium	3,563	833	10	4,406
Surrey/Sussex Joint Transport Service	2,200	600	0	2,800
Highways England	1,100	1,100	0	2,200
East of England Ambulance Trust	646	353	645	1,644
Dundee City Council	812	661	0	1,473
National Crime Agency	1,291	158	8	1,457
West Yorkshire Police	1,069	271	5	1,345
Hampshire County Council	714	544	85	1,343
NHS Blood and Transplant	943	200	88	1,231
Lancashire Police	921	250	8	1,179
Driver & Vehicle Standards Agency (DVSA)	900	70	4	974
Gateshead Council	400	350	200	950
South Yorkshire Police and South Yorkshire Fire and Rescue	673	136	0	809
Wiltshire Council	240	220	20	480
Northumberland County Council	236	36	0	272
Northern Lincolnshire & Goole NHS Foundation Trust	194	46	0	240
West Suffolk Council	98	74	0	172

SHIFT FROM CARS TO VANS

Some public sector fleets, notably local authorities, have recorded a shift in the types of vehicle they operate. Dundee City Council and Hampshire County Council have both reduced their car fleets in the past year, but also increased the number of vans they operate.

Andrew Ellis, transport manager and head of service at Hampshire County Council, says it comes down to cost, predominantly.

He explains: "Due to the way that the taxation process is, we pay VAT on cars, so we lose 20%. So, cars are 20% more expensive. We've got a few estate cars for highways-related purposes, so, if we transition those to a car-derived van, we save 20% straight off, which is a big difference for us. I don't know why they don't tax it in the same way. I think it's wrong, personally."

Like all public sector organisations, local authorities are under strict obligations to reduce costs and emissions. Part of this – accelerated by the coronavirus pandemic – includes a shift to digital communications where possible, rather than travel.

Ellis says he was able to replace a fleet of 23 diesel pool cars with six electric ones as fewer trips were necessary.

"It's not a knee-jerk reaction, but it was a mitigation for Covid. This year, in the lockdowns, people couldn't move around, so why have the sheer number of vehicles especially cars, for people movements – don't need them. So, let's reduce that fleet."

ELECTRIFICATION REMAINS A CHALLENGE

A report from think tank the Institute for Public Policy Research (IPPR), published earlier this year, stated that the public procurement of internal combustion engine (ICE) vehicles should be banned from 2022. But the Fleet200 survey suggests that will not be possible.

No fleet has moved more than half of their cars to electric yet and, looking at future orders, that trend is set to remain.

The average replacement cycle for cars in the public sector is 56 months or 91,000 miles, although, as the majority operate an outright purchase model, many public sector fleets could take advantage of the current used car

market's strong residuals and transition to electric more quickly.

Police Scotland introduced 180 electric cars to its fleet last year as part of its ambition to establish the first bluelight, ultra-low emission vehicle (ULEV) fleet in the UK.

Deputy chief constable Will Kerr says: "Achieving our fleet strategy aims will significantly reduce carbon emissions, while also reducing maintenance and servicing costs.

"The gradual transition of our unmarked fleet from our current ICE vehicles to ULEVs will also assist with improving the existing fleet, as the age and mileage thresholds for replacing existing vehicles is being reduced. This means officers will have use of more modern vehicles while reducing maintenance and repair costs, at the same time as increasing the resilience of our contingency fleet."

When it comes to vans, the challenges of electrification are greater. The higher upfront costs, combined with a supply shortfall and a lack of charging infrastructure were key challenges identified by many fleets in this year's survey.

Only one fleet (Defra's) has an order bank of 100% electric vans, while no fleet that provided data has achieved a current powertrain split of more than 15% electric. As the average public sector fleet operates a van replacement cycle of 76 months or 113,000 miles, it could be a long time before a fully electric transition is realised.

Fraser Crichton, corporate fleet operations manager at Dundee City Council, who is already ahead of the pack in transitioning his fleet to electric, says it will be five years before all his cars and vans are electric.

"I think there's a panic at the moment," Crichton explains, "now the pressure is on local authorities and businesses across this country to go electric. There's a clamour for it and it's so scary because this takes time, it takes a lot of time to do.

"You've got to get infrastructure in the right place and you've got to start understanding how it works. You've got to make sure that it works for the operation. If it doesn't work for the operation, it's going to be a disaster."

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FleetNews

AWARDS

Summer Garden Party

2021

SPONSOR PROFILE

Leasys is a Stellantis brand and a subsidiary of FCA Bank, the international banking group specialised in automotive financial and insurance services.

Headquartered in Italy, Leasys operates in 12 countries across enlarged Europe, managing a fleet of 320,000 vehicles, €3.4 billion assets and €200m net revenues. Leasys provides a range of mobility solutions from rental solutions to fleet management, to car subscription and used car sales.

With the mission to maintain its role as pioneers in the field of mobility to meet the changing needs of today for both business and personal customers, Leasys continues to experiment new innovative digital solutions to enhance customer experience, new forms of mobility arising through the expanding electrification of models, based on pay-as-you-go solution or subscription-type contracts.

With its Clickar brand for pre-owned vehicles, it is also experimenting with new ways to leverage its wide network connections in increasing market reach and efficiencies on assets disposal.

LEASYS

Mobility solutions, from one minute to a lifetime

Leasys is the pioneer of a new mobility concept: flexible, integrated and sustainable. Discover our innovative products and services for your mobility needs and all the most up-to-date technologies designed to meet customers' ever-changing needs

Active in the UK market since 2017, Leasys UK has benefited from the 20 years of experience in long-term rental gained through its predecessor, FCA Contract Management.

Since its debut, Leasys UK has enjoyed five years of continuous growth in the FN50 rankings, rising to 16th last year.

Under the leadership of the managing director Sebastiano Fedrigo, Leasys UK grew by a further 30% in the past two years, taking its fleet size to 18,772 vehicles, the largest in its history.

This growth is led by the popularity of its new mobility solutions, including the introduction of new Stellantis products and the expansion of Leasys offering with other selected manufacturers, creating a new mobility provider capable of satisfying ever-changing customer needs and appetite for variety.

Recently launched new products include:

Leasys Miles: a pay-per-mile innovative solution and a first for the UK motor industry; the concept allows the driver to pay a low monthly rental for the vehicle and a fixed cost per mile for the mileage. Now available on the all-new, all-electric Fiat 500 and the Maserati range.

Clickar: allows all retailers and motor traders to purchase pre-owned vehicles remotely online without any added cost of auction fees.

Dealer Rent: the new white label platform, dedicated to the dealership in order to complete the service offer with the innovative short-term rental solution.

Unlimited: the new long-term rental product dedicated to hybrid and electric models of the FCA Group with one initial payment, fixed payments for 36 months, unlimited miles and all services included.

Already active in 12 European countries in the long-term rental and integrated mobility sector, Leasys also provides short- and medium-term car rental services in Italy, France, Spain and the UK through its own subsidiaries, as well as in continental Europe through Stellantis' retailer network.

It intends to open new subsidiaries in Europe this year and to reach a total fleet of 400,000 vehicles by the end of 2021, up from approximately 350,000 today.

The company will also open 400 new Leasys Mobility Stores by the end of 2021, growing from more than 600 to more than 1,000 throughout Europe.

The stores provide a full range of mobility services and an extensive network of EV-charging stations to support the electrification of Stellantis' new vehicles such as the all-new, all-electric Fiat 500 and the Jeep Renegade plug-in hybrid.

In this context, Leasys is committed to smart and sustainable mobility solutions to offer immediate advantages to customers. To meet that objective, it is part of the comprehensive "ecosystem" developed by Stellantis that brings together partners, products and services across markets to involve and simplify the entire customer experience by taking a completely different way of looking at vehicle use and mobility in general.

On July 23, Leasys confirmed its ambitions to operate as a 360-degree mobility pioneer in Europe as it reached a new and important milestone with the acquisition of ER Capital Ltd (trading as Easirent) in the UK. The two groups finalised an agreement for the sale of 100% of the shares in ER Capital to Leasys.

The acquisition means Leasys can now also provide short-term solutions and subscription services in the UK, to follow the similar developments in Italy, France and Spain.

Easirent is one of the most dynamic companies in the UK's short-term rental and mobility sector with the introduction of innovative products like CityCar247, which allows for a completely digitised customer journey and contact-free rental.

"The signing of this agreement continues to strengthen our role as 360-degree mobility leader in the UK and mainland Europe," commented Sebastiano Fedrigo, managing director, Leasys UK.

"Easirent delivers excellent short-term rental positioning and will enable us, through Leasys, to play an even more important role as a global and integrated player in the mobility arena – especially addressing the need to increase hybrid and electric vehicles in fleet through the impressive range of electrified Stellantis products – expanding the fleet and the list of innovative services for our customer base."


Sebastiano Fedrigo

With the acquisition and the upcoming rebranding of Easirent and its more than 25 stores, Leasys – one of the main mobility and rental operators in Europe aims to consolidate its presence in the UK and to expand its range of innovative solutions.

LEASYS

To find out more information on Leasys and to get the latest offers visit www.leasys.com. For all enquiries please email us at: info.uk@leasys.com or call us on: 03445 614611.

TCO MODEL VITAL FOR SMOOTH ROAD TO ELECTRIFICATION

A robust total cost of ownership approach can help ensure fleets adopt the right electric vehicles at the right time. *Andrew Ryan* reports

Fleet electrification is no longer a question of if, but when, after the Government announced the ban on the sale of new conventional petrol and diesel cars and vans from 2030. This has sparked a massive upsurge of interest in electric vehicles (EVs), as well as many organisations accelerating their adoption of the technology.

However, if fleets act without doing their procurement homework thoroughly, this could spell trouble later down the line.

"I think there's a panic at the moment and the pressure is on local authorities and businesses across the country to go electric," says Fraser Crichton, fleet manager at Dundee City Council, which now has more than 180 electric vehicles, representing more than 22% of its entire fleet.

"It's scary because it takes a lot of time to do. You've got to get infrastructure in the right place, you've got to understand how the technology works and you've got to make sure it works for the operation.

> "I WOULD ADVISE FLEET MANAGERS NOT TO JUST JUMP IN (TO EVs) BECAUSE SOMEBODY ELSE IS DOING IT"
>
> **STEVE WINTER, BRITISH GAS**

ISTOCK/CNYTHZ

"It's all well and good saying 'right, I need electric vehicles', but if, for whatever reason, it doesn't work for the operation, it's going to be a disaster."

Steve Winter, head of fleet at British Gas, which has committed to running a fully electric fleet by 2025 and will have more than 3,000 on the road next year, also stresses the importance of thorough planning, including operating a detailed total cost of ownership (TCO) model.

"(Electrification) is not right for everybody at the moment," he says. "We've been running EVs since 2014, and it's only last year that we found the right ones to replace some of the diesel vans we had.

"There have been EVs out before, but they would have meant compromising on range or load space.

"We wanted to wait until we had the right vehicle otherwise we would be saddled with that vehicle for five, six or maybe seven years.

"I would advise fleet managers not to just jump in because somebody else is doing it.

"You've got to make sure you've got the right vehicle and the right TCO. At this moment, the Government is saying no new petrol or diesel cars or vans will be sold after 2030. This means fleets still have another vehicle lifecycle to go through before they need to go electric."

TCO 'FUNDAMENTAL' TO EV ADOPTION

Winter says British Gas's TCO model is fundamental to the company's EV approach as it ensures they are taken on for the right business reasons as well as environmental ones.

"A TCO model needs to be quite detailed," he adds. "If you're just looking at lease rates, an EV will be far more expensive than a diesel because the list price is more.

"You have to look at the whole picture. When you start to look at that, you can see where a diesel is more expensive than an EV, but it's not guaranteed. You do need to be diligent.

"The other thing with procurement is that the budgets will be different.

"While the lease rate of an EV will be more, you won't be spending as much on fuel, maintenance, tyres or road fund licence. You will see cost savings in different areas of the budgets."

Adopting TCO – or wholelife cost (WLC) – models instead of basing choice lists on lease rates is a tool often used by fleets when looking to take on EVs.

Tennant Group, for example, had an increasing number of drivers interested in EVs due to their low benefit-in-kind (BIK) tax rates, but head of human resources Michelle Terry says its policy of using lease rates to build its choice lists made electrification "very difficult".

"Moving to WLC has provided a much more rounded picture of costs and we've been able to include EVs and plug-in hybrids for the first time," she adds.

"In addition to the obvious and very welcome environmental benefits, we have employees who have saved £250 per month by choosing an EV over their previous internal combustion engine (ICE) car.

"We are already seeing a marked swing away from petrol and diesel.

"The move means we can offer a more appealing range of better-equipped vehicles than previously, which is increasingly important in our sector from an employee attraction and retention point of view."

B Braun has also moved to a WLC model for its company car fleet to enable and encourage a shift to EVs.

So far 97% of drivers have opted for a PHEV at renewal time. It is working with leasing provider Alphabet to add fully electric vehicles to its choice list in the near future.

"(Moving to a WLC model has) been invaluable to provide our drivers with PHEV options," adds Claire Richardson, fleet manager and procurement support at B Braun.

EV SPECIFIC COSTS

A TCO model for EVs should include the costs which are normally considered for a petrol or diesel vehicle such as lease rates, fuel, SMR (service, maintenance and repair), and national insurance contributions (NICs), but it should also include other factors more specific to EVs.

British Gas installs charge points at the homes of its employees who run EVs and the cost of this is factored into its TCO calculation.

"We also account for the fact that a percentage of our engineers are likely to move house during the term of their vehicle lease," adds Winter.

"When they do, we have to put a new charger in, but we can't claim the (electric vehicle homecharge scheme) grant, so we have to pay the full price."

British Gas insists its drivers reverse park and as different vehicles have their charging sockets in different places, the cost of providing a longer charging cable if required is also included in its TCO model.

While British Gas's parent company Centrica installs charge points as part of its business offering, this option is not open to the majority of fleets, which have to look for a third-party supplier.

SureServe Group, which has a 1,600 vehicle fleet, for example, does not operate a back-to-base model so has partnered with Octopus Energy to offer employees home charge points and the option to switch to a smart tariff which provides lower cost electricity.

Its drivers will also have access to the Electric Juice charging network of thousands of public charge points through one app, card and bill.

Spie UK has partnered with Shell Fleet Solutions and NewMotion to install a home charging solution for its EV drivers, with their agreement also including the Shell Card, which provides access to almost 8,000 public charge points.

UNEXPECTED COST BENEFITS

While EVs are widely known to offer savings in fuel and maintenance compared with an ICE vehicle, Winter says a comprehensive TCO model for EVs can also reveal reductions in more surprising areas, as well as the potential to dispel commonly held, but inaccurate, views.

"Our TCO model has got an accident number in there, and this benefits the EVs because we are seeing a fall in collisions of EV drivers compared with the diesel vans," he adds.

"Lots of people say you use loads of tyres because electric vehicles are much heavier, but for us it's been the other way round. We're seeing far less wear.

"A lot of people also say they need to move to EVs to avoid paying for entering a congestion charge or clean air zone, but you don't at the moment because Euro 6 will get you in for free.

