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*Important Information, Business users only. XE Saloon 2.0D 180PS R-Sport 4dr 17MY standard specification, non-maintained. Excess mileage charges apply (at 9.7p per mile +VAT). Vehicle must be returned in good condition to avoid further charges. Contract Hire subject to status. This promotion cannot be used together with other manufacturer's promotions and is subject to availability at participating Retailers only for new vehicles registered by 30th September 2016. Contract Hire provided by Jaguar Contract Hire, a trading style of Lex Autolease Limited, Heathside Park, Heathside Park Road, Stockport SK3 ORB. †Model shown is an XE Saloon 2.0D 180PS R-Sport 4dr.

CONTENTS

NEWS

- 4 Grey fleet is costing £6bn a year
- 6 Tusker to broaden SMR options
- 9 Daimler buys Athlon for £941m
- 10 Brexit challenge for new fleet bosses
- Warning on defleet car app security 13
- 14 JLR: autonomous isn't 'driverless'
- 16 AA and Chargemaster join forces

REGULARS

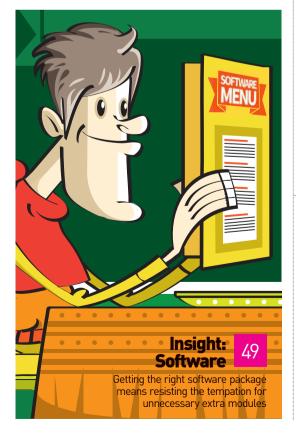
- Letters and editor's Big Picture 18
- 22 Opinion: connected car
- 56 Awards winner: John Pryor
- Last word: Tony Greenidge 66

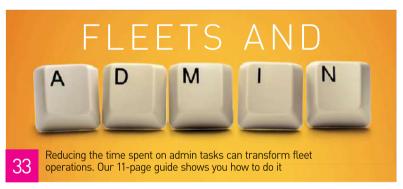
CAR/VAN REVIEWS

- 58 Citroën C3
- Audi Q2 60
- Seat Ibiza 63
- 65 Long-term reports











Grey fleet costs employers 'shocking' £6 billion a year

Private sector responsible for £5 billion, BVRLA research finds

By Gareth Roberts

a year, with employees clocking up a combined 12.5 billion miles, new research suggests.

The lion's share – some 11 billion miles at an annual cost of £5bn – is generated by the private sector. The public sector accounts for the remaining 1.5 billion miles at a cost of £786 million, which suggests that the grey fleet has become the primary mobility solution to deliver

he grey fleet is costing employers almost £6 billion

services in local communities.

Grey fleet is an important, but often neglected, aspect of fleet management. It consists of vehicles owned by employees in which business travel is carried out, and includes cash allowance schemes.

However, many organisations are unaware of the costs, environmental impact and duty of care risks associated with employees using their own vehicles in the course of their work.

Gerry Keaney, chief executive of the British Vehicle Rental and Leasing Association (BVRLA), said: "The findings are shocking and represent an urgent call to action for anyone involved in UK work-related road transport."

BVRLA commissioned Energy Saving Trust (EST) to undertake research into the scale of grey fleet use in the UK.

The purpose of the study was to determine the size of the UK grey fleet and help identify ways organisations can reduce the costs, emissions and duty of care risk associated with driving at work. It was based on data from a variety of sources, including EST report, BVRLA members and *Fleet News* Fleet200 analysis.

"The fleet industry is the lifeblood of the UK economy, ensuring that people and products get where they need to be, when they need to be there," Keaney added. "It prides itself on operating the newest, cleanest and safest vehicles, but unfortunately this is not the complete picture. The hidden part, the story that never gets told, is the grey fleet."

Keaney says that for a sector that prides itself on making rational decisions based on a thorough understanding of costs of ownership and business requirements, this lack of clarity is "mystifying and unacceptable".

In the public sector, the study found that 40% of the annual cost is generated from NHS Trusts driving 624 million miles in employee-owned vehicles at a cost of £317m, while 34% comes from local authorities undertaking 491 million miles at a cost of £266m.

The BVRLA figure of £266m is very close to the figure of £275m estimated by *Fleet News* last year (*Fleet News*, March 19, 2015)

It covered the period 2013/ 14, when more local authority staff were being paid National Joint Council (NJC) rates and fewer authorities had moved to the lower-cost HM Revenue and Customs scheme which reduces the average cost per mile.

The reduction could also be due to employees in the education sector in England moving out of local authority control, through the emergence of central Government controlled academies – in Scotland the secondary education sector can be 10-15% of local authority grey fleet mileage.

The civil service, meanwhile, accounts for 16% of grey fleet cost while further and higher education along with police and emergency services are responsible for just 10% of grey fleet cost.

It should also be noted that some previously public sector bodies such as Highways England are still funded by the public purse but have seen their staff moved to partly-autonomous organisations where their business mileage is no longer visible.

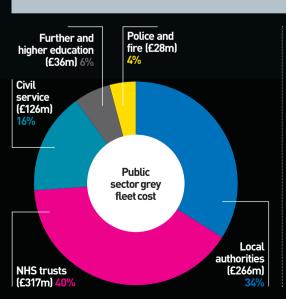
The BVRLA is recommending that private and public sector organisations set ambitious targets for reducing the impact of their grey fleet by 2020, including increasing the proportion of ultra-low emission grey fleet cars to 50%, cutting mileage by 50% and reducing costs by 50%.

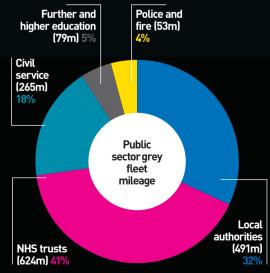
£786m

Annual cost of grey fleet in the public sector

12.5bn

Miles travelled annually in grey fleet









It is also calling on the Government to launch a communications campaign highlighting the alternatives to grey fleet usage and offer better incentives for low emission company cars through the taxation regime.

Some organisations are taking action to curb grey fleet costs. For example, Norfolk County Council has launched a new car club programme for its employees, which it also hopes will relieve pressure on parking at its offices and reduce carbon emissions (fleetnews.co.uk, July 14).

The council aims to encourage employees to book and use the low-emission car club vehicles instead of its own vehicles for work.

Ten Enterprise Car Club Vauxhall Corsas will be based at the council's Norwich headquarters for employees to use as 'virtual' pool cars that can be booked by the hour.

There are a further four Ford Focus estates for the 'swift teams' who respond to out-of-hours emergencies among elderly and infirm residents.

In addition to Enterprise Car Club, council staff can hire vehicles by the day from Enterprise Rent-A-Car and rent commercial vehicles on a long-term basis through Enterprise Flex-E-Rent.

Adrian Bewley, director of business rental UK and Ireland at Enterprise Rent-A-Car, said: "Grey fleet expenditure is a significant cost for many councils and the good news is that there are now many ways to better manage business travel.

"The right blend of car club, daily rental and longer term rental keeps people mobile in a highly cost-effective way and analysing journey data can prove the business case.

"Norfolk County Council is another in the growing list of public sector organisations looking to offer more sustainable travel options and take a more efficient approach to business mobility. "That type of forward thinking is great to see and some corporate fleets could learn from these examples."

The entire public sector is under considerable pressure to reduce spending while maintaining existing services, but acknowledging the millions of pounds spent on grey fleet mileage each year represents a fantastic opportunity to save money, according to the BVRLA.

save money, according to the BVRLA.

Keaney said: "It is an opportunity to save taxpayers' money and preserve public sector jobs; an opportunity to cut carbon emissions and tackle the UK's air quality crisis; and an opportunity for UK businesses to take a more responsible, sustainable and cost-effective approach to their transport needs."

A move away from ad hoc grey fleet or cash allowance offers employers substantial cost, CO₂ emissions, air quality and vehicle safety benefits, says the BVRLA.

The cost savings arise from a number of sources. Some are derived from reduced mileage or allowance payments and others accrue from improved efficiency and the reduction in secondary costs such as essential user payments and car parking charges.

However, there is no single technological solution in existence to reduce grey fleet mileage, and success depends on offering staff clear guidance in the form of a travel hierarchy and providing the practical business travel options they need.

Alongside encouraging staff to reconsider their journeys and following a travel hierarchy model, it is important that a range of transport options is available, such as easy access to public transport, shared journeys in company cars, salary sacrifice, pool cars, daily rental and car club vehicles

Each option has its place and each can achieve direct savings on every mile driven.