"But you also have to consider how long it will be before those councils put a penalty on Euro 6. If you take a diesel on a six-year lease, what are the chances of the goalposts being moved? It's highly likely."

Winter says fleet decision-makers should also factor in where EVs will be charged.

If they are plugged in at a home or at a depot then an organisation should see significant fuel savings compared with an ICE vehicle.

However, if they are charged regularly on the public rapid infrastructure, then fuel costs are similar to those of a diesel vehicle.

INFRASTRUCTURE PROCUREMENT KEY

If an organisation needs to install charging at its sites or depot, then getting it right is a key part of the procurement process, says Crichton.

"There's many ways that can look," he adds. "The operation might not be able to survive just on slow chargers, it might need a rapid charger.

"Each individual department or operation will have different requirements, and that takes time to plan.

"You could install a 350kW charger because that's the fastest out there, but if your vans can only charge at a maximum of 20kW, it's still going to take several hours to charge them.

"That has to be understood. There are some good charging infrastructure companies out there, but there are also some bad ones.

"If you say you want one-10 7kW chargers, they'll put 10 in regardless of what your operation is or what your vehicles are.

"You could then get the guys who are using the EVs turning around to say '"this won't work because it's taking too long to charge these vehicles because we've got the wrong van or wrong infrastructure'.

"It really needs careful planning."

Turn it off – anti-idling campaign targets fleets

A company policy preventing unnecessary engine idling will help tackle air pollution and save fleets money on unnecessary fuel expenditure. *Mike Roberts* reports

Businesses have revealed a host of benefits associated with encouraging company drivers to switch off their vehicle engines when stationary.

An anti-idling policy not only reduces vehicle emissions and helps companies save money, but it also shows businesses in a good light to potential new customers and can help with staff recruitment.

Fleets are now being targeted as part of a new campaign which asks them to pledge their support to tackling engine idling.

Idling Action, supported by the Mayor of London's Air Quality Fund, provides training and a free toolkit of educational resources to businesses keen to explore implementing an anti-idling policy.

Its 'Engines Off' campaign, led by Camden Council and the City of London Corporation, and supported by media partner *Fleet News*, focuses on companies whose drivers enter the capital. But the problem of idling is widespread.

The campaign has partnered with British Safety Council to highlight the importance of switching 'Engines Off' to protect outdoor workers and is calling on companies to pledge a meaningful commitment to reduce air pollution from engine idling, to use the educational resources to engage drivers/ employees, to publicise their commitment and to demonstrate best practice to others.

A Transport Research Laboratory (TRL) study found that it can cost up to 3p for every minute spent idling. If a vehicle idled for 10 minutes per day, within six months that would equate to a cost of more than £58. It also found that idling for just 30 seconds produces twice as much pollution and wastes more fuel than switching off and restarting an engine.

Air pollution is the largest environmental risk to public health with up to 36,000 people dying prematurely as a consequence each year in the UK.

Idling Action recently hosted a webinar of companies who have signed up to the pledge.

Speakers were Damian Testa, head of policy and communications at the British Safety Council, Nick Ruxton-Boyle, director of environment at Marston Holdings, and Lynne Potter, senior sustainability manager at Mace.

Marston Holdings is a large transport and enforcement company in the UK, operating different subsidiaries that work with around 270 local authorities to provide a range of goods and services, such as traffic warden provision and the installation of electric vehicle charging points.

It was one of the first companies to sign up to the engines off pledge and, speaking at the webinar, Ruxton-Boyle said it was reaping the rewards of operating a policy encouraging drivers not to leave their vehicles idling.

The reason for signing up, he said, are many and varied and include how it sits alongside the Marston's aim of having a net zero carbon fleet. It works with the majority of London boroughs which support the campaign, including Camden Council.

There is also a financial benefit to the company, as Ruxton-Boyle explained.

"It saves us money," he said. "Even if it's just one penny per trip, with the amount of vehicles we have it all adds up."

Since signing the pledge late last year and educating drivers to the environmental harm of idling, the company has noted a 13% reduction in its idling activity.

"We can monetise and carbonise that reduction and it's a figure we're happy with," Ruxton-Boyle said, adding that it will never achieve a 100% cut because some of its vehicles do need to idle.

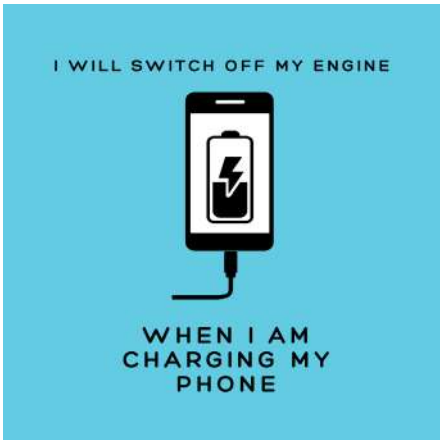
A member of Fleet200, it operates 1,300 vehicles: 547 light commercial vehicles, 319 cars, 289 scooters, 121 removal trucks and two minibuses. The vehicles collectively cover around 113,000 miles and emit 350g of CO_2 per month.

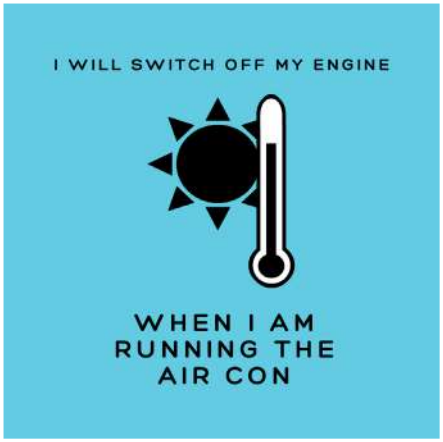
"We've got a challenge to go net zero for our whole fleet, which takes up about 80% of our carbon footprint, so it's an important focus for us," said Ruxton-Boyle.

Another key reason for the company to want to help reduce emissions in city centres is the fact that many of its employees work on the streets, such as drivers and civil enforcement officers.

Ruxton-Boyle said: "The streets are their place of work so we want to support and promote their working environment, which is important to us."

The move can also help the company win





Even when not staying stationary for long for a delivery, it's best to switch off and start again

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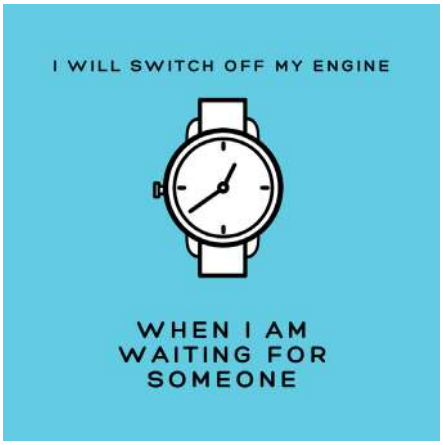

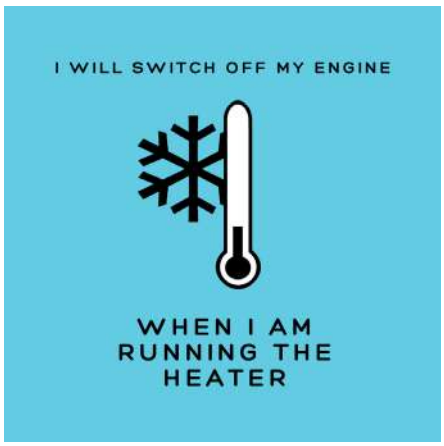

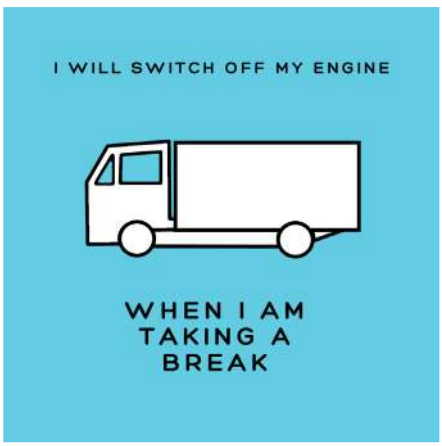

new contracts from potential customers seeking companies with environmental credentials.

Telematics systems allow Marston to measure any savings in CO_2 it makes from drivers switching off their engines. The software is used to monitor carbon savings, idling activity and driving behaviour, such as aggressive braking or acceleration.

Training to improve driving standards is then offered to drivers on a case-by-case basis.

"We collect a huge amount of data from our fleet, from each individual driver, from each region and contract and we analyse that data to work out how we can be better," Ruxton-Boyle said. "We use tools provided by Engines Off as part of inductees' training and for our continuous professional development for our drivers and on-street staff to show them why they shouldn't be idling. This is for our whole UK fleet and not just those in London."

Results collected are reported to the company executive board via its environment board and this is also shared with employees and the company's supply chain.

Describing air pollution as a 'silent killer', Damian Testa of the British Safety Council explained how the organisation had built an app – called Canairy – in association with King's College London to help employers and workers minimise their exposure to polluted air.

Currently only available to London-based employers and workers, the app calculates a user's hourly exposure to the worst pollutants and compares those levels with World Health Organisation (WHO) guidance.

"While it is only available in London, we are looking to develop it so it has wider utility. The app also gives tips on how to reduce exposure. Users can also set alerts to be notified if they move into an area where the ambient levels are above WHO limits," Testa said.

"It's a campaigning tool, so it's not just about helping employees manage the exposure of their workers, it also allows employees to show their employers the danger they are in. Those employees could be career drivers, refuse collectors and bluelight workers."

Global consultancy and construction firm Mace has not only signed the pledge, but also encourages its contractors to do the same.

Mace's Potter said: "We want to consciously improve the air quality on and surrounding our sites as much as we can. Our no idling policy is standard across all of our construction projects."

Those behind the campaign understand that some vehicles have to idle, for example so on-board equipment can function properly or it provides a safer environment for the driver.

Jack Alexander, of Idling Action London, said: "We can't be as draconian as to say 'no idling whatsoever', but our training resources are aimed at giving the driver all the information they need so they know when it's appropriate to switch off and when it isn't."

Visit idlingaction.london to pledge your support and explore the training material on offer.

I'm no idler Vehicle idling action
www.idlingaction.london

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Countdown begins for this year's Fleet & Mobility Live

There are just days to go until the fleet and mobility industry is reunited in person on October 5 and 6 at the largest dedicated show of its kind in the UK

October 5-6, 2021, Birmingham NEC

fleetandmobilitylive.com

FLEET & MOBILITY LIVE

Pictures from the 2019 event

REASONS NOT TO MISS FLEET & MOBILITY LIVE 2021

- **Meet senior representatives from fleet suppliers**
- **Discover fleet cost-saving opportunities**
- **Understand how to transition to an electric fleet**
- **Get tips on keeping your fleet legally compliant**
- **Learn how to better manage your vehicles and drivers**
- **Share and get best practice from your fleet peers**
- **Get your strategic and operational questions answered**

Delegates to this year's Fleet & Mobility Live , which is back at the NEC near Birmingham, will gain access to 20 seminar sessions from more than 25 expert speakers across three theatre areas: Operational Excellence, Strategy and Benefits Box.

The event, curated for fleet decision-makers by fleet decision-makers, will identify the most pressing issues facing fleet and mobility professionals to form best practice sessions that tackle them head on.

All speakers across both days are experts in their fields, either senior figures in fleet or representatives of specialist industry bodies and organisations.

There will be no sales pitches.

Benefits Box is new for 2021 and is tailored for HR and finance executives involved in company car provision, through salary sacrifice or PCH and affinity schemes.

Also new for this year is a Local Authority Hub, run in conjunction with Energy Saving Trust, which will put local authority decision-makers face-to-face with fleet constituents.

Core fleet principles on how to improve your car, van and truck operations will, of course, also be covered, including how to bring electric vehicles (EVs) onto your fleet policy and how to establish a workplace charging infrastructure in the build-up to the 2030 ban on sales of new petrol and diesel cars and vans.

Topics covered at the show will include: transport decarbonisation and what it means for fleets, future tax predictions, driver training and risk assessment challenges brought on by Covid-19, getting the most out of telematics, driver and staff recruitment, how salary sacrifice schemes can encourage employees into EVs, alternative fuels, autonomous technology and implementing eMobility strategies, among many others.

The EV Café, the expert electric vehicle team that has its own online video series, will also be special guests as part of Fleet & Mobility Live this year, offering an interactive and in-person clinic as part of the show (read more on page 106).

In addition to all the informative and topical content, manufacturers such as Ford, Volvo and Polestar will be displaying new models, alongside a handpicked line-up of exhibitors featuring the best suppliers across fleet.

Turn over for more information on Fleet & Mobility Live

DAY 1: OCTOBER 5

■ OPERATIONAL EXCELLENCE
■ STRATEGY
■ BENEFITS BOX

10:00 – 10:45 DRIVER TRAINING AND RISK MANAGEMENT: CREATING A POST-COVID COHESIVE PLAN

Alison Moriarty, consulting fleet risk director, DRiiVE
An essential best practice session on driver training, looking at risk assessments, the role of online learning, driver passports and the challenges brought by the Covid-19 pandemic. How has technology changed the way fleets can approach driver training? (cabin cameras, telematics, simulators and VR).

10:00 – 10:45 AUTONOMY AND AUTONOMOUS TECHNOLOGY

Becks Posner, social behavioural research and evaluation lead, Centre for Connected and Autonomous Vehicles (CCAV)
Simon Brewerton, chief technology officer, Aurrigo
The Government has confirmed it will legalise the use of "self-driving" driver assistance systems before the end of 2021. It's another step forward with this potentially transformative technology, but what do the changes to autonomous lane-keeping systems (ALKS) rules mean for fleets today and what is the path forward as new technologies continue to race ahead of legislation? This session will also feature a case study looking at the Cambridge Auto Shuttle trials to give further details on autonomous vehicles currently in operation in the UK.

10:30 – 11:15 SALARY SACRIFICE, BACK TO BASICS

Simon Down, associate director, Deloitte
Alex Marks, associate director, Deloitte
Is salary sacrifice right for your employees? What are the pitfalls of implementing a sal/sac scheme and what's the best way to approach it? Why have some companies been burnt by sal/sac in the past and why should it be considered as an option? This session will provide an overview of introducing a salary sacrifice scheme for your employees and why it can still make sense for businesses with a market overview from a benefits expert.

11:00 – 11:45 BEYOND TELEMATICS: USER EXPERIENCES

Peter Kelly, group compliance and fleet manager, Elis Group
It's one thing having telematics systems embedded in your business, but how can you make sure you're getting the most out of them? This session will look at how fleets can pull together all types of vehicle management data, how to make sure the full suite of capabilities are being used to their fullest potential and how fleets can use this to better manage mobility in the future.

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11:00 – 11:45 HOW TO BRING AN EMOBILITY STRATEGY TO LIFE

Paul Kirby, electric van expert and consultant, EV Essentials
Sam Clarke, chief vehicle officer, Gridserve Sustainable Energy
Sara Sloman, head of future mobility partnerships, Elmtronics
Jonny Berry, head of decarbonisation, Hitachi Capital Vehicle Solutions
The EV Café, an expert team of electric vehicle specialists, will be on hand as part of this conversational clinic to discuss some of the biggest challenges with transitioning a fleet of vehicles to EV. The team will give case study examples from their own experience, but will also pull questions from the audience for help and guidance on areas like charging infrastructure, reducing operating expenditure and costings.

13:30 – 14:15 ESTABLISHING A ROBUST EV WORKPLACE CHARGING INFRASTRUCTURE

Gary McRae, head of electric mobility, Urban Foresight
Fraser Crichton, corporate fleet operations manager, Dundee City Council
Fleets are faced with making the right choices for their current electric vehicle charging needs, but also preparing for expansion in the future. This best practice clinic will offer guidance on understanding a fleet's charging infrastructure requirements at work and depots, including AC, DC charger investment, preparing for groundworks/upgrades and how taking the right steps to manage charging correctly can help minimise costs.

13:30 – 14:15 TRANSPORT DECARBONISATION POLICY: WHAT DOES IT MEAN FOR FLEETS?

Greg Archer, UK director, Transport & Environment
Philip New, CEO, Energy Systems Catapult
An in-depth look at how the policies suggested in the Department for Transport (DfT) transport decarbonisation plan will impact fleets. This will provide the direction of travel for charging infrastructure plans, new subsidies, as well as hydrogen investment for HGVs.

14:00 – 14:45 FLEXIBLE BENEFITS IN A POST-PANDEMIC UK

John Ambridge, employee reward consultant, Mercer
John Ambridge, consultant in Mercer's career business specialising in all areas of employee reward will offer a holistic view of the latest thinking in terms of benefits in relation to company cars in the UK. This session will also look at the challenges of continuing to offer company car schemes or cash allowances as more companies offer flexible working, as well how companies can meet their sustainability goals with the switch to electric vehicles.

14:30 – 15:15 THE FUTURE OF TAX AND INCENTIVES

Nigel Morris, employment tax director, MHA MacIntyre Hudson
The switch to electric vehicles will leave a hole in Government coffers so there will have to be a change in strategy. Tax experts will help break down the latest measures on benefit-in-kind company car tax, what support is available through super-deduction tax breaks, as well as savings to be made through plug-in vehicle incentives, VAT and reimbursements and the potential changes coming down the road with road charging.

DAY 2: OCTOBER 6

10:00 – 10:45 OPTIMISATION AND UTILISATION: MANAGING DOWNTIME, EMBRACING UPTIME

Dale Eynon, director, Defra group Fleet services

The best way to run an efficient fleet is evolving, with careful route optimisation, high vehicle utilisation and access to actionable data all essential tools to leverage. An expert fleet case study will explore ways to maximise utilisation and right-sizing, including the challenges to keeping vehicles on the road, as well as how preventative maintenance can transform vehicle uptime.

Sponsored by jaama – fleet, leasing and hire software innovators

10:00 – 10:45 MOBILITY AS A SOLUTION: ADOPTING FLEXIBLE STRATEGIES FOR GETTING PEOPLE FROM A TO B

Lorna McAtear, fleet manager, National Grid

This session will explore how the role of the fleet manager is evolving and how the industry is looking beyond cars and vans to offer alternative mobility solutions. How can you approach journey planning in a more holistic and flexible way and how will challenges facing the fleet industry like reduced company car mileages drive innovation in the mobility as a solution space?

Sponsored by NEXUS Vehicle Rental

10:30 – 11:15 SALARY SACRIFICE, BACK TO BASICS

Simon Down, associate director, Deloitte
Alex Marks, associate director, Deloitte

Is salary sacrifice right for your employees? What are the pitfalls of implementing a sal/sac scheme and what's the best way to approach it? Why have some companies been burnt by sal/sac in the past and why should it be considered as an option?

11:00 – 11:45 HOW TO BRING AN EMOBILITY STRATEGY TO LIFE

Ben Guest, field manager, OVO Energy

Sponsored by bp

The electric future is here, and fleets are either adding their first EVs or steadily increasing the number of plug-in vehicles that are already available on choice lists. This best practice clinic will give a grounding on how to transition a vehicle fleet to EV, what to expect with how it may impact operations and all the infrastructure and data insights that can help make a success of the switch.

11:00 – 11:45 ALTERNATIVE FUELS: A LONG-TERM VIEW FOR VANS AND TRUCKS

Justin Laney, general manager central transport, John Lewis Partnership
Amanda Lyne, managing director, ULEMCo (Deputy Chair of UK Hydrogen and Fuel Cell Association)

Hydrogen and biomethane technologies could be the answer to help companies switch away from diesel, but the costs are high and the infrastructure is lagging behind. What are the current developments for 5GW of hydrogen capacity before 2030 and when can the industry expect price parity for alternative trucks?

13:30 – 14:15 MAKING THE BUSINESS CASE FOR ELECTRIC VEHICLES

Olly Craughan, head of corporate social responsibility, DPD

Electric vehicles aren't at price parity with petrol or diesel equivalents, but a compelling business case can be made when looking at total cost of ownership (TCO). An expert who has already made significant progress with transitioning his fleet to electric will explain how to make the costs stack up for investing in EVs and how this was presented to directors before getting the green light.

Sponsored by LeasePlan

13:30 – 14:15 FUTURE ENERGY NEEDS FOR YOUR ELECTRIC FLEET

Graeme Cooper, head of future markets, National Grid
Paul Jewell, system development manager, Western Power Distribution

This session will look at the future energy scenarios and the national and local network infrastructure needed to power the latest electric fleets. Experts from distribution network operators (DNOs) and the National Grid will set the scene on the UK's current energy plans to cope with mass adoption of electric vehicles and what fleets should be thinking about for future energy planning.

14:00 – 14:45 DESIGNING FLEET BENEFITS

Amanda Bullough, EMEA benefits lead, Siemens

This session will provide an in-depth case study looking at fleet benefits and the challenge of balancing benefit and commodity in the policy design.

14:30 – 15:15 MANAGING DRIVERS AND STAFF: THE CHANGING ROLE OF THE FLEET DECISION-MAKER

Andy Neale, chief executive, NFE Group

Mental health problems have been exacerbated during the Covid-19 pandemic both from staff feeling isolated working from home but also fears about the disease itself. Fleet managers need to make sure they have the ability to offer the right kind of one-to-one support and make sure driver wellbeing forms an integral part of their driver policy.

14:30 – 15:15 HOW CONNECTED CARS CAN BENEFIT YOUR FLEET

Camilla Fowler, head of automation, TRL
Mark Cracknell, head of connected and automated mobility, Zenzic

Cars can already talk to traffic lights and smartly manage how they're charged when plugged in. There is a host of new connected technologies available to best manage fleets and this session will help break down the potential benefits of vehicle-to-vehicle (V2V), vehicle-to-everything (V2E)and vehicle-to-infrastructure (V2I) technologies and what's coming next.

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Experts explain how fleets can transition to electric vehicles

Delegates attending Fleet & Mobility Live this year will gain access to expert sessions offering insight on how to make the transition to electric vehicles (EVs).

This year's free-to-attend show at the NEC Birmingham on October 5-6 will be the first big opportunity in 18 months for the fleet industry to gather again face-to-face to hear expert insights, share best practice, speak with new suppliers and catch-up with colleagues.

Olly Craughan, DPD head of corporate social responsibility, will explain how he made the business case to boost the UK's delivery company's fleet from 139 to more than 1,100, a 600% increase, in a year-and-a-half.

The session is part of the Operational Excellence Theatre, which will deliver multiple "how to" sessions with simple top tips and best practice advice that fleet professionals and business owners can take away and put into practice the next day.

MAKING THE BUSINESS CASE FOR EVs

DPD has already confirmed plans to deliver to 25 of the largest towns and cities in the UK entirely through zero- and low-emission means by 2025.

Oxford has already gone live as DPD's first all-electric city, with nine further UK 'green cities' to be confirmed this year.

It means Craughan has had to become well versed in putting together the business case for EV adoption.

Although, he explains that DPD UK was already on the front foot due to parent company La Poste having total buy-in on the transition to zero emissions from the start.

The business has backed the switch to EVs with an £111 million investment so far.

Craughan says: "Our board has wanted to do this because it's the right thing to do environmentally, but also commercially. So, we're starting from a place where transitioning the fleet to EV is understood from the top.

> "IT'S ABOUT NOT BEING OVERWHELMED AND TRYING TO DO EVERYTHING AT ONCE"
>
> **OLLY CRAUGHAN, DPD**

"Having said that, I think it's also important to communicate that electrifying your fleet isn't going to be easy.

"It helps that we're already a data-driven company, so making the case for EVs is made simpler when you're collecting data on routing and mileage to help really dig in the details."

Craughan says delegates attending his presentation will all be in the same boat of either starting to ramp up their own EV orders, or will be seriously considering adding their first plug-in vehicles.

He says: "I hope my presentation will generate some thought-provoking discussion around the challenges of electrification. One of the biggest is still factoring in charging with how that will impact your business operationally.

"It's about not being overwhelmed and trying to do everything at once. You have to start with a catalyst like aiming for that first EV order, or your first 100 EVs so you can make that transition more manageable.

"I'll be taking a look at the total cost of the ownership (TCO) piece and setting a budget to work within.

"The session will also look at how important it is to have buy-in from key stakeholders, including drivers, and making sure they're engaged with the journey every step of the way."

Salary sacrifice under the spotlight

The growth of salary sacrifice (sal/sac) to unlock access to electric vehicles (EVs) and the way company car benefits are changing will be explored in detail at Fleet & Mobility Live.

The event will feature new Benefits Box seminar content specifically aimed at those in the HR, benefits and rewards industry that are increasingly gaining responsibility for sal/sac, affinity schemes and travel.

There will be two focussed and information Benefits Box sessions each day of the show, including a sal/sac 'back to basics' presentation made each day by Simon Down and Alex Marks, both associate directors on the car consulting team at Deloitte.

Down and Marks have specialist knowledge of sal/sac schemes, including how they have become transformational in allowing more drivers to make the switch to EV.

Sal/sac had been declining in popularity since 2017 when the Government introduced the optional remuneration arrangements (OpRA) legislation, which, effectively, removed its tax and national insurance contribution (NIC) efficiency as it meant an employee would be taxed on the greater of the value of the benefit or the salary given up.

However, an exemption for vehicles with 75g/km of CO_2 or less has made sal/sac an attractive proposition again for drivers looking to reduce their benefit-in-kind (BIK) company car tax rates.

Benefits to an employee include saving tax and/or Class 1 (Primary NIC), access to corporate discounts and, in some cases, the ability to unlock additional employer funding.

Employers save Class 1 (Primary) NIC, and are able to reinvest these savings into areas such as employee benefits or green initiatives, while offering salary sacrifice can also improve staff recruitment and retention.

Down says: "We offer it at Deloitte and it's something we, as a firm, are actually looking to push in terms to generate some savings for the business."

Down highlighted the example of his own company car – a £49,990 battery electric saloon. The cost to him of running this vehicle through a personal lease would be £886 a month which is £31,911 over a three-year period.

Funded through sal/sac, this same vehicle costs him £433 a month (three years: £15,580), a saving of £454 a month or £16,331 overall.

Meanwhile, John Ambridge, a consultant in Mercer's Career business specialising in all areas of employee reward will be on hand to offer a holistic overview of the latest thinking, innovations and challenges with benefits in relation to company cars in the UK.

This session will also look at the challenges of continuing to offer company car schemes or cash allowances as more companies offer flexible working, as well how companies can meet their sustainability goals with the switch to EVs.

MANUFACTURERS ATTENDING THIS YEAR'S EVENT

A number of key fleet car and van manufacturers will showcase their latest fleet-relevant models at the show.

Ford has recently introduced its first series-production electric car, the Mustang Mach-E, and will shortly introduce its first electric Transit van.

Volvo is making a significant shift to electrification too, with the new XC40 Recharge fully-electric model spearheading its future line-up. Shortly, the XC40 will be joined by an all-new C40 electric SUV, which will be Volvo's first car to be offered exclusively as an EV.

Polestar's debut model, the Polestar 2, will be on display following the addition of new powertrain and specification options.

Following the launch of the all-new Qashqai earlier this year, and the continued success of its electric models, Nissan will also be exhibiting at the event.

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NORTHGATE Vehicle Hire

EV Café to offer advice and tips to visitors

The EV Café, the expert team of industry leaders on all things electric vehicle (EV), will be on hand at this year's Fleet & Mobility Live to provide tips and advice on making the switch to zero emissions transport.

The EV Café concept, sponsored by partners Myenergi and Geotab, was created as a fun and informal way to bring the EV and decarbonisation industry together while the UK was locked down during the first wave of the Covid-19 pandemic in 2020.

Its members include Jonny Berry, head of decarbonisation at Hitachi Capital Vehicle Solutions; Paul Kirby, electric van expert and consultant at EV Essentials; Sara Sloman, head of future mobility partnerships at Elmtronics; Sam Clarke, chief vehicle officer at Gridserve Sustainable Energy; and John Curtis, presenter and Go Ultra Low Ambassador.

The presenters livestream at least once a month to tackle topics on all things electric, with the shows uploaded online at evcafe.org.

However, on October 5, the EV Café will be live and in person, with its own 45-minute clinic which starts at 11am.

This session will be conversational in style and highly interactive, with delegates able to quiz the EV Café team on any area of emobility, including topics like charging infrastructure, reducing operating expenditure, total cost of ownership and real-world operating experiences.

Kirby says: "The UK is looking to the fleet industry to lead the switch to zero emissions and many of the delegates at the show represent the companies that are already on that journey.

"My main aim is to help fleets of all shapes and sizes get started on the transition to a zero emission fleet and Fleet & Mobility Live will bring the industry together and create the perfect environment to engage with peers and experts in the industry. Our session will be highly interactive and focused on providing actionable advice to fleets that are making the switch."

LEADING LINE-UP OF SPEAKERS AS ELECTRIC VEHICLES TOP THE FLEET AGENDA

The EV Café is just one part of all the content that will be at Fleet & Mobility Live, with more than 18 expert seminar sessions and 20-plus speakers (eight are seen below) confirmed across both days.

The show will also offer expert views on emobility strategy development, making the business case for EVs, views on the Government's latest decarbonisation plans and much more.

Paul Jewell, Western Power Distribution, system development

Simon Down, associate director, Deloitte

Greg Archer, Transport & Environment UK director

Fraser Crichton, Dundee City Council corporate fleet manager

Ben Guest, OVO energy field manager

Graeme Cooper, National Grid head of future markets

Gary McRae, Urban Foresight head of electric mobility

Philip New, Energy Systems Catapult chief executive

SHOW HOLDS BIG INTEREST FOR COMMERCIAL FLEETS

Some of the biggest commercial vehicle (CV) fleets in the UK, representing more than 100,000 vehicles, are expected to attend.