FLEET FACTS AND FIGURES

OPINION POLL

Do you think if someone causes a fatal crash after drinking or taking drugs, they should be charged with manslaughter?



FleetNews view:

Our poll reflects the findings of a Brake survey showing 91% in favour of a manslaughter charge. At present, people can either be charged with causing death by dangerous driving or causing death by careless driving when under the influence of drink or drugs. Our view is that tougher sentences should be introduced to reflect the damage caused by drivers who kill.

This week's poll: Do you think changes announced to the driving test go far enough? fleetnews.co.uk/polls

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fleetnews.co.uk/news



Unleaded (ppl) 116.61 **↑**

fleetnews.co.uk/costs/ fuel-cost-calculator

Tusker to offer both franchised and independent SMR options

'Giving drivers choice' could result in two-tier pricing structure for maintenance

By Tom Seymour

usker wants to offer fleets a choice between franchised dealers and independents for servicing, maintenance and repair (SMR).

The leasing company's chief marketing officer Paul Gilshan told Fleet News that it uses a variety of dealers for servicing, but is looking at adding an option for drivers who want to get their car serviced and repaired only by the franchised dealer network.

"It's about giving our drivers the choice," he said.

Gilshan declined to comment on specifics around a pricing structure or the new programme, but it is thought

that fleets leasing on a 'with maintenance' SMR contract that select independents will enjoy a lower lease price, while a franchised dealer service will come at a premium

Tusker, which operates a risk fleet of 15,627 vehicles, is a market leader in the UK with its salary sacrifice scheme which comes with insurance, servicing, MOT, road tax, repair bills and breakdown cover included.

Caroline Sandall, deputy chairman of fleet representative body ACFO, told Fleet News: "Generally, leasing companies use a mix between franchised dealers and independents.

This helps to give a geographical spread and some of the bigger leasing companies will even filter jobs depending on complexity or location of the driver."

However, Sandall said there is now less of a defining line between the service independents and franchised dealers offer, with some independent businesses offering comparable levels of service.

She said: "The benefits of coffee, a croissant and free wi-fi at a franchised dealership are negated if drivers are using collection and delivery services."

Sandall said fleets would need to look at their requirements and compare what is offered if they did opt for independent or franchised dealers. For example: is a courtesy car available? Are there any additional extras that will be charged for?

Peter Bonney, fleet controller at the Salvation Army, said other leasing companies have suggested using independents for servicing but have not suggested a reduction in lease cost in the past. The Salvation Army leases its vehicles with maintenance included.

According to the 2015 FN50, around three-quarters of







SMR OPTION 2 Independent dealers

leasing companies' SMR business for cars and vans is with

Bonney said: "We encourage our drivers to contact their

"By default, this means that if the leasing company so

decided they could use an independent. In practice, this only

normally happens when there isn't a franchised dealer close

Bonney said it's possible warranty work at independents

Vehicles must get serviced according to the manufactur-

er's recommended schedule and criteria using only manu-

However, it is not obligatory to get vehicles serviced by a

Warranty work at franchised dealerships can sometimes

franchised dealer during the warranty period.

could be more complicated to manage for the leasing

franchised dealers and one-quarter with independents.

leasing company and ask them to arrange a service.

Tusker's risk fleet

Number of vehicles on

be more straightforward due to the dealership having a direct line of communication to the manufacturer to approve

to the driver's location."

facturer-approved parts.

Bonney said: "In all probability, someone is going to have to move the car to a franchised dealer for the warranty work.

"Even if the independent undertakes to liaise with their local franchised dealer to get warranty work carried out, there is going to be a delay in getting that vehicle back on the road and then you've got a downtime problem."

Bonney also said fleets would have to think about whether the absence of a main-dealer service history may have a negative impact on residual values, particularly with prestige margues.

He asked: "If it's known that a car will be having its services done outside of the dealer network, will a lower residual value percentage be applied to the leasing calculation?"

Debbie Floyde, Bauer Media fleet and risk manager, said most businesses would look to take on the cheaper option if it was given to them, particularly with some strong independent garages offering good service to fleets.

She added: "Our vehicles have budgeted maintenance and I take some of the risk on that.

"I can see the logic in going for independent-only servicing but I don't think franchised dealers or manufacturers would be pleased if the rest of the leasing industry started to lean in this direction."





"A croissant and free wi-fi at a franchised dealership are negated if drivers are using collection and delivery services"

Caroline Sandall, ACFO



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Model shown is ŠKODA Octavia SE Technology Hatch 1.6 TDI 110PS, £19,925 OTR. Information correct at time of print (07/16)
Official fuel consumption for the ŠKODA Octavia SE Technology range excluding GreenLine III in mpg (litres/100km): Urban 67.3 (4.2) – 72.4 (3.9); Extra Urban 78.5 (3.6) – 83.1 (3.4); Combined 76.4 (3.7) – 80.7 (3.5).
CO₂ emissions for the ŠKODA Octavia SE Technology range are 106 - 99 g/km. Standard EU Test figures for comparative purposes and may not reflect real driving results.

Daimler Fleet Management buys leasing rival Athlon for £941m

Strategic acquisition will see German business rebrand as Athlon in the UK

By Tom Seymour

aimler will look to grow its all-makes fleet business in the UK following its acquisition of European leasing firm Athlon for €1.1 billion (£941m). UK fleets can expect Daimler Fleet Management to change its name to Athlon in the future, pending regulatory authority approval of the deal.

The German business bought Athlon from Dutch firm Rabobank. Athlon is part of Rabobank's asset finance business De Lage Landen, which is also up for sale.

The deal is a big strategic acquisition for Daimler. At €1.1bn (£941m) for 250,000 vehicles under contract this means Daimler has paid €4,400 (£3,765) per vehicle.

Colin Tourick, Grant Thornton professor of automotive management at the University of Buckingham business school, said: "That's around two-thirds more than LeasePlan was sold for recently. To put this into context, this is much more than a leasing or fleet management company would expect to earn from per vehicle over the life of the vehicle.

'In fact, it is more than they would expect to earn from several vehicles in succession. It seems they plan to be in this business for the long term and to use it to roll out other ideas, such as their suite of mobility solutions.

"It will be very interesting to see how this business moves forward over the next couple of years."

Athlon services around 250,000 vehicles in 11 European countries: Belgium, France, Germany, Holland, Italy, Luxembourg, Poland, Portugal, Spain, Sweden and Switzerland.

Meanwhile, Daimler's fleet operation currently manages 85,000 vehicles in 13 countries: Austria, Belgium, Czech Republic, France, Germany, Holland, Italy, Luxembourg, Poland, Spain, Sweden, Switzerland and the UK.

The UK is Daimler's second largest market in Europe, funding more than 10,000 vehicles, and is placed 20th in the FN50. It operates separately from sister firm Mercedes-Benz Financial Services.

While Athlon has not been established in its own right in the UK before the Daimler deal, it does have a strategic

Price paid by Daimler per vehicle for Athlon

Number of vehicles under contract

More on multi-brand funding at: fleetnews.co.uk/ multi-brand

partnership with Lex Autolease in the UK. Fleet News understands Lex and Athlon have a referral arrangement that allows each of them to be able to say to their multinational clients that they have people in other countries who can meet the client's needs in that country.

Both Daimler and Lex declined to comment on current details about the nature of the cooperation between Athlon and the UK's largest leasing company, but both are in discussions over how to proceed.

Gero Goetzenberger, Daimler Fleet Management GmbH chief executive, would not comment on how long an acquisition had been in the works or how it will affect the UK business until "the regulatory authorities and other relevant bodies have sanctioned the deal".

However, he did say that rebranding to Athlon is part of the business's focus on being an "all makes" brand.

He said: "[The rebranding] will take some time and has to be considered market-by-market.

"With their partnership with Lex Autolease, Athlon has also gained a foothold in the UK market. Lex Autolease and Athlon International will now discuss future opportunities."

A Lex Autolease spokesperson told Fleet News it was early days in the acquisition process and it is "business as usual"

Goetzenberger would not be drawn on plans for growth with the rebranded Athlon business in the UK until after the acquisition was finalised.

Tourick said: "Daimler's fleet leasing business has a high proportion of Mercedes and other Daimler group vehicles. and this deal will allow it to pitch shoulder to shoulder against other leasing companies for fleets that have few or no Daimler group vehicles.