Commercial vehicle fleets like BT, Royal Mail, Network Rail, Centrica, M Group, Mitie, Environment Agency and Yodel were all present in 2019 and a further 15% of the 2,000 delegates were from businesses with 200 vans or more, representing 60,000-plus vans combined.

Rory Morgan, Iron Mountain head of logistics support EMEA and a CV specialist member of Fleet & Mobility Live's Visitor Advisory Board, says: "The last in-person show in 2019 attracted some of the largest commercial vehicle (CV) fleets in the UK and many more besides.

"Van and truck operators have faced increased pressure to perform at their peak over the past 18 months due the challenges of the pandemic, and managers have had to focus even harder on getting the most from their fleets, while still trying to consider the future."

Morgan says CV fleets attend the show because they can take in expert presentations across both days "that address the biggest challenges facing the industry both now and in the future".

He adds: "It also gives us all a chance to catch-up with peers in person again, and a great opportunity to check out the latest from suppliers that will be exhibiting."

"VAN AND TRUCK OPERATORS HAVE FACED INCREASED PRESSURE TO PERFORM AT THEIR PEAK"

RORY MORGAN, IRON MOUNTAIN

Driver shortage crisis explored at show

ISTOCK.COM/KALIP

Logistics UK and Driver Require will explore ways in which the UK can address the current heavy goods vehicle (HGV) driver shortage as part of an in-depth session at the show.

The UK has always had problems attracting and retaining professional drivers to the haulage industry, but a 'perfect storm' exacerbated by a combination of Covid-19 and Brexit has led to a drop of up to 30,000 HGV drivers, which could increase to 50,000.

> "WE'RE WORKING WITH THE GOVERNMENT TO LOOK AT HOW POLICY CAN ADDRESS THE DRIVER SHORTAGE"
>
> **CHRIS YARSLEY, LOGISTICS UK**

Almost one-in-10 logistics businesses (9.8%) surveyed by Logistics UK earlier this year says the recruitment of drivers is an 'extreme barrier' to the recovery of their business.

Chris Yarsley, Logistics UK's policy manager for Wales, Midlands and South West, will give a presentation looking at some of the ways the Government is being engaged on policy to help remove some of the barriers to progress.

Yarsley says: "We're working with the Government across multiple departments, including the Department for Transport (DfT), Department for Education (DfE) and Department for Work and Pensions (DWP) to look at how policy can address the driver shortage.

"This includes boosting apprenticeships and access to funding there, as well as introducing short-term visas to attract drivers from Continental Europe to help address the shortage.

"There are even things to do with infrastructure and facilities for lorry drivers that can make the profession less appealing, so there are many areas where policy can make a difference."

Kieran Smith, chief executive at specialist HGV driver recruitment business Driver Require, will then reveal the latest results from the company's Think Tank report.

Driver Require has been tracking the UK's HGV driver shortage issue for a number of years prior to the Coronavirus outbreak and then more closely to investigate the way forward due to the impact of Covid-19 on the UK haulage sector.

The previous report in May had predicted that the unprecedented events of the previous 12 months would lead to a driver shortage crisis in the coming months.

Smith says: "As a supplier to the haulage sector, Driver Require had already experienced a significant increase in demand and a scarcity of quality drivers – and agency driver pay rates are escalating at a frightening pace.

"As a temporary recruiter, we are at the coalface of the crisis, but it will be our clients and, ultimately, businesses and consumers who rely on the movement of goods across the UK who will pay the greatest price.

"We need to raise the profile of this issue, dispel common perceptions and provide industry key influencers and decision-makers the opportunity to act to secure the UK's economic recovery."

YOUR FLEET QUESTIONS ANSWERED AT THIS YEAR'S FLEET & MOBILITY LIVE

Show visitors new to the industry can seek advice from fleet industry experts.

Members of the event's Visitors' Advisory Board will be on hand to meet and chat to attendees over the two-day event.

The Fleet & Mobility Live Visitor Advisory Board (VAB) was created to ensure the show meets the needs of fleet decision-makers, be they fleet managers, travel/mobility managers, in procurement, finance or HR.

VAB members manage fleets ranging from fewer than 100 vehicles to more than 1,000.

They are:

- **Amanda Bullough, EMEA benefits lead, Siemens**
- **Chris Connors, head of facilities & fleet, Countryside Properties (UK)**
- **Debbie Floyde, fleet & risk manager, Bauer Media**
- **Fraser Crichton, corporate fleet operations manager, Dundee City Council**
- **Jerry Ward, manager, legal operations, John Lewis Partnership**
- **Lorna McAtear, fleet manager, National Grid**
- **Stewart Lightbody, innovations and EV manager, Driive**
- **Matthew Hammond, head of fleet, M Group Services Plant and Fleet Solutions**
- **Rory Morgan, head of logistics support, Iron Mountain**
- **Alison Moriarty, fleet risk director, Driive**

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ATTEND WITH CONFIDENCE

The safety of visitors, exhibitors and staff is the top priority for *Fleet News* and the NEC, and a series of robust measures will be in place to protect everyone who attends F&ML. Fleet decision-makers and suppliers will be able to attend the event in complete confidence.

Included among the extensive list of procedures are:

- **Fogging all toilet blocks pre-show**
- **Fogging all enclosed office spaces**
- **Employing extra janitors in the atrium**
- **Enhanced cleaning of public areas (including door handles)**
- **Extra Covid-19 janitors in the main hall**
- **620 hand sanitisers across the venue**
- **Aisle widths have been increased**
- **Limited touch points**

In addition, ventilation has been improved in line with NHS requirements after the NEC was assigned a Nightingale hospital.

The NEC Group says: "Building on the experience gained when constructing and operating the NHS Nightingale Birmingham facility, we have upgraded all the filter media within our ventilation systems to high efficiency F7 media, which was the standard specified by University Hospitals Birmingham (UHB) NHS Trust."

The *Fleet News* team has already successfully staged Company Car In Action and the Fleet News Awards Summer Garden Party this year, both in-person shows on location which included involvement from the relevant local authorities to ensure necessary measures were in place.

Covid provisions are being reviewed on a weekly basis, while *Fleet News* is working closely with the Association of Event Organisers alongside other event organisers for industry best practice, while also consulting with Government.

In line with NEC Group rules, visitors should come to the show prepared to show proof of their Covid-19 status. The accepted methods of showing this status are as follows:

- **NHS Covid-19 Pass via the NHS App or a paper copy. (It is advised individuals apply no later than 48 hours before attending the event to allow for the application to be processed in time.)**
- **Lateral flow or PCR negative test results text or e-mail, received within 72 hours prior to attending the event.**
- **Proof of immunity shown by a positive PCR test result for Covid-19, lasting for 180 days from the date of the positive test and following completion of the self-isolation period.**

If visitors would prefer not to use the NHS App or do not have a smartphone they can obtain a NHS Covid-19 pass letter (proving vaccination status only) by calling 119 or visiting the NHS website.

For full details about seminar, exhibitors and Covid procedures, please visit the event website, fleetandmobilitylive.com

EXHIBITORS

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RENAULT ARKANA

Good-looking, practical and affordable – shame about the powertrains

By Matt de Prez

Premium carmakers have been setting a trend for SUVs with sleeker coupé-like roofs for more than a decade. It all started with the questionable-at-the-time BMW X6 and, more recently, there's been a slew of new models, including the Audi Q5 Sportback and Volvo's upcoming C40, to choose from.

Renault, therefore, cannot be blamed for jumping on this rather lucrative bandwagon, as it seems that, despite lacking practicality, many people are quite happy to pay a bit more for a bit less.

However, in the case of the Arkana, it's not quite as straightforward as lopping a bit off the back of a Kadjar. For starters, the Arkana is based on the platform that underpins the Clio and Kadjar – albeit extended to give the newcomer a slightly longer wheelbase than its closest sibling.

At first glance, the car makes a positive impression. It looks purposeful, sporty and has more road presence than other Renault models.

There's a premium feel to the interior too, which borrows much of its design and switchgear from the Clio and Captur, but packaged in a more spacious cabin. All, with the exception of the base trim, get a 9.3-inch central touchscreen and a digital instrument cluster.

The interior is spacious with a premium feel

Prices start at £25,025, but the range-topping RS Line (from £29,625) is expected be the most popular. It comes with larger wheels, leather and suede upholstery and heated seats.

Two powertrain choices are offered, both with a degree of electrification. The TCe Mild Hybrid uses a 1.3-litre turbocharged petrol engine with a small motor/generator. It develops 140PS and emits from 131g/km of CO_2.

The E-Tech hybrid makes use of a 1.6-litre petrol engine and a larger electric motor. This time you get 145PS and CO_2 emissions from 111g/km. Renault expects the E-Tech will account for two-thirds of Arkana sales.

It's here where things start to sour. Unfortunately for Renault, neither powertrain lives up to the way the Arkana looks or feels.

The lesser-powered and cheaper TCe Mild Hybrid is the more potent of the two, taking 9.8 seconds to reach 60mph from rest. While this isn't particularly poor, and outright acceleration isn't necessarily the most important aspect of a fleet car, it's the way the engine delivers its power that disappoints. You have to work it quite hard, but it's not particularly keen to rev – despite having a seven-speed dual-clutch gearbox – and makes a bit of a racket when you do.

In the E-Tech, there's a nice surge of power from the electric motor from the get-go, which makes driving around town quite pleasant.

At around 30mph, the 1.6-litre petrol engine kicks in to assist. The switchover is relatively seamless and, in most urban settings, the powertrain does a decent job without burning much fuel. It's when you get on the motorway that the engine struggles. The six-speed automatic is slow to react when you want to accelerate rapidly and there can be a noticeable pause between shifts – daunting when joining a busy motorway.

The E-Tech makes much more sense from an efficiency perspective, however, achieving more than 50mpg during our test. It recharges its battery rapidly when braking or coasting, so there's always power on tap to boost acceleration or to allow for zero-emission driving at low speeds. It also only costs an extra £1,000 when compared with the mild hybrid model.

The Arkana is a good-looking and practical crossover that offers a more niche bodystyle than models from other mainstream brands.

While its powertrains are little underwhelming, the E-Tech Hybrid is efficient and affordable.

	FLEET PICK **RENAULT ARKANA E-TECH RS LINE**
SPECIFICATIONS	
P11D Price	£30,675
Monthly BIK (20%)	26%/£133
Class 1A NIC	£1,101
Annual VED	£170 then £145
RV (4yr/80k)	£8,687/28%
Fuel cost (ppm)	10.5
AFR (ppm)	14
Running cost (4yr/80k)	42
CO_2 (g/km)	112
Mpg	56.5

MG5 EV LONG RANGE

It's no head-turner, but there's much to commend the 5

By Matt de Prez

There's been a distinct lack of electric cars in the £25,000-£30,000 price bracket that provide fleets with suitable levels of practicality and enough range for high-milage users.

MG may have the answer with the 5 EV, now that is has been given a larger long range battery with the promise of covering 250 miles between charges.

The MG5 is rather unique, both in the fact that it's only available as an estate and it's pretty much the only electric estate car currently on sale.

Prices start at £28,940, before the Government's plug-in grant is applied, meaning the 5 EV Long Range undercuts smaller rival models like the Hyundai Kona and VW ID3 by a significant margin.

On paper, its credentials are likely to leave most fleet managers reaching for their chequebooks, with the ability to recharge to 80% in 40 minutes (100kW), a seven-year warranty and a boot that's bigger than that of a Ford Mondeo Estate.

While MG has an illustrious history for making exciting and sporty cars, the 5 is most definitely not part of the same blood line. It's probably the most bland-looking car currently on sale, and you'd be forgiven for mistaking it for a 10-year-old Hyundai.

	FLEET PICK MG 5 EV LONG RANGE EXCITE
SPECIFICATIONS	
P11D Price	£28,940
Monthly BIK (20%)	1%/£5
Class 1A NIC	£40
Annual VED	£0
RV (4yr/80k)	£8,140/28%
Fuel cost (ppm)	5
AFR (ppm)	4
Running cost (4yr/80k)	34
CO_2 (g/km)	0
Range (WLTP) miles	250

It's definitely a car for those that want to stay under the radar, which is no bad thing, but the looks just don't really do the car justice as it's actually a decent bit of kit. If the car provided a more sportier look, in keeping with other MG models, it might stand a better chance of attracting user-choosers.

The motor serves up 156PS, which is more than enough. It can zip to 60mph from rest in less than eight seconds and is likely to appeal to drivers who've been previously stuck with small capacity diesel engines.

Given its price, the levels of refinement are reasonable. One downside is the seat, which is awful. After a couple of hours behind the wheel the hard and unsupportive chair means your lower back will give out before the battery does.

The interior is much nicer than the exterior, with a mix of materials and a simple layout. The central touchscreen includes Bluetooth, sat-nav and a reverse camera but it isn't as slick to operate as we'd like. Similarly, there's a partially digital instrument cluster, which seems more complicated than just fitting a fully digital one, and lacks the customisation we're used to from other brands.

Driveability is a more positive element of the car. Despite the Long Range sitting 9mm higher than the regular MG5, the car rides well and tackles county lane bends with suitable vigour.

It's not the most thrilling car on sale and it certainly won't turn any heads, but the MG5 Long Range is a practical, well-equipped and affordable electric car that gets the job done.

WARDY'S WORLD

By Martin Ward

I was a bit surprised to read HMRC's policy regarding VAT on the charging of electric vehicles (EVs). The VAT is at the standard rate of 20% when using a public charge point. However, if you can charge your vehicle at home, then the rate is only 5% if you use less than 1,000 kilowatt hours a month. HMRC says this is the *de minimis* provision, but does not apply to EV charging in public places. This seems unfair to me as it penalises more than half of those who will eventually have to own an EV. And, if an employee charges an EV at home, for both business and private use, the VAT cannot be recovered, because the supply is to the employee, not the business. VAT at 20% at public charge points needs to be reconsidered as this doesn't seem to have been well thought through.

Polestar2

I recently had a Polestar2 on test for a week. It was named Best Electric Car in this year's Fleet News Awards and was also heavily in demand at CCIA with long waiting lists to get a drive around Millbrook. Neighbours and friends were curious to know what it was, who makes it and where. I just pointed them in the direction of the B-pillar, where there is a sticker that says "Polestar, Volvo Car Corporation, made in China". Easy. But, what a phenomenal car, forget who makes it and where, it is great to drive, and full of technology. I had to use a public charge point (20% VAT) and used a 50kw 'quick' charger and the electric went in at 80 miles in an hour. Polestar recommends charging it to a maximum of 90% and this takes it to a range of 240 miles. During the week I had it, I spent many a happy hour sat in a public car park charging it. All the waits were worth it... I think. But, after a few weeks, I think I could get a bit fed up.

Buying a runabout

I have been trying to buy a new small car as a bit of a runabout to fill the gaps when I don't have test cars from manufacturers. Try as I might, getting my hands on a brand new car is nearly impossible and will only get worse over the coming weeks as shortages of components continue. Getting the exact spec or colour you want is not easy. You have to settle for second best, unless you want to wait many months. I did settle on a car, got the colour I wanted, but not exactly the right specification. Those manufacturers who have the fewest, or hardly any options will probably benefit from this situation, as the customer just has to chose a colour, engine and gearbox, and that's it, which makes ordering easier for all involved.

SUZUKI SWACE

HYBRID SZ5

By Jeremy Bennett

The Swace's 'normal' hybrid system of 1.8-litre petrol engine plus an electric motor – charging as you drive and no plugging in – means one of its USPs is, Suzuki says, "excellent" fuel economy.

The price of unleaded petrol at the time of writing is 134.68 pence per litre.

Its three competitors are the Toyota Corolla Touring Sports 1.8 VVT-h 122 Trek, Škoda Octavia 1.5TSI 150 SE L and Ford Focus 1.5 L Ecoblue.

Having looked at websites offering 'real-world fuel economy figures' and found no mention of the Swace, I've used the carmaker's official mpg figures.

The Swace has a WLTP combined fuel consumption figure of 64.2mpg (I'm currently at 62mpg after five months' driving).

In an 80,000-mile operating cycle the cost of fuel, at the above rate, is £7,653.

The Corolla's fuel costs would be £8,746, based on the official fuel consumption figure of 56.5 mpg. Next up, the Octavia would cost £9,796, based on 50.4 mpg on the combined cycle. Finally, the Focus, with 60.1mpg combined fuel consumption, would cost £8,163. Top marks to the Swace!

VOLVO XC40

T4 R DESIGN

By Mike Roberts

A few weeks in and this car continues to impress with its driveability and practicality.

It easily swallowed our holiday-associated paraphernalia such as suitcases, child's buggy and, of course, other family members on a recent airport trip, due, in part, to the fact luggage space isn't affected by the inclusion of a battery, which is cleverly packaged into the car's chassis.

And, once the holiday was over all-too-soon, climbing in during the early hours of a chilly Sunday morning for the journey home provided a nice reminder of the level of comfort it offers, particularly refreshing after four hours sat in an aeroplane seat.

Gear changes from the seven-speed auto box are smooth and the transition from engine power to battery power is seamless.

CO_2 emissions are 47g/km, putting the car in the 13% benefit-in-kind (BIK) tax bracket and costing a 20% taxpayer £85 a month and a 40% taxpayer £170. It has a P11D price of £39,390 and a WLTP combined fuel consumption figure of 117.5-134.5mpg, though to get anywhere near that would take some doing. I'm getting around 45mpg.

VW GOLF

GTE 1.4 TSI PHEV

By Matt de Prez

The summer plans of many may have been impacted negatively by the "pingdemic", with those unfortunate enough to receive a notification from the NHS Test and Trace app forced into isolation.

While I, unlike many Brits, managed to avoid exposure to a Covid-19-infected individual, I have been suffering from my own "pingdemic" while driving the Golf GTE.

We've been aware, anecdotally, of teething problems with VW's latest operating system for a while. It was one of the reasons deliveries of the new ID3 were delayed last year.

Since we took delivery of our Golf in May, it has repeatedly presented us with a loud "ding" and a warning message stating "traffic hazard warning is currently restricted".

After a bit of digging (and finally resorting to the car's handbook) we found that this refers to the Car2x capability – which allows it to pick up messages from other cars and alert the driver of potential hazards ahead.

We've also been "pinged" for occasional issues with the parking sensors, blind spot monitoring and received phantom "drive in the centre of the lane" messages from the lane-keep assist.

But it's the Car2x fault that really frustrates, as it pops up every time we drive – usually after about four miles. Having spoken to other Golf drivers, it seems we are not alone. Faults like ours, alongside issues with the car's infotainment freezing and the adaptive cruise control adjusting to incorrect speed limits are not uncommon.

VW updated the software, which seemed to fix numerous other niggles, but the Car2x element refuses to play ball. It's a shame, as both Germany's ADAC and Euro NCAP have applauded the system for its safety benefits.

The Golf represents a significant step forward in in-car technology and, while most of it works impressively, there are clearly some more wrinkles in the system to iron out.

MAZDA MX-30

145PS SPORT LUX

By Andrew Ryan

Despite the limitations of our long-term Mazda MX-30's battery range, it hadn't caused me any major issues. Not many journeys needed me to travel close to the 124-mile capacity and when they did, or exceeded that, a little bit of planning meant I was able to find a working rapid charge point along the route.

This changed one Sunday afternoon when I dropped my brother off at Stansted Airport.

The 130-mile round trip meant I would need to stop on my way home and, even allowing for a 15-minute charge, I expected it to take one-and-a-half hours. It took four-and-a-half.

It seemed straightforward. I'd identified a Shell Recharge charger around one-third of the way home to be the best place to stop.

I knew it was working because we took a slight detour on the way down to check it, but when it came to plugging the Mazda in, the unit kept telling me there was a charger error.

What this error was I don't know, as the charge point worked perfectly with a Volkswagen eGolf which I let use in between my attempts as I pondered my next move.

I didn't have enough charge to get to the next rapid unit on my way home, so I drove to the nearest supermarket with a 7kW charger. After 40 minutes, I had enough charge with 10 miles in hand to make it to the next rapid charger.

This was located in the car park of a leisure centre, but what Zap-Map didn't tell me was that outside opening hours the car park gates were locked, so I couldn't get in.

At this point I didn't have enough charge to get home, so had to backtrack around four miles to the only 7kW charger within range. When I got there, I found that it was on an industrial estate that was... behind locked gates.

Fortunately, I found a helpful security guard who let me in and, after 30 minutes, I had enough electricity to get home.

Apart from this one occasion, my time with the MX-30 has been blemish-free, but this really soured my ownership experience.

ŠKODA OCTAVIA IV

SE L 1.4 TSI PLUG-IN HYBRID

By Sarah Tooze

I recently swapped from our Audi A3 plug-in hybrid to its stablemate, the Octavia plug-in hybrid, to benefit from a more practical car for family life.

Both cars share the same 1.4 TSI 204PS engine, but the Octavia has a 1,405-litre boot (seats folded, 450 litres with the seats up), compared with the A3's 1,100 litres and 280 litres respectively, and 1,700 litre and 640 litres in the Octavia estate tested previously.

The Octavia also has a variable boot floor, with a storage compartment for charging cables under the luggage compartment mat, better cabin space and practical features that the brand is known for such as the umbrella storage compartment.

However, where it hasn't yet lived up to the A3 is on the electric range being achieved. In the Audi I could achieve 37 miles on a single charge (official 41 miles), but the Octavia is currently offering 34 miles.

My long-term fuel economy in the A3 was 71.1mpg, after 1,500 miles (despite claiming WLTP of 44 miles) while in the Octavia it's 54.9mpg after 2,000 miles. That's a little underwhelming as the cars have similar weights and the Octavia a better drag coefficient, but we'll keep tabs on whether it improves.

FORD TRANSIT

CUSTOM TRAIL 300 L1H1 DOUBLE-CAB-IN-VAN 2.0 ECOBLUE

By Trevor Gehlcken

So far I have sung the Transit's praises and I'm going to be mighty sad when it goes back next month.

But, however good a van is, I usually find one or two niggles and grizzles to moan about and thus it is with our Ford Transit Custom, although none of my complaints lessen my admiration for this van.

The driver's seat feels a tad on the small side for me – as though I'm sitting on it rather than in it.

Also the steering feels rather vague at times and doesn't give a lot of feedback to the driver about what's going on between steering wheel and road.

In the cargo area, there's a useful three cubic metres of space, but it's square so long items can't be carried. What would have really been the icing on the cake would be the addition of a flap at the bottom of the bulkhead so planks of wood and suchlike could poke through into the passenger space. Ford offers a load-through bulkhead in the Connect, for example.

Regarding maintenance, I was surprised to see a message warning me that the AdBlue tank was low after just 4,000 miles. Normally, our test vans manage around 7,000. I can only assume that our van has a smaller tank than rivals in the sector.

HYUNDAI TUCSON

PHEV ULTIMATE

By Stephen Briers

The sight no one wants greeted me on August Bank Holiday Monday morning: a flat tyre.

A quick call to get the fleet breakdown number (managed by the AA) resulted in a local recovery operator arriving within 20 minutes to take the Tucson and me to the nearest Kwik Fit centre on Maskew Avenue in Peterborough.

Kwik Fit got the approval to repair from our leasing provider, did all the paperwork and started the job. A small screw had lodged in the rear nearside tyre but hadn't done too much damage, which meant it could be repaired.

It took just 30 minutes to complete – an excellent service by all concerned.

The Tucson has continued to impress with its easy driving style, great visibility and comfort.

We were initially confused by the three driving modes on offer. Electric is obviously self-explanatory, but what about Hybrid and Automatic – what's the difference?

Hyundai describes Hybrid as the electric motor working in tandem with the 1.6-litre petrol engine to deliver improved fuel economy and lower emissions.

However, when we select it, the 13.8kWh battery never seems to be employed; we've actually seen it gain charge during long journeys.

We'd suggest this mode is essentially petrol-only, with electric reserved for the first few metres of driving from standstill (i.e. like a traditional hybrid). It conserves the electric range for a time when it may be needed more, such as when entering a city centre.

Automatic, therefore, offers the efficient combination of electric and petrol.

We tested this theory on a drive to Leeds. Hybrid mode on the way up returned 39mpg; Automatic on the way home boosted efficiency to 46mpg. Shorter journeys, of course, can be undertaken in full electric mode thanks to the Tucson's generous 38-mile range.

AUDI A3

40 TFSI E (204PS)

By Luke Neal

The A3 cabin has a striking design which, according to various internet sources, was inspired by the Lamborghini URUS. Comparing the two, there are certainly similar design cues: most notable are the steering wheel and the hexagonal vents around the dash although that's where the similarities end.

Front passengers get firm sports seats with high side bolsters and adjustable leg supports. For storage there are two front door pockets, a small centre arm rest cubby, space under the dash and the glove box. There are also two cup holders and two USB-C charging points. For climate control and driving mode selection, Audi has opted for easy-to-use physical buttons with all other functions controlled via the 10-inch touchscreen.

Our model also has the comfort and sound pack (£1,195), which includes parking assist, Bang & Olufsen Premium Sound System, heated front seats and a reversing camera.

In the back, head room is ample and leg room is adequate for a six-footer although with the centre arm rest/cupholder in the down position it does feel a little cramped.

SEAT LEON

1.4 E-HYBRID FR

By Gareth Roberts

The Seat Leon e-Hybrid offers a good choice of standard technology and options in five trim levels – FR, FR Sport, FR First Edition, Xcellence and Xcellence Lux.

We have the FR, which features sporty front and rear bumpers, 17-inch alloy wheels, dual exhaust pipes and a suspension set-up that has a 15mm lower ride height than other trims.

Inside, there is a leather multifunction steering wheel, three-zone air conditioning, a wireless charging tray and two additional USB points.

The FR trim also includes full-LED lighting at the front and rear and LED dynamic indicators.

FR Sport adds the Leon's Winter Pack, which includes heated front seats, heated steering wheel and heated windscreen washers.

FR First Edition also has 18-inch alloys, sunroof, interior wraparound light, heated front seats, rear view camera and a mode three cable.

Xcellence trim level brings a different aesthetic, with a diamond grille, chrome-framed side windows and 17-inch alloy wheels, while Xcellence Lux adds leather upholstery and 18-inch alloy wheels.

TOP TIPS FROM **BUSINESSES IN THE KNOW**

For any fleet manager charged with the task of implementing a new product or service, the number of suppliers jostling for their attention can be quite overwhelming.

Clear and concise advice at their fingertips is what they need most when trying to plough their way through the wealth of information available.

Companies that offer such advice stand out from the crowd and cement their place as key industry voices – it's these businesses that quickly gain a reputation for being leading experts in their field.

How fleets want to receive such advice also differs; some fleet managers prefer it in print, others online or from an email newsletter, or via social media. *Fleet News* uses all of these mediums and more to convey information to those who need it most.

Sharing your expertise can really make a difference to fleet policy implementation and puts your business front and centre in the minds of decision-makers and influencers.

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Put driver training at the heart of your electric fleet transition

The Government ban on the sale of new petrol and diesel cars by 2030 is starting to feel closer and closer, isn't it?

Successful fleets plan many years in advance, so it's becoming increasingly astute to look to what will be a seismic change for fleets across the UK. Simply, any fleet professional not considering how they will make a success of their EV transition will likely end up left behind.

There are two key areas where driver coaching plays a crucial role in managing and measuring EV fleet success. The first is technical. There are several fairly small, but crucial, differences which mean that a driver who jumps straight into an EV from an internal combustion engine (ICE) vehicle will not be getting the best out of it. Regenerative braking, as an example, could become a safety issue for drivers not aware of the difference.

The second area more directly concerns mindset. Our suite of EV familiarisation products go a long way in changing the mindset of your drivers who may be more used to, and more comfortable with, driving ICE vehicles and who may have concerns with operating an EV.

Never underestimate the power of change, but also how reluctant your staff can be to embrace it.

Ultimately, DriveTech's suite of EV familiarisation products delivers powerful solutions that help all drivers change their mindset and their technical skills behind the wheel of an electric vehicle. Future-proof your fleet today and get fully-charged for the future.

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Next-generation video telematics help to reduce risks and improve driver safety

Today's fleet managers need a technology solution that can connect all the dots and provide them with complete visibility – from understanding what's happening both in-cab and on the road, to being able to empower drivers with the tools to make good decisions.

One of the ways this connected approach is being realised is through next-generation video telematics, powered by machine vision and artificial intelligence (MV+AI). Combined, these technologies offer visibility into risky driving habits that traditional telematics can't.

Machine vision acts as a smart set of eyes that scans and recognises both the internal and external environment of the vehicle. Whether mobile phone use or some other sort of distraction, MV identifies a range of driving behaviours while AI determines how risky that behaviour is, notifying the driver via an audible alert that allows them to self-correct in-the-moment – with the most important information flagged to the manager for further coaching.

This technology is different from traditional solutions because it's proactive, not reactive. The technology lessens the need to manage or report on G-force events, such as harsh braking, because behaviours and external conditions are understood before any incident occurs. This is all helping to reduce risk, improve driver safety, reduce incidents and bring down insurance claims.

Finally, this technology is also providing managers with the ability

to offer increased support if drivers find themselves in situations beyond their control. For example, if they encounter a flooded road that means they cannot progress on that chosen route, the driver has the option to alert their manager who can tap into a live feed to see what they see – evaluating the situation and collaborating with the driver to create a solution.

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'Clean-Air' ready?

Three new clean-air zones (CAZs) have been launched in 2021 with more set for 2022. With the expansion of the London Ultra-Low Emission Zone also coming this October, the potential cost of not getting fleet clean-air ready could be significant.

Research commissioned by Europcar Mobility Group UK found that 68% of companies need some of their fleet to enter a CAZ. But current vehicle supply problems could be hampering their ability to upgrade company vehicles, with delays to the purchase or lease of new compliant vehicles being experienced right across the market.