"In theory, this acquisition is a perfect fit, giving Daimler scale, boosting their multi-brand credentials and propelling them up the league table of large international leasing and fleet management businesses."

The deal is expected to complete at the end of the year subject to regulatory approval.



The rebranding must be marketby-market. With its partnership with Lex Autolease, Athlon has also gained

a foothold in the UK market. Lex Autolease and Athlon will now discuss future opportunities"

Gero Goetzenberger, Daimler Fleet Management



"In theory, this acquisition is a perfect fit for Daimler, boosting their multi-brand credentials and propelling

them up the league table of large international leasing/fleet management businesses'

Colin Tourick, University of Buckingham business school

New fleet bosses face tough challenges following Brexit vote

Key appointments at Ford, Mercedes-Benz and BMW must protect fleet sales

By Simon Harris

number of top fleet operations roles at car manufacturers are welcoming new recruits this summer, with appointments facing challenges in the aftermath of the Brexit vote.

Ford and Mercedes-Benz have already appointed new fleet bosses, while BMW has confirmed that it is currently recruiting.

Owen Gregory has been promoted to director of fleet operations at Ford, replacing Nick Themistocleous, who elected to retire last month.

Gregory has been at Ford since joining as a graduate in 1999 and has held a variety of positions in sales and marketing, both in Ford of Britain and Ford of Europe, including UK dealer and consumer marketing manager and UK product marketing manager.

He moved to Germany in 2014 to become European brand manager for Focus, C-Max and Kuga.

Ford's fleet sales have declined for the year to date in 2016, with just under 91,000 cars registered to corporate customers to the end of June – around 7,500 (8%) fewer than for the same period in 2015.

True fleet registrations, however, were up 5.4% over the same period.

It's possible that a number of new Ford products will help offset an expected cooling down of the new car market in the second half of 2016, while the majority of car manufacturers will also have to devise strategies to help minimise the impact of the decline of sterling's exchange rate since the result of the EU referendum, which is widely expected to see imported vehicles increase in price.

Andy Barratt, Ford of Britain chairman and managing director, said: "Owen is ideally suited to this position and will be a great addition to our team.

"He brings a fresh perspective to the role with his extensive knowledge of our Ford dealer network and background in both Ford of Britain and Ford of Europe operations.

"Owen will build on the excellent foundations provided by



"Fleet sales have been crucial in the continued growth of the Mercedes-Benz brand"

> David George, Mercedes-Benz

Nick as we move into the launch of the Ford Edge, our flagship SUV, the expansion of the Vignale range, with S-Max and Kuga and the continued strength of our commercial vehicles."

Rob East has been appointed head of fleet for Mercedes-Benz Passenger Cars, replacing Sally Dennis, who now heads the company's used cars and remarketing activities.

In East's previous role as national fleet sales manager, he led a team of strategic account managers to record sales for the company in 2015.

Mercedes-Benz Fleet registrations are already running at 27% higher than for the first half of last year, at around 50,000 units from January to June, with true fleet sales of 42,117 units up 24.6%.

East joined the business in 2009 and has worked at Smart and the Mercedes-Benz Driving Academy, before moving in to fleet.

David George, sales director at Mercedes-Benz, said: "Fleet sales have been crucial in the continued growth of the Mercedes-Benz brand in the UK.

"Rob brings a wide range of experience to the role and I am confident he will continue this great success."

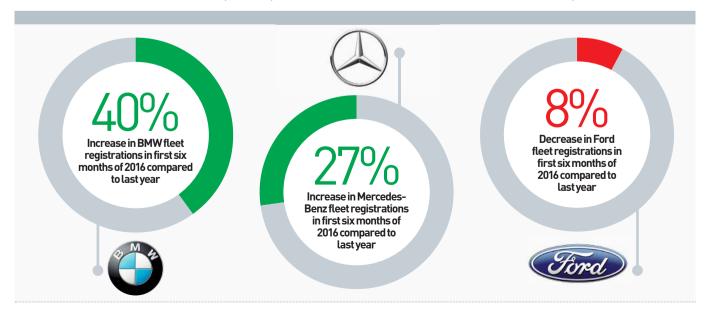
One of the brands Mercedes-Benz is seeking to overtake in fleet and retail sales, BMW, is also on the lookout for a new general manager for corporate operations.

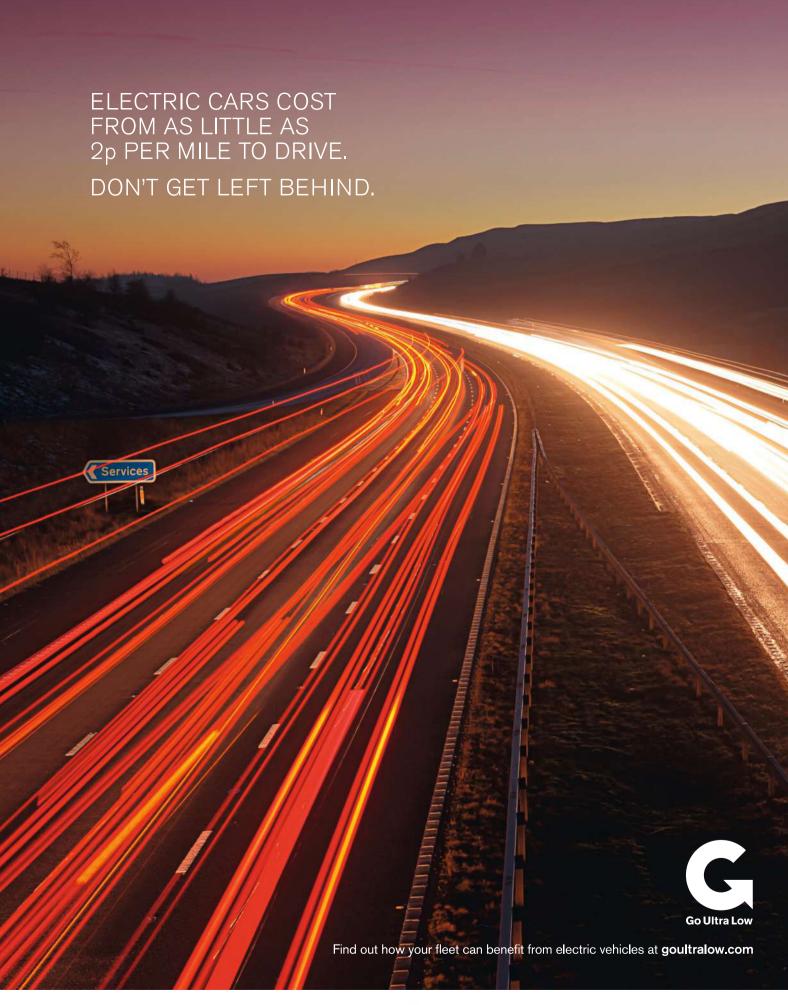
The company confirmed Matt Bristow will be leaving at the end of the summer after almost three years to take up a role at BCA.

BMW is also having a strong performance in 2016 with fleet registrations running at almost 40% higher than in 2015 for the first six months of the year, currently standing at more than 57,000.

True fleet registrations were up 24.6% at 42,604, putting BMW top of the table for the first time.

BMW also overtook Audi as the biggest selling premium brand in total registrations in 2015, and appears on course to do so in 2016, although Mercedes-Benz will be a significant contender as will Audi, currently third in the race.



























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Warning on defleeted car app security

Concerns over control of connected vehicles, following handover

By Sarah Tooze

leets are being warned that company car drivers with connected car apps must disable them at defleet or risk potential security issues.

A number of carmaker smartphone apps, such as Jaguar Land Rover's InControl, Tesla's MyTesla,

as Jaguar Land Rover's InControl, Tesla's MyTesla, Volvo On Call and Vauxhall OnStar, allow the driver to remotely monitor and control a vehicle with their phone, including being able to locate the vehicle and lock and unlock it.

If the driver does not delete the app at defleet and disable their account then they could still have the ability to carry out those functions.

Ogilvie Fleet sales and marketing director Nick Hardy has first-hand experience of the issue.

"It's still possible to control the car remotely even after it has left our possession. We know that because it's happened to us," he said.

"We've had notifications when the vehicle has been moved or moving or reports on its range capacity even after the car has left our possession and we have logged out."