Facing these challenges, long-term rental can offer a cost-effective and timely solution. Shared mobility solutions – car share and car pooling – can also mitigate the need for a total fleet upgrade but also offer a solution to the 'grey fleet' problem.

Grey fleet vehicles are generally older and, therefore, more likely to attract a charge for entering a CAZ.

And with one estimate suggesting that daily charges for non-compliant commercial vehicles currently range from £50 to £100, this is something businesses will want to avoid.

CLEAN AIR TIPS

- Know the rules – check the requirements and ensure your drivers know them too.
- Update your mobility plan to reflect the changes – long-term rental vehicles offer quick access to the latest and cleanest technology that complies with low-emission requirements.
- Stay flexible – add shared mobility solutions as well as rental to the mix.

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Use technology to drive fleet compliance post pandemic

By Martin Evans, managing director, Jaama

The principles of good fleet management start with obtaining reliable, appropriate information that can then analysed to ensure decisions can be made by companies to achieve the best outcome from a risk, financial and operational perspective.

If these three elements are successfully recorded and managed, companies can rest assured that their compliance should also be in good order.

This general approach hasn't changed, but potential obstacles have been introduced such as if information, for example, defect reports, had previously not been provided electronically.

Giving drivers access to apps will enable them to, essentially, self-service and send information electronically such as daily checks, defects, and accident information. That way as soon as data is recorded, it is transmitted in real time to a fleet management system which then flags up any vehicle or driver issues which can then be managed proactively.

The days of drivers filling in pieces of paper and sending them back to the fleet team should be in the past and a central fleet team using a wall planner to manage servicing and MOTs is outdated, although it is still happening in some HGV transport offices.

The world has changed during the pandemic and continues to change very rapidly. Fleets need to change their outlook on the use of technology by figuring out what they need to do to reduce vehicle and driver risks: mitigate any unnecessary costs, achieve more work with a reduced headcount, source more vehicles dependent on the nature of their business and, most importantly, keep their drivers and vehicles safe and compliant.

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MAKE THE LAUNCH OF YOUR NEW OR UPDATED POLICY A SUCCESS

By Rebecca Eggington, customer projects & implementation manager

Once you've chosen the right policy for your business and employees, the next stage is implementation. Having the fundamentals right from the get-go, as well as having the right project plan, team and partners in place, will make it easier to ensure the policy is launched successfully.

To start, be clear on the scheme structure – what are you offering and how are you offering it? This is key to developing your policy and should provide all stakeholders the guidance and information required to understand how it will work. A detailed policy will be integral to creating a suite of driver-facing documents so every user has all the information they need throughout the user journey.

Engagement with key stakeholders across your business is crucial if a new scheme is going to be successfully integrated across the wider business. HR, payroll, finance, H&S for example, may all have key objectives and therefore influence policy decisions as well as operational requirements. This ensures a right first-time approach to system and operational set-up.

For the scheme to be a success, your employees need to be on board and will require education on the new scheme, including any changes from the previous policy. You may need to produce various documents for different populations; however, the employees should be at the heart of whatever is produced and taken on the journey with you.

Giving this area due care and attention ensures the business needs are met and the employee needs are supported throughout.

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HOW TO: COMMUNICATE YOUR EV POLICY

Once you've defined your future-ready electric vehicle (EV) fleet policy, it's time to take the next, vital step – communicating with your drivers to inform them about it.

After investing a lot of time in developing your new policy to transition to a net zero fleet, you want to ensure your employees see this as a real benefit.

Communication needs to go further than a traditional internal combustion engine (ICE) car policy and should educate drivers on the requirements of running of an EV and changes to their driving style, such as battery efficiency, usage and charging, including how to plan charging for daily use and longer journeys.

A well-drafted EV policy will help to improve the driver experience and give employees greater assurance that an EV can work for them.

Transparent communication of your decarbonisation goals and how EV fits within the company's plans is also key.

Arming your drivers with this knowledge enhances the benefit of your company car scheme to them and makes EVs an even more attractive proposition. In turn, this boosts your company's environmental credentials too.

By working with your fleet partner, you can access the expert knowledge of EV gurus. They will offer guidance on all things EV, from the developing nationwide charging infrastructure to Government initiatives put in place to help EV drivers.

Working with Zenith won't just help you make the switch to EV. Our consultancy experts guide you through every fleet decision.

By Nicola Austin, senior fleet analyst, Zenith

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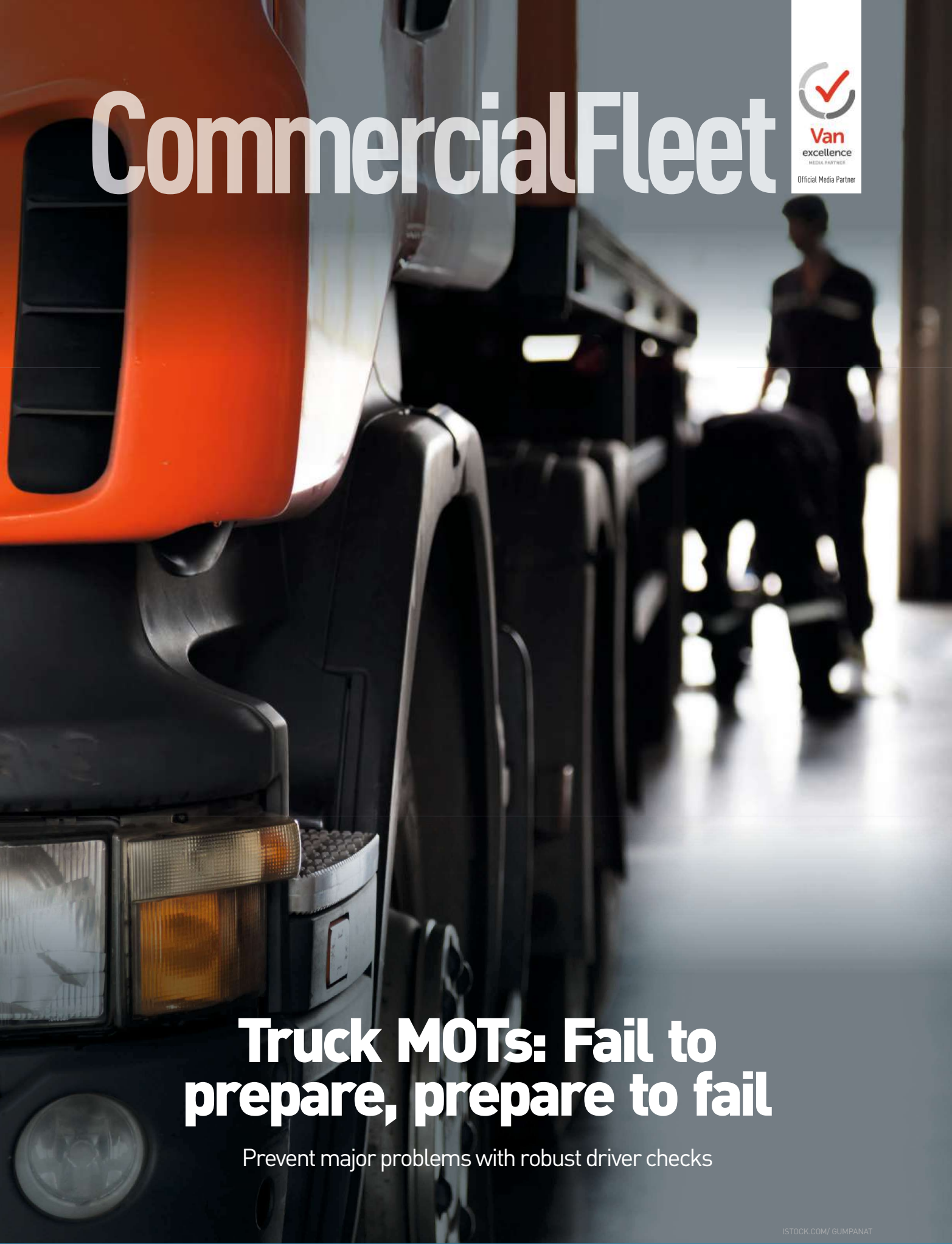

Truck MOTs: Fail to prepare, prepare to fail

Prevent major problems with robust driver checks

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PLUS: WILL HYDROGEN BE THE NET ZERO HERO? • LOGISTICS UK ADVICE LINE • MAN TGS 35.510 TESTED

Hydrogen: net zero hero?

The Government's consultation to phase out the sale of fossil-fuelled HGVs from as early as 2035 has shone a spotlight on hydrogen as a potential solution to decarbonise trucks

At present there are only 11 hydrogen filling stations open to the public in the UK

By Jonathan Manning

In its newly published UK Hydrogen Strategy, the Government pulls no punches in its assessment of the difficulty of decarbonising heavy goods vehicles (HGVs). Long distances, heavy payloads and the need for fast refuelling place huge demands on any replacement for diesel, which could be phased out as a fuel for new trucks as early as 2035, dependent on the outcome of an ongoing consultation.

"Large, long-haul HGVs are the most challenging segment of the road sector for developing zero emission options," said the strategy document, before suggesting hydrogen may be one of the solutions.

It's the most plentiful gas on the planet, it can be produced from renewable energy, and its tailpipe emission is water. Moreover, refuelling with hydrogen takes about the same time as filling up with diesel and delivers a similar range, avoiding the lengthy recharge times and shorter ranges that beset battery-powered HGVs.

To test hydrogen's "feasibility, deliverability, costs and benefits", the Government is investing up to £20 million this financial year to design trials of HGVs powered by hydrogen fuel cells, alongside two alternative zero emission technologies: electric road systems and battery power.

> "IF THESE VEHICLES PROVE VIABLE AND START COMING TO MARKET, THEY ARE GOING TO BE EXPENSIVE"
>
> **MICHELLE GARDNER, LOGISTICS UK**

Arcola Energy is designing the first hydrogen trial and is currently recruiting HGV fleet partners in emission-sensitive industry sectors such as utilities, forestry, wholesale food and drink logistics.

Richard Kemp-Harper, strategy director, Arcola Energy, said: "By understanding their use cases, we can specify vehicle and infrastructure requirements for what they need now with a view to expanding capacity and capabilities in other sectors and vehicle types over time."

HYDROGEN ECOSYSTEM

Further Government investment is being made into a complete hydrogen ecosystem in the Tees Valley that will produce, store and distribute green hydrogen to support a range of operators.

This 'living lab' is due to run from 2025-2030 and will include 60 HGVs operated by local authority fleets; 300 rigid and 30 artic vehicles undertaking short-distance routes within the region; and, most challenging of all, 100 artic HGVs deployed along three long-distance corridors where they will need to use hydrogen refuelling locations outside the Tees Valley.

The trials aim to answer two fundamental questions asked of hydrogen by truck operators.

"First, proof of concept – does it work? And second, does the business case stack up?" said Chris Ashley, head of policy – environment & regulation at the Road Haulage Association (RHA).

Anecdotal feedback suggests that hydrogen power, whether used as energy for a fuel cell or injected directly into a combustion engine, can propel a truck and deliver a practical range, said Ashley. But other considerations present huge operational barriers.

The hydrogen strategy acknowledges the challenge presented by hydrogen's limited refuelling network – there are currently only 11 hydrogen filling stations open to the public in the UK, compared with 7,800 diesel forecourts.

ITM Motive operates the largest network of public hydrogen stations, with eight stations plus four more under construction.

Expansion is complicated by the availability and affordability of industrial land with good, cheap electricity connections so ITM can produce hydrogen on site. The construction of a large hydrogen station is, however, much more cost-efficient than the cables and grid connections required to build a big electric vehicle charging station, according to Duncan Yellen, managing director of ITM Motive.

"The first hydrogen stations will be built as back-to-depot stations and then we will join the dots between them. You need a network of about 50 or 60 stations to cover the UK, so if we build a dozen or so, hopefully competitors will emerge to build the rest," he said.

There is little prospect, however, of HGV fleet operators installing their own hydrogen tanks in their depots, added Yellen.

"You're taking a flammable gas and storing it at up to 500bar – what we call medium pressure storage," he said. "It's an order of magnitude more expensive than a diesel bunker, and because of the safety protocols required we don't encourage people to do it unless they have a big industrial engineering background."

Building truck operator confidence in the refuelling network is vital for hydrogen's future in haulage, said Michelle Gardner, head of public policy, Logistics UK.

"Infrastructure is the number one barrier for any of the three zero

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emission truck options; hydrogen, electric road systems and battery electric," she said.

"It does seem hydrogen will have an important role to play, but to get there we need the right infrastructure and incentives. If these vehicles prove viable and start coming to market, they are going to be expensive, especially at first. Our members will look at the total cost of ownership, but at the moment it's looking like hydrogen vehicles will be more expensive to buy and to run."

HYDROGEN ECOSYSTEM

Infrastructure uncertainty is not the only question mark hanging over hydrogen's viability. Even the winning motive technology is unclear, with truck manufacturers developing both hydrogen fuel-cell EVs and hydrogen internal combustion engines.

The combustion engine is similar in price to a diesel engine, although it requires a costlier fuel tank. Fuel cell vehicles are approximately twice as expensive as diesel and the fuel cells occupy more of the payload and loadspace of an HGV, but they are also more efficient in their energy conversion and zero emission at the point of use, whereas hydrogen combustion engines emit nitrogen oxides (NOx) that require after-treatment.

Dr Penny Atkins, principal research fellow at the University of Brighton's Advanced Engineering Centre, said the efficiency of the two engines varies according to the load.

"At lower loads, fuel cells are more efficient, but at higher outputs, such as a heavy articulated truck, hydrogen might be more efficient," she said. "So the two technologies could offer complementary solutions dependent on applications."

Vehicle manufacturers are pressing ahead with both technologies: in July, Cummins started testing a hydrogen combustion engine for on- and off-road applications; Daimler Trucks plans to start customer trials of its GenH2 hydrogen fuel cell HGV in 2023, with sales starting in 2027; and MAN aims to have both hydrogen fuel cell and hydrogen combustion engine prototypes on the road this summer, with a demonstrator fleet undergoing trials by 2024.

"What transport companies have lacked so far is emission-free trucks that enjoy sufficient range for deployment in long-distance traffic. This is exactly where hydrogen fuel cells present an interesting solution," said Michael Bernath, MAN's head of new powertrain components development.

THROUGH THE LOOKING GLASS

By Andy Picton, chief commercial vehicle editor, Glass's

August has been busy with a number of manufacturers seen and vehicles driven.

Renault

Had a great day driving the Renault LCV product range including the ZE trio of Zoe van, Kangoo van and Master LWB, while the Trafic 170PS Black Edition with EDC Auto gearbox and new Trafic Passenger were also put through their paces. Highlight was the opportunity to drive the all-new Kangoo due out in the second half of 2022. It was a pleasure to drive. Full of smart technology, ADAS features and a premium-feel cabin, with a layout that will be familiar to Renault car drivers. Available in two lengths, the new Kangoo will be offered in petrol, diesel or battery electric formats. A new 75kW battery with DC capabilities for the renamed Kangoo E-Tech means the increased range of 165 miles can be charged to 80% in just over 40 minutes.

VWCV

Over to Cambridgeshire to drive a selection of VW LCVs from Caddy 5 to T6.1 Transporter to Crafter minibus. All impressed with their assured road handling, but Caddy 5 with its latest generation ADAS safety features and enhanced standard specification impressed the most.

Ineos Grenadier

Firle Place in Lewes, Sussex, was the location for an early 2B Prototype Tour event for the all-new Grenadier 4x4. Climbing into the cabin I was impressed by how little NVH (noise, vibration, and harshness) there was and how much low-end torque was available. Built on a ladder frame with beam axles and long travel coil suspension, the Grenadier proved exceptional off-road. Powered by BMW 3.0-litre petrol and diesel engines and mated to a ZF gearbox, Ineos is already receiving plenty of interest from operators needing a vehicle with real off-road capability.

SsangYong

The facelifted Musso launched recently, with Saracen and LWB Rhino auto models out first. The new Musso felt well put together and includes an all-new ladder-style front grille, projection headlamps, LED running lights, LED front fog lights and black alloys and black exterior finishes on the Saracen model. Sat-nav and leather seats are also standard.

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Iveco business line director (LCV) Mike Cutts (centre) with Kinhode Aloumon, network sales manager; Mike Cutts, business line director (LCV); and Jessica Main, marketing manager

SPONSORS' COMMENTS

Rivus Fleet Solutions is proud to sponsor the Rigid Truck of the Year (six-16 tonnes) Award and we were really impressed with the Iveco Daily seven tonne. Once again it has stood up well against some strong competition. Available in a variety of powertrains and body configurations, it has the chassis of a truck, long wheelbase, and body length to translate into a flexible and manoeuvrable vehicle. Congratulations to everyone at Iveco!

WINNER: IVECO DAILY (7 TONNE)

Ability to supply in volume is helping seven-tonner to go from strength to strength. *Stephen Briers* reports

Iveco picked a perfect time to re-enter the supermarket home delivery sector: Covid has accelerated demand for online shopping which has resulted in a robust van market.

At the same time, Iveco's core customer base of construction, utilities and municipals carried on working throughout the pandemic.

Consequently, its van registrations and market share have reached a level not seen by the business for more than a decade – up almost 100% year-to-date for a 1.16% share. It ended 2019 with just 0.5% of the van market.

It looks certain to benefit from the global semiconductor shortage, too.

"We have stability in our lead times of around six months," says Mike Cutts, Iveco business line director (LCV). "We have controlled the semiconductor issue thanks to the purchasing and supply chain at our plants; it's caused delays no longer than two weeks.

"Customers that need volume for Q1 next year are now coming to us because we can supply sooner than our competitors."

Meanwhile, in the truck business, Iveco's share has inched up year-on-year from 7.4% to 7.86% thanks to a 16% rise in registrations (Q1 figures). Much of this success is down to investment in the dealer network and the fleet team with the aim of getting closer to customers.

A second-half uplift is anticipated following a significant refresh of the S-Way, according to business line director (truck) Gareth Lumsdaine.

His aspiration is to get to a double-digit market share in the truck sector. He says: "It's a number that makes sense."

Cutts and Lumsdaine spoke to *Fleet News* at the ITT Hub show at Farnborough in July.

Fleet News: Iveco has been a trailblazer for both electric – first introduced on the Daily in the mid-1980s – and compressed natural gas (CNG). How do you see the prospects for these two?

Mike Cutts: Gas is right for particular operators, for example companies that produce methane gas themselves or long-haul truck fleets where the total cost of ownership stacks up. Electric on the new Daily will come next year and we are already being asked for it. Large fleets and supermarkets in urban environments are keen to move towards electric as soon as possible. It's a huge opportunity.

Gareth Lumsdaine: For trucks, we've always been strong in CNG and we are now seeing the fuel infrastructure come on in leaps and bounds which means smaller fleets are now able to access the technology. I can see us selling as many gas trucks as diesel in the medium term, possibly three-to-four years – currently the ratio is around 20% gas for heavy trucks. For heavy haulage, hydrogen is probably the future, but I see gas being important for the next five, 10, 15, even 20, years. While we see electric rigids in the city, gas is the only zero-emission solution for long haul because of the cost, payload and range issues with electric. It's half the price of diesel and is also quieter.

FN: The Daily 7 Tonne took the honours at the Fleet News Awards; how much demand is there for this model?

MC: It goes from strength to strength. We've seen truck customers looking to downsize which is an easy argument because of the total cost of ownership – it's cheaper to buy and run, and it has a better payload and driver experience. In the city, where electric isn't viable, it is a better choice than a truck, especially with its manoeuvrability, making it ideal for a hub-and-spoke model.

The 7 Tonne accounts for 25% of Daily volume, around 1,000 per year. We've increased our share in that sector by 5-10% in the past five years.

FN: You've introduced new diesel power outputs, including a 490hp option, for the revised S-Way; how important is this for your growth?

GL: The 490hp 13-litre engine will be hugely important to us; 80% of the UK market is 13 litres and the 490 offering gives us an opportunity to tap into that. Compared with the 480 11-litre, it has lower fuel consumption, better residual values and R&M (repair and maintenance) that is on a par, which we expect to reduce over time. The impact on cost of ownership will be huge.

FN: Connectivity is moving from cars to vans to trucks; what will it mean for Iveco customers?

GL: Connectivity is huge; it puts the driver and the fleet manager within one click of each other. It helps the driver by giving them feedback on their driving performance and enables the manager to proactively manage the maintenance of the truck to reduce downtime. The S-Way also talks to the fleet; they can ask Alexa "how's my truck?" and it will tell you if you need to book it in for a service.

While Iveco is focusing on an immediate future of electric for urban and gas for long haul in the UK, across the Atlantic, it has joined forces with hydrogen fuel cell manufacturer Nikola to start testing prototypes in Arizona. The first examples will come to Europe at the end of 2022 for testing.

ADVICE LINE

By Ray Marshall, senior transport advisor, Logistics UK

Q I am thinking of supplying warning triangles to our van drivers but have been told that they may only be used for LGVs carrying dangerous goods. Is this correct?

A No, warning triangles are not just for the carriage of dangerous goods. Any vehicle may use a triangle as a warning of a broken-down vehicle on the road although, unlike some other European countries, it has never been a legal requirement to carry or use them in GB.

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Q I am a self-employed courier driver and would like to carry my dog in the van while delivering during the day. Is there a law that prohibits this?

A Although there are no specific rules preventing you from carrying your dog in the van, it is essential that the dog is secured in a safe manner which is outlined in the Highway Code.

The Highway Code (number 57) states: 'When in a vehicle, make sure dogs or other animals are suitably restrained so they cannot distract you while you are driving or injure you, or themselves, if you stop quickly. A seat belt harness, pet carrier, dog cage or dog guard are ways of restraining animals in cars.'

Although the Highway Code refers to cars, the guidance would apply to all vehicles.

Your vehicle insurance could also be invalidated if you let your pet roam free in the vehicle and it can be proven that it had contributed to causing an accident.

New rules for international road haulage in 2022

ISTOCK/ PAULGULEA

If you transport goods in and out of the UK using vans or car and trailers weighing more than 2.5 tonnes from 21 May 2022, you will need a standard international vehicle operator licence for the EU, Iceland, Liechtenstein, Norway and Switzerland.

The new rules will apply if you use:

- Vans with a maximum authorised mass (MAM) more than 2,500kg and up to and including 3,500kg.
- Vans towing a trailer with a gross train weight (GTW) over 2,500kg and up to and including 3,500kg.
- Cars towing a trailer with a GTW in excess of 2,500kg and up to and including 3,500kg.

If this does apply to your operation, you will need to either add the vehicles to your goods vehicle operator licence, or get a goods vehicle operator licence for the first time. There is no fee to add the vehicles to your licence if you have not reached your vehicle limit. However, you will need to pay £257 to make a 'major variation' if you need to increase the vehicle limit on your licence.

Changes to your financial standing

By law, you need to prove that you have access to a set amount of finance to run your business (called 'financial standing'). The amount you need depends on how many vehicles you have.

You must have £8,000 available for the first HGV vehicle in your fleet. You need an extra:

- £4,450 per additional fleet HGV.
- £800 per additional van or car and trailer in your fleet.

If you do not have a goods vehicle operator licence

You'll need to get a goods vehicle operator licence to continue using your vans or car and trailers to transport goods in the EU. You'll need to apply for a standard international licence.

It costs £257 to apply for a goods vehicle operator licence and if your application is successful, you will need to pay £401 for the licence.

You'll then need to pay a continuation fee every five years to keep your licence active.

You must have £1,600 available for the first vehicle (van) in your fleet. You will need an extra £800 per additional vehicle in your fleet.

Further information on the new rules for international road haulage in 2022 can be found here: www.gov.uk/government/collections/new-rules-for-international-road-haulage-in-2022

Reflex reveals five steps to successful EV transition

Fleets need a clear roadmap as they switch from petrol and diesel to electric over the next decade. Here are five steps to deliver a perfect plug-in strategy

Fleet managers need to prepare for a rapid policy shift as they switch to zero-emission transport over this decade, before a proposed ban on the sale of new petrol and diesel cars and vans starts in 2030.

To achieve success, there are five key areas where fleets need to concentrate when building their plug-in plan.

Review technology: Data collection and analysis is essential when adapting policy. Vehicle-tracking technology can identify travel patterns suited to electric vehicles (EVs) and assess infrastructure requirements for charging. Software will play a vital role in processing data and delivering fleet insights.

Calculate total cost of ownership (TCO): TCO enables businesses to understand how vehicles compare in a standardised way across all fuel types, based on cost per mile.

Invest in training: Fleet managers need to invest in their own training and education to ensure they can guide a successful transition, while drivers will need help and support on everything from using chargers to changing driving style so they maximise the distance EVs can cover on a single charge.

Plan a timeline: Companies need to decide when they will start to adapt, including planning for the potential end of production of key petrol and diesel models currently on their choice lists.

Get testing: Fleets can start the switch today by trialling the latest electrified cars and vans through the Reflex Renewable Drive Programme, a test drive initiative that puts managers behind the wheel of zero-emission-capable vehicles.

Reflex road test

Tesla changes the shape of fleet choice lists

The Tesla Model 3 is the car that has introduced the iconic brand to the mass market, securing more than 360,000 sales globally last year to make it the world's best-selling EV.

We tried the Model 3 Long Range, which can cover 360 miles from a full charge of its 70kWh battery.

Its looks will be as much a talking point as the battery, with a subtle exterior and minimalist interior where nearly everything is controlled from a large screen that dominates the cabin.

It is great if you like touchpads, but it creates irritating quirks, such as needing to use the screen or voice control to open the glove box.

It delivers fantastic performance and acceleration, reaching 60mph in just more than four seconds. You can reduce power levels in the settings, which also stretches driving range while protecting tyres and drivers' licences.

The low centre of gravity from the battery keeps the car flat in corners while the ride is comfortable and nearly silent for a very relaxing drive.

When you plug in at one of the 500 Tesla Superchargers on the manufacturer's unique network, it can take just half an hour to fill the battery to 80% from empty.

While its looks may divide opinion, the Model 3 is driving a new era of motoring and deserves its place as the best-selling EV in the world.

Visit www.reflexvehiclehire.com for more information about our award-winning flexible fleet service and green vehicle programmes

To request a road test as part of the Reflex Renewable Drive Programme, email **marketing@reflexvehiclehire.com** or visit **www.reflexvehiclehire.com**

Reflex Vehicle Hire

IMPROVING YOUR MOT PASS RATE

Many of the reasons for failure should be easy to spot during a driver's walkaround check. *Matt de Prez* reports

Regular checks before a vehicle goes for its MOT should allow most problems to be addressed and a pass achieved

Around 40% of large vans and 13% of heavy goods vehicles (HGVs) fail their annual MOT test first time, often leading to unexpected costs and increased downtime for fleet operators.

While the annual inspection is unavoidable for any business operating road-going vans beyond three years, or one year for trucks, in many cases vehicles fail for reasons that could be easily avoided.

The Driver and Vehicle Standards Agency (DVSA) says many of the reasons that vehicles fail could and should have been picked up as part of a daily walkaround check.

HGVs are subject to a far more rigorous maintenance and testing regime than cars and vans, yet the top annual test failure reasons are similar across all vehicle types.

Andrew Ellis, transport manager for Hampshire County Council, says: "MOT standards are way below those we would expect, in terms of a safety inspection and service on our own vehicles. To fail on some items, bits of the vehicle literally need to be falling off. That's how bad it is. The minimum standard is really poor."

Issues with a vehicle's lighting account for the highest proportion of MOT test failures – making up 6% of HGV tests and 24% of large van (class 7) tests.

According to the DVSA, checking if a lamp is working is as simple as switching the lights on and having a look. A headlamp which is obviously misaligned may also be identified when checking the lights for operation and security.

Perhaps more worryingly, the second most common MOT test failure item for vans and trucks is brakes. Brake-related issues accounted for 4.9% of failures for HGVs and 17.6% of failures for large vans.

Commercial vehicle contract hire and rental business Alltruck advises fleet operators to keep up to date with their brake inspections and check braking systems themselves regularly to remain aware of anything could cause a problem long before the inspection becomes due.

Steering defects account for 1.5% of HGV failures and 4.3% for large vans. As the steering affects control of the vehicle, any issues should be picked up when it's being driven, says the DVSA.

IMPORTANCE OF VISUAL CHECKS

It recommends a visual check, where possible, to identify any suspension defects. These account for 1.3% of HGV MOT test failures and almost 13% of large van failures.

Fraser Crichton, corporate fleet operations manager at Dundee City Council, says: "We've introduced gate checks, and that's not just for bigger vehicles, but all vehicles. So, for example, we'll do van checks on a Tuesday morning – we'll stop them as they're leaving and make sure the drivers have done their pre-use checks correctly."

Tyres are one of the easiest parts of a vehicle to check visually, yet 0.8% of HGV MOT test fail-

CLASS 7 MOT FAILS (Q2 2019-2020)

Source: DVSA

Defect category	Overall % of tests
Lamps, reflectors and electrical equipment	24.30%
Brakes	17.60%
Suspension	12.90%
Visibility	8.20%
Body, chassis, structure	7.30%
Tyres	6.00%
Noise, emissions and leaks	4.90%
Steering	4.30%
Seat belts and supplementary restraint systems	2.60%
Identification of the vehicle	0.80%
Road wheels	0.20%

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HGV MOT FAILS (Q2 2019-2020)

Source: DVSA

Testable item	%
Lamps	3.1%
Headlamp aim	3.0%
Brake system components	2.4%
Service brake performance	1.7%
Steering mechanism	1.5%
Suspension	1.3%
Parking brake performance	0.8%
Speedo/tacho	0.7%
Tyre condition	0.8%
Exhaust emissions	0.9%

ures and 6% of large van test failures are for defective tyres. The DVSA says tyres must be checked daily as part of a driver's walkaround.