Ogilvie has still had access to a Tesla, BMW i3 and Nissan Leaf, although the NissanConnect EV app does not have the functionality to remotely lock and unlock the vehicle.

A spokesman for Nissan said that if the fleet manager or leasing company contacts the EV helpdesk it can disable the app. Alternatively, when a new user sets up ConnectEV it will supersede any previous account.

BMW said it has implemented a number of measures to improve security post-defleet, including deleting the ConnectedDrive account and revoking access.

New owners also have to insert a security code from the registration in order to link the car to the app to ensure it cannot be registered by someone else.

Tesla said that when there is a change of ownership it is the responsibility of the previous driver and/or new driver to inform Tesla so it can ensure that it is reflected correctly in the MyTesla account.

"Once Tesla has been notified of the new owner/driver details, the previous account is automatically disabled," a spokesman said.

However, Fleet News understands that there is at least one example of a former Tesla owner being able to access their

"We've had notifications when the vehicle has been moved or reports on its range capacity even after the car has left our possession"

Nick Hardy, Ogilvie Fleet



account nearly a year after the vehicle had been sold.

The period between a vehicle being collected and sold at auction is also a grey area as it could be sitting there a while before delivery to the next owner.

There are also concerns that most manufacturers do not have a clear policy for disengaging the app at defleet.

However, leasing companies are working with manufacturers on a resolution that would see the handover process incorporate the disabling of apps.

Paul Adler, fleet marketing manager at Vauxhall, said: "We need to get the owner of the company car to be able to let us know when that car is being defleeted and we can then offboard it from OnStar.

That is a process we are working through at the moment"

Volvo believes it is the leasing company's responsibility to ask the driver to end ownership via the Volvo On Call app.

However, the BVRLA says all parties have responsibility.

BVRLA chief executive Gerry Keaney said: "The driver has responsibility, the leasing company has some and the manufacturer as well.

"To make it more complicated, the driver's company, who is the leasing company's customer, also has some responsibility. It is a more complex world."

Fleet managers who are aware of the issue are ensuring their policies stipulate that the driver must delete the app and disable their account upon returning the car.

ACFO deputy chairman Caroline Sandall said: "It is already common to ask drivers to attest that they've removed any data from onboard systems at the point of vehicle return and this could be added to that attestation.

"Manufacturers should ensure technology exists to enable new users to view or edit any handsets linked to the car."

Fleet managers also need robust processes in place when reallocating connected cars, or in the event of a driver's phone being stolen.

Hardy added: "It is incumbent on manufacturers, lease companies, dealers, auction houses, driver and fleet managers to understand what is happening, what the implications are and to put in place robust processes."



To find out how JLR, Vauxhall, Volvo and BMW are addressing this issue, go to: fleetnews.co.uk/app-defleet

Autonomous technology need not mean 'driverless' says JLR

Focus should instead be on safety, traffic flow, car quality and duty of care

By Richard Aucock

aguar Land Rover (JLR) believes the popular view of autonomous cars as 'driverless' is wrong.

The manufacturer's group strategy director Adrian Hallmark, speaking at a new technology showcase, insists the driver will remain in ultimate control of JLR products.

He told *Fleet News*: "Autonomous technologies will instead work in the background to assist and enhance them."

Cars will become safer not because they are driving themselves, but because the driver is supported by a plethora of unobtrusive new features.

"Technology will help improve traffic flow and air quality, reduce congestion and reduce the potential for accidents," Hallmark added

With fleet duty of care obligations in mind, this focus is already introducing safety-enhancing autonomous technologies to JLR products even before fully-autonomous technology and legislation is finalised.

New technologies such as Roadwork Assist – demonstrated to *Fleet News* in a Jaguar XE – uses the forward-facing stereo camera to gently and accurately guide the car through narrow roadworks.

It detects cones and barriers, centralising the vehicle between them.

The system is the first step in fully autonomous driving through roadworks, says JLR.

The stereo camera is also used for an Overhead Clearance Assist function, which measures clearances up ahead to determine if the car will fit. It can be programmed to account for bicycles and roof boxes.

Safe Pullaway helps prevent rear-end accidents at roundabout junctions by stopping cars driving into the vehicle in front (good if the driver is concentrating on looking for a gap rather than the car ahead).

A stereo camera is already standard on many JLR products: adding on this extra functionality is relatively easy.

Car-to-car communications are in development too, using a vehicle-to-infrastructure and vehicle-to-vehicle communications technology called DSRC, or dedicated short-range communications, in combination with high-speed wireless technology.

JLR is partnering with Visteon, Siemens, Huawei, Vodafone, Highways England and others to carry out real-world







"Technology will help improve traffic flow and air quality"

Adrian Hallmark, JLR

Length of connected car route around Coventry and Warwickshire trials on a 41-mile connected car route around Coventry and Warwickshire, beginning later this year.

Research will focus on how to make sure this technology is not confusing for the driver and build confidence in it. Drivers will only trust autonomous technology when it is able to operate just as they would.

JLR will also use the connected car corridor to demonstrate autonomous technology to legislators and other key stakeholders, such as fleet operators.

The company's Over The Horizon Warnings could offer in-car alerts about hazards ahead (and even indicate if the car ahead is suddenly braking).

Such in-vehicle warnings could be connected to Highways England message boards, for instant alerts rather than waiting for cars to pass the boards.

Emergency vehicle warnings could be sent to cars, indicating the direction an emergency vehicle is coming from, plus how far away it is.

The next stage of car-to-car autonomous technology, called co-operative adaptive cruise control (C-ACC), increases the level of autonomous driving.

Today's autonomous cruise control systems use radar, which can be slow. C-ACC enhances radar with a direct connection to the car in front; when they brake, the car behind immediately does the same, reducing following distance.

Ultimately, a number of cars could drive together in a close-packed, fully-connected autonomous platoon, improving fuel efficiency and reducing congestion.

JLR director of connected technologies and apps Peter Virk believes it could be possible to connect cars to traffic lights and other infrastructure, so inner-city drives can be timed so they don't stop at red lights.

"In less than three years, I predict that every car sold in the world will be a connected car," he said.

■ To find out about app security issues at defleet, see page 13.



To keep up to date with the latest developments, visit: fleetnews.co.uk/autonomous



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AA and Chargemaster join forces to expand UK charging network

Companies hope to drive uptake of electric vehicles as research shows fleet attitudes remain static

By Gareth Roberts

ublic attitudes towards plug-in cars and vans have remained virtually unchanged over the past two years, new research suggests.

Department for Transport (DfT) statistics,

Department for Transport (DFT) statistics, published in the past two weeks, show that 1% of motorists are thinking about buying an electric car or van "auite soon".

A further 5% were also considering investing in a plug-in vehicle, but gave no timescale as to when they might make their purchase.

The results of a similar study in February 2014 showed the same results, on both counts.

The DfT research comes in the wake of a survey by the AA which predicts there will be more than 500,000 electric (EV) and plug-in hybrid vehicles (PHEVs) in use by 2020.

There are currently some 75,000 plug-in cars registered in the UK.

Based on a survey of more than 26,463 AA members, it suggests that 4% intend to buy an EV or PHEV.

However, significant fears over the higher price, limited range, long recharging times and uncertain residual values of hybrid and electric cars stand in the way of their uptake by fleets, according to a survey by Sewells Research and Insight (fleetnews.co.uk, July 11).

In its *The UK Fleet Market 2016* report, Sewells found that fleets are ready to adopt alternatively-fuelled cars, but only in tiny volumes.

Companies expect the proportion of alternatively fuelled vehicles (AFVs) on their fleets to rise to 1.5% next year, 2.5% in three years' time and 4.7% in five years.

While this represents an increase in market share of 213% in five years, it still leaves more than 95% of company cars powered by fossil fuels.

Overall, 21% of fleet decision-makers say manufacturers must overcome range issues, 77% say recharging times of EVs need to be shortened, and 73% want to see more recharging points.

It is clear that fleet demand for hybrid and fuel-cell vehicles will continue to increase, but experts say that if full-electric cars are to succeed range must be improved and the Government must play its part in encouraging uptake (*Fleet News*, July 7).

The AA has teamed up with Chargemaster to help drive

500,000 Number of EVs and PHEVs expected by 2020

4.7%

Proportion of AFVs fleets expect to have in the next five years



charging network, visit fleetnews.co.uk/ charging-network uptake by offering home charging units, access to "thousands" of charging points and preferential charging rates.

Chargemaster plans 500

new chargepoints for 2016

With a network of more than 4,000 Polar charging points already and 500 new locations planned for 2016, Chargemaster has undertaken a multi-million-pound investment to expand the UK's charging infrastructure.

It is currently rolling out 40 50kW Ultrachargers in London that will charge an EV in less than 30 minutes, more than quadrupling the availability of rapid chargers inside the M25.

The AA's research suggested that the availability of charging points was a concern for 81% of respondents.

"We want to change that perception," said David Martell, CEO of Chargemaster.

"This new relationship with the AA will see hundreds more AA-branded charging points installed. They'll go in at AA-rated hotels and other accessible public places such as supermarkets, public car parks and town centres, while we will be embarking on a public awareness campaign to show that charging a vehicle at home is neither difficult or costly."

Charging a plug-in vehicle using Ecotricity's motorway network just got a lot more expensive, however.

The electricity company has introduced a £6 fee for a 30-minute charge using its motorway network.

The charge, which was introduced from July 11, is applied to all users that are not Ecotricity home electricity customers (fleetnews.co.uk, July 7).

Access to the network and payment will now require the

Initially, it had proposed a fee of £5 for a 20-minute fast charge, but that was met with anger from the network's users. Fleet News reader Carl Nicholson said: "Considering the electric is roughly 13.5 pence per kilowatt hour why not charge a fair rate? This will harm the adoption of EVs."

The charge was revised to £6 for a 30-minute charge following customer feedback on the £5 fee, said Ecotricity.



"We will be embarking on a public awareness campaign to show that charging a vehicle at home is neither difficult or costly"

David Martell, Chargemaster





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SEARCH VAUXHALL ECOFLEX



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THE BIG PICTUR

By Stephen Briers, editor, Fleet News



New prime minister, new (almost inevitably) secretary of state for transport. Former incumbent Patrick McLoughlin held on to the position for almost four years,

bringing a degree of stability to transport decisions after the merry-go-round of the previous decade.

According to lobbyists, the department he ran was willing to listen and, on occasion, act on the concerns of the fleet sector, evidenced by a commitment to invest in the road infrastructure and improved communications with agency DVSA.

"It's now the turn of Chris Grayling to take over as Transport Secretary"

Now it's the turn of Chris Grayling, member of the cabinet for the past four years, who also spent 19 months as shadow secretary of state for transport.

Grayling still has four ministers. Two are existing: Andrew Jones and Lord Ahmad of Wimbledon; one is a reappointment: John Hayes; one is new: Paul Maynard.

So what type of character is Grayling? A former BBC journalist who campaigned to leave in the recent referendum, he is no stranger to controversy: in the expenses scandal, due to claims made against his London flat, and also for creative use of some stats on violent crime.

He is not afraid to introduce new initiatives - changing rehabilitation processes while at the Ministry of Justice and proposing cuts to legal aid.

His priorities – in addition to overseeing the HS2 rail line and Heathrow expansion - should be to reduce the number of road users killed and seriously injured every year, tackle the backlog in road maintenance and champion a sustainable transport system, including reaffirming investment in the road infrastructure.

And continuing to engage the fleet sector on key transport and safety matters.

YOUR LETTERS

TEST CHANGES

'Dumbing down' danger of new driving test





Matt at 4c Fleet wrote:

Having read 'Driving test changes to "better reflect real-life driving" (fleetnews.co.uk, July 14), is the extra 10 minutes of "individual driving" to allow for congestion? To remove reversing around a corner seems to be dumbing down, although a reduction in unidentified 'hit while parked' due to better parking skills would be very well received by me and my peers, no doubt.

■ The editor's pick in each issue wins a £20 John Lewis voucher.

Sam McIndoe wrote:

So now they are going to actually teach you to use a sat-nav? The most irritating and annoying modern technology to have in a car. People just don't look where they are going anymore and are not using road signs, route planning, common sense or even an awareness of how they got somewhere. Dangerous.

EV CHARGE POINTS

Ecotricity price hike not 'eco-friendly'

Paul McRoberts wrote:

Having read 'Ecotricity to introduce £6 fee for EV charging at motorway services' (fleetnews.co.uk, July 7), I have just given 'constructive' feedback to Ecotricity on this, saying that it should have a sliding scale of charge vs type of vehicle charges. As a Mitsubishi PHEV driver I would get 20 miles per fast charge, which equates to roughly twice the price of petrol (even at supermarket prices). How eco-friendly is that? Many of us were urged to be greener up and down the motorway - it seems that's not the case now.





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Official EU-regulated test data are provided for comparison purposes and actual performance will depend on driving style, road conditions and other non-technical factors. Insignia hatchback 2.0CDTI (170PS) Start/Stop ecoFLEX BlueInjection** Elite model shown above is for illustrative purpose only and features optional Mineral Black metallic paint, Premium Nappa Leather Pack, keyless entry and start, 20-inch multi-spoke alloy wheels, with CO₂ from 118g/km, fuel consumption up to 62.8mpg, range up to 967 miles and power up to 170PS.* = Terms and conditions apply and vehicles are subject to availability. Please call 0870 240 4848 for full details. ** = Please note: Vehicles with Bluelnjection technology will need regular AdBlue® top-ups also between servicing requirements. An indicator to the on-board computer will warn you when you need to top up. More information under www.vauxhall.co.uk/blueinjection. In accordance with regulations R (EC) No. 715/2007 and R (EC) No. 692/2008 (in the versions respectively applicable). All figures quoted correct at time of going to press (July 2016).



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La meccanica delle emozioni



YOUR LETTERS

EU REFERENDUM

Brexit effect could depress residual values

Having read 'Brexit could put fleet budgets under pressure' (fleetnews.co.uk, July 7), I was a strong advocate of remain. However, with the likes of Germany exporting far more cars than they import, I agree with the Brexiteers that tariffs are highly unlikely, as they would penalise the EU more than the UK. Worst case scenerio to avoid extra costs: we'd have to buy what we made here and,

with the UK producing excellent fleet cars from Jaguar, Nissan, Honda, Mini and commercials from Vauxhall, it's not like we couldn't create a 'UK built' vehicle policy. As the article points out, the more significant impact will be around residual values and the used market if the UK economy does not remain strong - which is why we need less scaremongering and more focus on what we do already and can achieve, going forward.

FREE EV PARKING

Milton Keynes move could be big

Gordy wrote:

Having read 'Milton Keynes makes 15,000 parking spaces free for electric cars' (fleetnews.co.uk, July 6), I think this is excellent news. Well done, Milton Keynes.

Please can the council ensure it has environmental sensors set up before all this goes live. With all the roundabouts, EVs should play an even more significant role in the sense that regenerative braking makes for even more efficient transport.

Hopefully, EV drivers will not need a physical 'green parking permit' and it can all be done electronically (by ANPR, etc.), because this is the weakness of the London congestion charge. EV owners need to register and re-register every year at a cost of £10, when the car was born electric so should be DVLA-registered as such. Yes, there will be exceptions, such as private or cherished plates, but ANPR cameras can easily take photos, and for this minority it would be reasonable for the databases to talk to one another - wouldn't that be good use of some of the funding?

DAIMLER/ATHLON

Multibrand hire challenge

Having read 'Daimler buys European leasing rival Athlon with plans to rebrand contract hire division' (fleetnews.co.uk, July 5), it's clear that Mercedes-Benz felt it needed a strong multibrand lease company to rival competitor BMW and Alphabet. Multibrand leasing allows maximum opportunities in the fleet market. But once boarded as a customer the controlling manufacturer can start to influence vehicle selection (e.g. promotion of in-house brands). In this case, that can't be a bad thing. I'm sure there won't be too many protesting Athlon drivers who see Mercedes-Benz appearing on the vehicle choice list soon.

AUTONOMOUS EMERGENCY BRAKING

We'll have mandatory AEB

Robberg wrote:

Having read 'Thatcham Research urges manufacturers to make AEB standard on best-selling cars' (fleetnews.co.uk, July 6), autonomous emergency braking will be mandatory on our fleet by the end of the year with cars not having it as standard being ordered with it as an option. We also did this with ESP before that became mandatory. I'm not excluding driver responsibility, but AEB is a definite pro.