Ellis says: "If you set the culture and everyone knows that there's a standard and you take it seriously, then drivers are less likely to ignore things like bald tyres, or bulbs that are out."

As the DVSA only publishes data on the 10 most common reasons for failure for HGV MOT tests, emissions are the final category of failures that are shared between vans and trucks. While these can be more difficult to identify, the DVSA says in many cases it's obvious that a vehicle's emissions are too high. A key giveaway is visible smoke coming from the exhaust, which is an instant failure.

MOT test failures specific to HGVs are speedometer and tachograph faults, accounting for 0.7% of failures. Problems with the speedo/tacho should be apparent to any operator that wishes to remain legal, according to the DVSA.

Other failure categories for large vans are visibility (8.2%), body/chassis/structure (4.9%), and seatbelts and supplementary restraint systems (2.9%). The final 1% of failures are made up of vehicle identification discrepancies and road wheels.

AGE MATTERS

Unsurprisingly, it's older vehicles that are more likely to fail their MOT test. DVSA data from 2019 showed that 3.6% of HGVs fail their first test at a year old. However, this rises significantly with age: HGVs aged 12 years or more have a 28.7% failure rate.

Fleet size is also a factor. Fleets running just one vehicle have a failure rate of 19.9% for HGVs. This falls to just 4.4% for fleets of 101 vehicles and above.

As well as ensuring your vehicles are roadworthy, it's also important to choose the right MOT testing centre.

The DVSA's MOT Compliance Survey (2019 – 2020) found 14% of vehicles that passed an MOT test should have failed.

A team of DVSA vehicle examiners retested a randomly selected a sample of 1,671 vehicles, which had undergone an MOT test at test stations across the UK. It disagreed with the test outcomes in 17% of cases. In 70% of cases,

the DVSA found at least one defect which the MOT test station missed or had incorrectly recorded, while the DVSA experts disagreed with three or more defects in 56% of vehicles.

The DVSA examiners also felt that 3% of failures were worthy of a pass certificate.

Safety-critical features such as the brakes and suspension were subject to the biggest discrepancy between the DVSA and MOT testers. Brakes had the highest number of misdiagnosed defects, at 18%, followed by the suspension (15%), tyres (13%), and lights, reflectors and electrical equipment (12%).

INSUFFICIENT CAPACITY

Ellis also highlighted an issue with booking MOT tests for HGVs, stating that there simply isn't sufficient capacity at testing centres.

He says: "For HGVs it is a nightmare. It really is. There's just not a big enough of a supply of testers to carry them out."

Vehicles need to be booked in advance, but testing facilities will not accept bookings too far ahead of the due date.

"What we've tended to do is build up a good relationship with the providers, the companies that have the authorised test facility, and we will give them the dates when the vehicles are due a test, and they will pre-book that in as soon as the slots become available," Ellis explains.

"Sometimes, we'll also leave a vehicle at one of the facilities and they'll slot it in if there's a cancellation."

HOW THREE FLEET OPERATORS KEEP ON TOP OF THEIR MOT PASS RATES

Dundee City Council tries as much as possible to do everything in-house, utilising its two garages and 16 mechanics to perform pre-MOT checks. The council also employs a compliance officer who will do an additional check on the fleet's HGVs before they are sent for testing.

Fraser Crichton, corporate fleet operations manager at Dundee City Council, says: "The compliance officer will double check because when we look at O-licences, if we get continued failures then we get issues with the traffic commissioner."

HTS carries out random gate checks on its vehicles and will pull its drivers in and make sure they are filling in their daily defect book and doing their daily checks.

Tina Roach, HTS assistant transport manager, says: "We are proactive and we will fix things immediately. Drivers do not have to wait at a garage for four hours, they have no downtime and the vehicles are kept in as best condition as they can be.

"We've got a 100% MOT pass rate because we also carry out preventative maintenance and have safety checks between annual services, and we believe that really contributes to a safer fleet."

Hampshire County Council is planning to introduce an electronic defect book, so drivers can report defects using their smartphone and then it automatically notifies the workshop.

"It makes their job easier," says Andrew Ellis.

Fraser Crichton aims to resolve much in-house before the MOT is undertaken

> "WE'VE GOT A 100% MOT PASS RATE BECAUSE WE ALSO CARRY OUT PREVENTATIVE MAINTENANCE AND HAVE SAFETY CHECKS BETWEEN ANNUAL SERVICES"
>
> **TINA ROACH, HTS ASSISTANT TRANSPORT MANAGER**

HOW THE CORONAVIRUS PANDEMIC HAS AFFECTED MOT TESTING

Fleet operators were granted a six-month extension to MOTs which were due between March 30 and July 31, 2020, because of the Covid-19 pandemic. During this time, 5.3 million fewer tests took place, compared with the same period in 2019.

As vehicle owners began to re-book these postponed tests from September 2020 onwards it created a huge surge in demand to clear the backlog, on top of tests already due in the winter months.

Now, these MOTs are once again due for their annual review, making September-December 2021 a far busier time to book a test than at other points in the year.

Continental Tyres predicts that September 2021 will see 23% more MOT tests booked than usual, around 42% more in November 2021, and 51% more in December 2021.

In 2021, demand in May was already substantially higher than 2020, and on current trend is likely to peak higher than 2020 as the previous year's MOT work cycles through the 12-month system, but with the addition of new cars entering the MOT requirement after three years of ownership.

The additional demand for MOTs is also coinciding with increased levels of servicing requirements from van fleets which have been operational throughout the pandemic, along with fleet vehicles coming back into full-time service as the economy cranks back up to speed.

Mark Holland, head of operations at ATS Euromaster, says: "With more than five million additional tests expected to take place by the end of the year, it is vital to get MOTs and other repairs booked in, otherwise drivers risk a hefty fine as well as risk driver safety and insurance invalidation."

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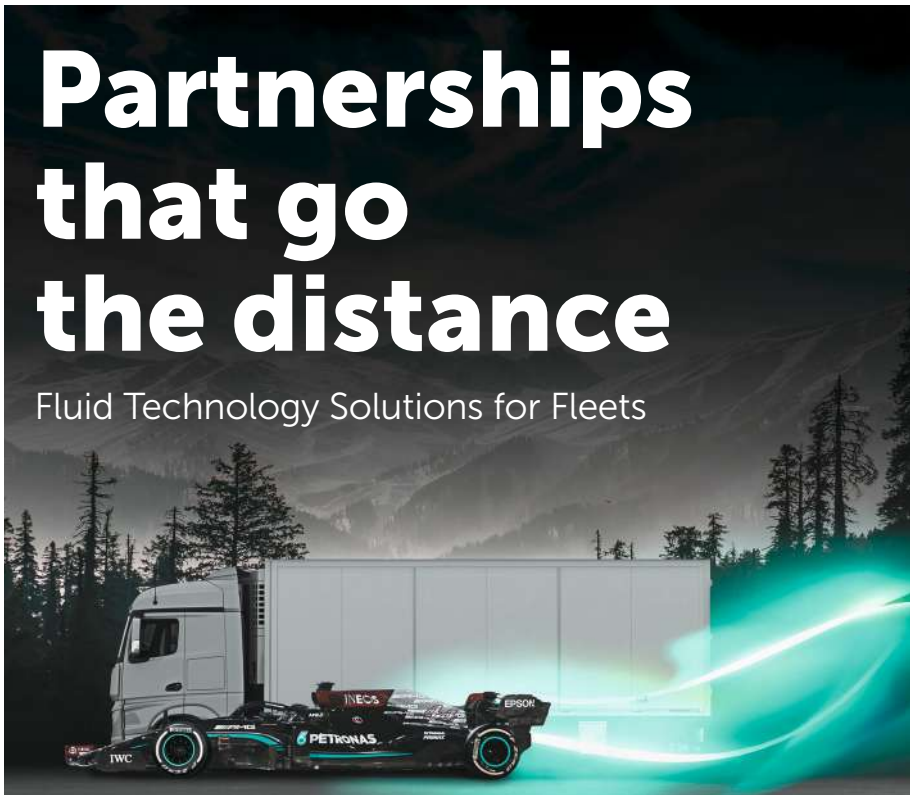

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MAN TGS 35.510

The cabs may be 'slim', but this eight-wheeler does not lack driver assistance features

By Tim Campbell

MAN Trucks recently launched a new range of models from 7.5 tonne rigids to 44-tonne tractor units. Sitting in the middle are the four-axle rigid models which have upgrades in the cab and on the chassis as well as driver assist packages.

At a recent event, we tested the range-topping TGS35.510 Tipper.

THE RANGE

While the TGS range is diverse and comprehensive, covering two, three and four axles from 4x2 to 8x8, in everyday use it represents MAN's offering in the multi-axle sector and, in particular, tippers.

	MODEL TESTED
SPECIFICATIONS	
Model	TGS 35.510 8x4 BB CH
Cab	NN
Engine	D26
Power	510PS (380kW) @ 1,800rpm
Torque	2600Nm @ 930-1,350rpm
Gearbox	12-spd Tipmatic automated
Front axle	14,200kgs
Rear axles	19,000kgs
GVW	32,000kgs
Chassis Weight	12,760kgs inc body/fuel
Wheelbase	3,205mm
Brakes	Discs all round
Tank	300 litres/35 litres AdBlue

The TGS driveline is powered by two engines with six power settings, three from each engine. The six-cylinder D1556 9.0-litre starts at 330PS followed by 360PS and 400PS. The latest development of the six-cylinder D26 12.4-litre starts at 430PS, then 470PS and, ultimately, 510PS.

CAB

The TGS offers three cab options which all are described as 'slim' by MAN.

The entry level day cab NN has an external length of 1,880mm, an internal width of 1,770mm and a standing height of 1,410mm. The TN is best described as a short sleeper and is 400mm longer externally, resulting in 2,145mm interior length. A single bed is 1.96m long and at its widest is 800mm, although behind the seats this is reduced to 700mm. Storage is not a problem with 624 litres available across the cab, including roof and rear racks and central storage below the bed.

The largest cab is the TM which has the same internal/external dimensions as the TN but with a higher roof, allowing a standing height of 1,930mm in front of the co-driver's seat.

SUSPENSION/CHASSIS

With a range of chassis types and strengths, our test truck made the N3G off-road classification which features 8mm chassis members. The straight beam front axles are connected to the chassis by parabolic springs complete with shock absorbers and anti-roll bars with 385/65 super single tyres. The rear axle is a hypoid single reduction with 295/80 tyres and, again, attached to the chassis via parabolic springs, shock absorbers and anti-roll bars.

SAFETY/BRAKES

Electronic braking and anti-Lock braking is standard, but the 35.510 also had the Basic Safety Package which includes automatic cruise control with 'stop and go' and emergency braking signal with hazard light activation. MAN also offers a light and visibility package, meaning all the external lights are LED. There are automatic headlights and wipers, main beam assist and headlight washers.

BODY

The 35.510 was fitted with a Thompson Loadmaster Lite tipper body with an Edbro CX15 frontmounted ram featuring a 5mm floor and 4mm sides and 1.5mm galvanised wings. There was also an autolock tailgate and CM1000 sheeting system.

ON THE ROAD

Climbing into the NN day cab of the 35.510 is perhaps one of the highest climbs you'll undertake, but it's made relatively easy with well positioned grab rails and well-spaced steps.

On the road, this 510PS truck is responsive and quick on the turn and there is no noticeable in-cab noise even under relatively harsh acceleration, making for a pleasant drive.

Our route took us through a mixture of dual carriageways, A and B roads and even a small village. In each, the steering responded perfectly.

SUMMARY

Matched to a smooth 12-speed Tipmatic automated gearbox and a vast array of driver assistance features, the 35.510 should be viewed as a valued addition to the UK construction industry armoury.

THE LAST WORD

COLIN FERGUSON

CEO, THE ALGORITHM PEOPLE

Although Sir Alex Ferguson is no relation, he's the man Ferguson cites as being a career influence. At 18, he had to choose between football and business. The latter won and he's never looked back

The advice I would give to my 18-year-old self is: Look, you are going to make mistakes and sometimes go down the wrong path, but don't be scared to go into reverse and choose another option. Since I am here talking to my younger self, things have turned out all right, so don't worry!

The song I would have on my driving playlist? I am not doing much driving nowadays, in part due to the pandemic and because of our pledge to be net zero by 2030 or sooner. *Plug in Baby* by Muse would be on my playlist whatever I am doing.

My first memory associated with a car is my grandad's old Renault 17 TL. I remember being in that from a very early age on family trips. We went to the coast every summer and drives in the car every Sunday, happy days!

My favourite movie quote is: *That's it baby, when you've got it, flaunt it, flaunt it!* from the movie *The Producers.* So many good lines in that movie, written by Mel Brooks and starring Gene Wilder.

If money was no object I'd convert a fleet of my favourite classic cars into electric so I could enjoy them for longer. I like old Jaguars and plan to do this at some point.

My hobbies and interests are watching football, hill-walking with my family and sampling fine wine.

A book that I would recommend others read is *Behind Enemy Lines.* It's the story of Sir Tommy MacPherson, the most decorated soldier of the British Army. At 21 and dressed in full Highland uniform, he persuaded 23,000 enemy soldiers to surrender, or he would unleash heavy artillery and call on the RAF. They surrendered and he was bluffing!

If I were made transport minister for the day I'd make optimisation technology mandatory for all fleets. You can't drive an expensive truck without an HGV licence, so why would you want to plan them without the correct tools that are proven to reduce costs, cut emissions and increase productivity? The transition to electric vehicles will make manual planning more complex, so this may very well happen in the near future.

I don't have a particular pet hate. Lots of little things can frustrate me from untidiness to my football team losing!

Why fleet?

I was brought up around fleets since an early age. My grandad was a lorry driver and my uncle ran a haulage firm. I worked there as a fleet manager and did a bit of driving, so I know first-hand the challenges fleet operators face. Having been a manager, I wanted to optimise the way jobs are planned and set about making it my mission to create tools for the fleet sector to achieve this aim.

How I got here

I started in fleet at the age of 16, attained my Certificate of Professional Competence in road haulage operations at 18, and set up my first business at 20. Since then, I have launched multiple successful businesses in the fleet sector, the most recent, being The Algorithm People (TAP) in 2018.

Latest products, developments and achievements

We are working on an exciting project called MATHs (Mobile and Transient Hub Software) that will deliver a platform that optimises vehicle-to-vehicle routing.

My company in three words

Decarbonisation, optimisation, innovation.

Career influence

I admire talented individuals in whichever genre they are in. Particularly sports people, entrepreneurs and film makers. If I had to pick, it would be Sir Alex Ferguson – although he is not a relation so far as I know!

Advice to fleet newcomers

Don't be scared to make mistakes and always look forward. It's good to learn from the past, but you can't change it, you can only influence the future. Embrace new technologies and be the best you possibly can be.

If I wasn't in fleet

I'd be a professional footballer! There are a lot of synergies between football (I represented Scotland as a schoolboy) and business. I had a decision to make when I was 18. I chose business and have never looked back.

Next issue: Louise Whitehouse, MD fleet maintenance Europe at FedEx

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