HAVE YOUR SAY Email: fleetnews@bauermedia.co.uk Comment online: fleetnews.co.uk LinkedIn: UK fleet managers group Twitter: twitter.com/_FleetNews

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What sitcom would you want to live in?

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FLEET OPINION

CONNECTED CAR

Driver consent on data is paramount

By Mark Chessman

The technological revolution within the automotive industry is moving at a phenomenal pace, and the age of the connected car is no doubt upon us.

Manufacturers, leasing companies, specialist fleet outsourcers, insurers and standalone technology providers are racing to protect and enhance their positions, as technology begins to change the automotive landscape. While differing forms of safety, performance and comfort technology no doubt enhance the services available to the market, it does mean the modern connected vehicle is no longer a private enclave, controlled solely by the driver. Instead, it is part of a larger and ever-growing web of data.

Technology can now continuously collect, store and transfer vast quantities of real-time information, including location, driver behaviour, maintenance requirements, video footage and breakdown fault codes. Crash notification technology is also sending immediate incident notifications, where tech-savvy companies can take action to protect the driver and mitigate costs. With more technology on the horizon, more data than ever before is being generated and submitted by vehicles and the devices within them.

Consequently, the question of data ownership, control, privacy and security must be considered.

Each party ideally wants to tap into these vast data flows in order to satisfy their individual, sometimes conflicting, needs and the expected fleet stakeholders and fast-moving technological businesses are jostling for position in this new connected world.

So, with the pace of evolving technology and fully autonomous vehicles on the horizon, what does the future hold?

At this stage it is difficult to predict exactly how and to what extent technology will disrupt the traditional fleet market-place. But irrespective of the outcome, what all parties must do is ensure that, where applicable, the driver's consent is sought either directly or through company policies and interparty contractual agreements updated to reflect the volumes of data now being transmitted, who it is flowing to, what is contained within it, where and how it is stored and, importantly, how it will be used.

"It is difficult to predict exactly to what extent technology will disrupt the fleet marketplace"



Mark Chessman
Chief executive officer,
EMG



Ross Jackson Chief executive officer, Fleet Operations



TOTAL COST OF OWNERSHIP

Calculating TCO is surprisingly easy

By Ross Jackson

Recent research by Fleet Operations revealed a surprising – and somewhat alarming – discovery. Only one in ten companies currently take total cost of ownership (TCO) into account when procuring vehicles.

The reason for this is unclear. TCO, after all, offers the most meaningful and accurate means of evaluating fleet vehicles. Anecdotal evidence from our extensive conversations with the market suggests the cause may be a simple lack of awareness of how easily TCO can be calculated.

Businesses can be charged thousands for the use of sophisticated wholelife cost modelling tools – but these can amount to using a sledgehammer to crack a nut. The advent in recent years of CO2-based taxation and mpg data supplied by manufacturers has made the requisite metrics for calculating TCO readily available. Fleet decision-makers can utilise this along with key real-world fleet data, such as lease costs, insurance and employers' NI, to make a relatively straightforward spreadsheet calculation.

For the two-thirds of companies that ranked purchase price or lease cost as their biggest consideration, now may be the time for them to review fleet policies. Headline prices should of course be taken into account, but doing so in isolation shines a light on just one ingredient on the smorgasbord of fleet overheads. Collaboration between fleet and finance departments can help ensure pertinent data and expertise are shared for more accurate procurement decisions.

The study's finding that vehicle reliability is a priority for a third of companies highlights another issue worthy of consideration. The business disruption and operational cost implications of vehicle off-road time can be considerable and so, where possible, these companies should also be factoring this into TCO. The difference between vehicles that average one day of downtime with ones that average three across a kitted-out LCV fleet, for example, can mean a difference of several thousand pounds to the business bottom line.

Moreover, maintenance strategies and accompanying preventative processes should be regularly reviewed to ensure they are suitably robust, efficient and cost-effective.

"Headline prices are just one ingredient on the smorgasbord of fleet overheads"

QUITTING

LETS NICK BREATHE EASY



Aiming to halve corporate emissions and save £140,000* on contract hire and fuel.

By quitting a conventional fleet for petrol full hybrids, Nick is helping to cut Itec's CO2, NOx and particulate emissions by 50%. Thanks to lower BIK, drivers will also pocket average tax savings worth £1,200 each over the next three years. And, as contract hire and fuel costs will also fall by £140,000, Nick can breathe easy too.

Read Nick's story at toyotalexusfleet.co.uk

*Saving based on switching original VW diesel fleet to Toyota and Lexus hybrids.

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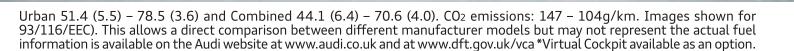


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OUR PRINCIPLE IS: IF WE CAN WE WILL WE WANT WE WANT

Introducing telematics to England's largest water service has brought fuel savings of £650,000 and a £10,000 monthly tyre saving. Sarah Tooze reports



sk Stewart Lightbody, head of fleet services at Anglian Water, about his first day at the company and he'll recall, with a smile, how two challenges immedi-

ately came his way.

"My boss gave me my induction and then said oh, by the way, I've made you framework manager for telematics and driver licence checking, which are two things we have tried in the past but never landed"."

So, no pressure then.

That was in January 2014. Just two and a half years after Anglian Water began fitting Ctrack telematics to its vans, it can boast fuel savings of £650,000 (the original business case for telematics), an annual insurance premium saving of £60,000 and a £10,000 a month tyre saving.

Initially, Lightbody carried out a year-long trial with 500 vans, before rolling it out to the remaining 1,100. The results of the trial made him realise the way the fleet was managed needed to change.

He restructured the plant and transport department and rebranded it fleet services to turn it into "a service orientated business". In the process, Lightbody's job title changed

from strategy and compliance manager to head of fleet services.

"It was a new title, a new way of working and a new identity for my team," he says.

The central team of five (down from 10, excluding Lightbody), plus the 22 technicians (Anglian Water has seven workshops) are now encouraged to view drivers as "customers"

Anglian Water takes an in-house approach to fleet management. All vehicles (bar a small number of perk cars) are outright purchased and maintained at the workshops (the fleet is predominantly Vauxhall and the workshops can carry out warranty work) before being disposed of via traditional and online auctions.

"Our basic principle is 'if we can, we will'," Lightbody says.

The key to making telematics work has been collaboration, both with the van drivers and with the unions. "I'm not mandating anything; I would rather work in conjunction with people," says Lightbody.

"If we come out and say 'we want to track you to know what you're doing and where you are' it's not going to happen, but we did it for the right reasons.

"We want to make sure our drivers are driving safely, within the realms of the law, but also when something goes wrong we know where they are and we can go and help them; lone working for us is a big issue."

As telematics was being rolled out, Anglian Water communicated regularly with the unions about what the telematics data was showing and reassured them that they were "not going to sack people for speeding" and that drivers would be offered coaching.

Anglian Water has created a driver performance scorecard that each driver is emailed on a Monday morning to let them, and their manager, manage their performance.

"We've been working with the drivers and showing them their performance and going you tell me whether that's acceptable or not," Lightbody says. "It's better than me going stop speeding because they can see it and they can actually track their own improvement."

Anglian Water has taken a zero approach to speeding because "speeding is speeding" in Lightbody's view, but the data is categorised into three groups: up to 10%, 10-25% and more than 25% above the speed limit.

Initially, Anglian Water was seeing a speeding event every 25 miles but within six months that had improved to every 50 miles.

Lightbody has also changed his approach from focusing on the worst offenders to looking at drivers in the top two catego-







FACTFILE

Organisation Anglian Water
Head of fleet services Stewart Lightbody
Fleet size Vans - 1,600; cars - 625 cars; HGVs - 100
Funding method Outright purchase
Brands on fleet Mitsubishi, Vauxhall
Replacement cycle Cars - five years;
vans - six years

ries who might be speeding in low speed areas such as a 20mph zone near a school.

Some drivers have embraced telematics. One contacted Lightbody to say his wife and two children had noticed a change in his driving.

"What he has learned in his van he now uses every day in his private car," Lightbody says. "That, for me, is a really strong message."

The next step is introducing telematics to Anglian Water's 625 company cars.

While the number of speeding convictions on the van fleet is rapidly reducing, the car fleet is seeing an increase.

"From a risk perspective and a corporate social responsibility perspective, how can I not [introduce it to the car fleet]?" Lightbody asks.

"People are very anti-telematics until you sell it as positive, and then most arguments go away"

Stewart Lightbody, Anglian Water



"Because at some point, somewhere one of our car drivers could have a serious accident."

Car drivers have bought into the idea of telematics, as it will reduce the administrative burden of mileage claims.

"People are very anti-telematics until you can sell it as something positive and then actually most arguments go away," Lightbody says.

To lead by example, he and five directors have telematics in their cars. "I'm never going to ask anyone to do anything I wouldn't be prepared to do myself," he says.

Telematics is already installed in the company's pool car fleet for Lightbody to assess utilisation and mileage. He believes

there is potential to replace some diesel pool vehicles with pure electric for trips between Anglian Water's offices in Huntingdon, Lincoln and Peterborough.

He is currently trialling a Mitsubishi Outlander PHEV at Grafham Water (one of Anglian Water's reservoirs, see panel below) in place of a diesel L200 as it typically travels 11 miles around the reservoir at slow speed, which means the diesel particulate filter can get blocked.

The downside of the PHEV is that it doesn't have the towing capacity of the L200 needed to pull boats out of the reservoir at night, but this is now being done using a tractor.

"It's getting people to think differently about what they do and make sure we get the best

'I'VE GOT BOATS AND TRACTORS': LIFE AT THE LARGEST WATER SERVICE IN ENGLAND

Working for Anglian Water means Stewart Lightbody faces a number of constraints, which he didn't have during his time in the private sector, working for franchised dealers, and running the Kier and Siemens's fleets.

"Working for a water company in a regulated industry, we are funded by our customers, literally, so I can't do what I want to do because we can't always afford it," he says. "I'm used to being able to be flexible and agile. Now I can't change things as quickly as I'd like to because if I spend a certain amount of money I've got to go out to official tender and the whole process takes forever."

Anglian Water had to go to tender last year as its agreement with Vauxhall had reached its maximum duration.

Vauxhall re-won the tender "for all the right reasons", according to Lightbody.

Working for Anglian Water, the largest water and wastewater service in England and Wales by geographic area, also means Lightbody has a diverse fleet.

"We don't just do water, we do water recycling as well, which is a posh word for sewage.

"We also have water parks, we have nature reserves, we have reservoirs, we own Grafham Water, we own Rutland Water," Lightbody says. "I've got boats, I've got tractors, I've got mowers, I've got more bits of kit than I ever imagined possible, but that's part of the attraction."

He spent a large part of his first year at Anglian Water understanding how the water industry works and talking to drivers out in the field, learning about their job.

"We've got sludge technicians, CHP engineers, it's a whole new world – new roles and responsibilities that I'd never encountered before," he says.

"I love working for Anglian Water. I've never worked at a business that quite gets you on the inside so quickly."



asset and the best use out of that asset," Lightbody says.

There are further utilisation gains from the van fleet as Lightbody has identified that nearly 100 vans do fewer than 100 miles a month and some of those could be replaced with an electric golf buggy.

To improve the efficiency of the fleet, he is looking to integrate telematics with a new scheduling system.

Also on the agenda is a move from using spreadsheets to a fleet management system which will hold data from telematics, licence checks, accidents and fuel cards, and will enable driver risk profiles to be created and, ultimately, a permit to drive to be introduced.

Anglian Water does driver training through Balfour Beatty but Lightbody admits that there has been "no cohesive strategy" to manage risk.

"That's where the permit to drive comes in," he says. "We'll risk assess you today and then we'll monitor you going forward. The permit to drive becomes that commodity that can be withdrawn, based on what we know.

"I've always struggled in the past because the telematics data was the missing bit of the jigsaw."

Licence checking – the other challenge Lightbody was handed on his first day – is currently handled by DriverCheck.

Lightbody has introduced a three-year mandate, with checks carried out quarterly.

"We've got a few people who still refuse to sign the mandate, so we're handing those over to our HR colleagues to handle," he says.

He would like to move to 'live' checks so the company is immediately alerted if a driver gets points or is disqualified, rather than finding out at the quarterly check.

"I know the industry can now do it so we want to be involved," he says.

He is also introducing rear parking sensors to eliminate drivers reversing into fixed objects at Anglian Water sites and intends to appoint an accident management company to reduce the admin burden for his team.

"We've covered a lot but we've only scratched the surface," Lightbody says.



'WE ARE ALWAYS LOOKING FOR GREATER ACCURACY'

Getting car valuations right involves 9.5m observations but there is no substitute for experience. *Stephen Briers* reports

ricing guides are an easy target for organisations unhappy about fluctuations in residual values. They are accused of being too slow to react, or reacting too quickly; their changes are too severe, or not severe enough. They just can't win.

One fleet view that has tended to hold more than a grain of truth is the belief that valuations are largely based on personal experiences and not cold hard facts generated from analysing reams of in-depth data.

That may have once been the case, according to some in the know, but not any longer. The main price setting protagonists are far more transparent about their processes, opening their doors and their software programmes to greater scrutiny. They are also happy to be challenged about their historical accuracy.

However, there is still a place for experience when it comes to setting prices, according to Glass's director of valuations Rupert Pontin.

THE EDITORS' DASHBOARD

Glass's bases its car prices on eight million observations a year from retail and another 1.5m from the trade, covering 80-85% of market records. That data is crunched by its Forecast Data software but is then overlaid with evidence from its car editor experts, who spend half their time out in the field gathering information.

"This helps to steer the hard data; we can't just rely on stats and analysis," says Pontin. He estimates that as much as two-thirds of forecast prices have been tweaked in this way.

He adds: "We are always looking for greater accuracy so we have a dashboard to rate each editor's performance, to help them to identify where we are outside of our valuations window."

The target is 1% either side of the actual price; globally Glass's is averaging 98.8% – 1.2% below the selling price. Pontin claims that, over the past nine months, Glass's has been the most accurate forecaster.

"We overlay this with our standard deviation, which has reduced from 20% to 13% in the past year," he says. "We have done this by drilling down by editor, manufacturer and model range into our observations to see where the shortfalls are and which models they are not as accurate on."

The variations are often the result of manufacturer policy. For example, for mainstream brands, it is usually individual models that are out rather than an entire range and that can often be due to short-term activity to push surplus supply into the market.

"If the activity is a one-off we can't change our values, so the difference could be short-term," Pontin says. "This is where the benefits of our understanding of the market as well as the stats are so important."

Variations can also appear in Glass's valuations when cars appear to have been sold when they haven't.

"We can see the hammer drop and then the car appears at auction next week: we don't know if it has actually sold and that can affect the accuracy of the data we base forecasts on," explains Pontin.

Glass's has around 62,000 vehicles on Forecast Data, up from 46,000 in 2012 when the dashboard was introduced. It enables quicker, more accurate valuations but is currently only used for cars for which Glass's covers 99.6% of the parc.

For vans it covers just 77% – equivalent to 12,500 vehicles, although that has risen by 20% over the past three years. In reality, that equates to the majority of the market, as chassis cabs are excluded from valuations because there is no way of knowing what body is going on the back.

Pontin wants to create a version of Forecast Data for commercial vehicles and motorcycles, but needs to resolve the issue of observations which are more limited in number.

Rupert Pontin: 'We can't just rely on stats and analysis'

FACTFILE

Name of company Glass's Director of valuations Rupert Pontin

Headquarters Weybridge, Surrey Key software Forecast Data Car coverage 62,000 vehicles Van coverage 12,500 vehicles

'AUCTION JOCKEYS' HAVE NEGATIVE IMPACT ON REMARKETING VALUES

Remarketing is changing, according to Glass's, fuelled by the need to sell vehicles as quickly as possible – ideally starting the process before the car has even been defleeted.

So-called upstream selling will see an inspection take place six weeks before defleet to establish the work required and to agree costs. The car can then be advertised in advance or go straight onto the line at auction.

Rupert Pontin says: "The focus is getting cars into the market as soon as possible. Having all the information on the website gives the ability to sell cars within 48 hours of defleet."

Minimising days to sell improves cashflow for fleets or leasing companies and protects

them from a potential drop in book values.

However, some remarketing processes can have a negative impact on auction times, according to Pontin.

"There are a number of companies that rely on auction jockeys who are paid on performance," he says. "The risk is that they lead the market with vehicles sold not for their value but for what someone wants in their back pocket at the end of the month.

"It impacts on days to sell and vendor income and is the wrong way to do it; it doesn't get the best return for the customer. But it has been acknowledged by some vendors that it isn't the best way to do it."



He expects to have a system in the market within the next 12-18 months which will also enable Glass's to extend its reach beyond its current 7.5-tonne limit to the heaviest trucks. "It will definitely facilitate better forecasting," he adds.

Irrespective of Glass's forecasting accuracy, Pontin believes leasing companies need to take better stock of activity in the auction hall. He accuses them of "almost dictating to the trade", because they are setting their own residual values rather than reacting to what is happening.

"In other countries, leasing companies rely on the bid for the car and then they sell it – it's driven by the dealer's knowledge of what a car will sell for plus their own costs," Pontin says.

"But in the UK, it's still 'that's the money on the sheet and that's what we will sell for'. So it is driven by the trade rather than the retail. I believe that this will change."

In some cases it already is changing, as dealers improve their understanding of market data. Leasing companies, too, are taking much deeper levels of intelligence, looking at regional datasets, number of days to sell, options and colours, to understand what the retail customer is willing to pay.

Manufacturers are also getting in on the act, recognising that, in cases where they encourage dealers to register as many vehicles as possible, they need to understand how that type of tactical activity will affect the market.

"We are definitely seeing change with the larger leasing companies – they have to get the best out of the asset to make money," Pontin says. "Shifting prices by 1-2% and ramping up volume can make significant savings. But you

"There can be more than 40% discount for some cars – it's not been like that for a while"

Rupert Pontin, Glass's

can only do that by understanding the marketplace. It also impacts fleets' buying policies: tweaks can add up to big savings, especially as new car volumes increase. You have to choose the right cars."

That selection can be contrary to a fleet's priorities. For example, a job-need car will often be selected with small wheels to minimise emissions and maximise fuel economy, but small wheels aren't as attractive to a retail buyer which will affect the appeal of the car when it reaches auction.

One way to overcome this is by being more aggressive when negotiating prices with the manufacturer. And there are "enormous" deals available, according to Pontin.

"There can be more than 40% discount for some cars – it's not been like that for a while," he says, although fleets need to act quickly: "Most manufacturers front-loaded the year in case anything went wrong [following the referendum vote]. Because of this, I am sticking with my prediction that [new car registrations] will be up 3% at the end of the year."

62,000

Number of cars on the Glass's dashboard

3%

Rupert Pontin's predicted rise in registrations at end of year





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BETTER DEALS, QUICKER.

Reducing the amount of time spent on administration can transform the way a fleet is run. This 11-page section looks at how to achieve this through technology, outsourcing and getting the most out of suppliers and consultants

INSIDE

34 Technology

Software that helps you to cut down on paperwork

36 Outsourcing

Outsourcing can help fleet managers do their job better

38 | Supplier service

Fleet managers need to show their teeth to suppliers

40 | Consultants

How to get the best out of external expertise

43 Admin roles

Specialist internal positions add value and efficiency

FUEL CARDS

Allstar, the biggest fuel card provider in the UK, is currently upgrading all its cards to chip and pin.

The biggest immediate benefit of this for drivers is being able to pay at the pump 24/7. Another benefit is the ability to restrict purchases on the fuel card to stop drivers from buying incorrect or premium grade fuel at forecourts.

However, chip and pin could soon be obsolete. Paul Hollick, managing director of TMC, predicts that physical fuel cards will be a thing of the past within the next 12 months. He believes that plastic cards will be replaced by contactless payments through apps on smartphones like Apple Pay on iPhone.

Tracking fuel use through cards and having that information in real-time in a central place can do away with messy receipts and paperwork.

Danwood Group, a print services company, runs a fleet of 400 company cars. Geoff Wray, Danwood head of fleet and facilities, recently changed its fuel card supplier to Barclaycard Fuel+ in association with TMC.

The company had outgrown its manual, spreadsheetbased mileage reporting process to the point where administering fuel expenses took up 25% of Wray's time every month. It was not possible to check hundreds of spreadsheets closely to verify whether trip records were accurate and complete.

The Barclaycard+ chip and pin card captures proactively-audited, HMRC-compliant business mileage records through an online reporting portal, GPS-enabled smartphone app and customers' telematics data feeds.

TMC combines the data from each driver's fuel card transactions and journey records. Outputs include a monthly payroll data file for private fuel deductions, VAT optimisation, benefit-in-kind fuel analysis and a suite of management reports.

Wray says: "The new way of working has freed up a week per month or 40 hours that were previously committed to processing manual mileage reports."

TELEMATICS

Telematics systems can be used to simplify job dispatch to automating fleet activity and performance reporting. These systems have become increasingly 'smart' with processes such as mileage registration for expense claims now automated through smartphone apps.

Nickie Hunt-Mason, Masternaut enterprise sales and development director (Europe), says: "Telematics can help cut down on admin not just through paperwork but by helping to make sure that an admin headache doesn't even happen in the first place."

It's this area of real-time diagnostics that companies like Masternaut and manufacturers like BMW are introducing to fleets in order to have a direct link to fault codes and problems with cars.

Sophisticated telematics software can also track and automatically transfer information needed by insurance companies in the event of an accident.

Hunt-Mason says: "A real trend we're being asked about by clients is the ability to try and pull every management system together and get everything on to one screen. Everything needs to be monitored at a single glance."

Masternaut works with fleets with an average of around 1,000 vehicles. Companies with that many vehicles are still paring down their fleet department to just one or two people, says Hunt-Mason.

She says each driver can save around two to three hours a week by having their mileage claims automated through telematics tracking.

"Fleet managers shouldn't be spending more than 15 to 20 minutes a week checking in on their management information with these systems in place," adds Hunt-Mason.

TomTom Telematics has recently launched Webfleet for Sales Cloud, an app that integrates the company's

telematics platform with salesforce. The app allows automatic trip reporting and simplified appointment management.

Jeremy Gould, TomTom Telematics vice-president of sales Europe, says: "Obligatory vehicle checks can be made through telematics-enabled tablet devices, for example, at the start of each day or week, with the results instantly updated in the back office to ensure maintenance schedules are up to date and that duty of care responsibilities are met."

MILEAGE CAPTURE SYSTEMS

Mileage capture is often used alongside telematics and fuel cards. One of the biggest areas it can help in cutting admin is by reducing the amount of chasing a fleet manager has to do to get drivers to update documents.

Paul Hollick, managing director of The Miles Consultancy, says: "Technology on mileage capture can really help fleet managers get to a 100% compliancy figure by locking fuel expense payments behind compliance with policy. We can lock that payment behind up-to-date checks on licence, MOT, tyre tread depth checks and valid business insurance. Drivers will always get those compliance elements done because, if they don't, they don't get their fuel expenses back."

TMC's Visa To Drive is an optional extension of TMC's online mileage capture, audit and control system.

Fleet managers log into a control panel, which gives them access to a suite of real-time reports on drivers' status. Drivers are automatically prompted to provide mandates, declarations or documents as needed, when they log in to report their business mileage.

SOFTWARE SYSTEMS THAT CUT PAPERWORK

Growing demands on fleet operators mean that avoiding time-sapping procedures is more important than ever. *Tom Seymour* reports

leet managers are under constant pressure to do more with less and technology can be a way of easing the administrative burden.

Suppliers in the fleet industry are all making the switch to digital services, dovetailing with Government departments like the Driver and Vehicle Licensing Agency (DVLA), in order to cut down on paperwork and improve efficiency.

According to research from LeasePlan, 88% of business decision-makers are suffering from 'admin overload'.

Those at medium-sized companies (between 251-1,000 employees) claim to spend an average of 92 minutes on admin tasks every day. Small companies (up to 250 employees) claim to spend an average of 76 minutes on admin each day.

Here are some of the ways technology can help cut administration across four key areas in the fleet market.

FLEET MANAGEMENT SOFTWARE

Fleet management software can act as the engine room of a fleet, helping managers to process the huge amounts of information flooding in from drivers and their vehicles. Software helps to sort and organise fleet data into a structured system to access, filter and audit information, with automated reporting to help quickly interrogate data, while alerts and notifications on areas like MOTs and servicing can be automated to make sure nothing is missed.

Ashley Sowerby, managing director of Chevin Fleet Solutions, says: "Starting with the initial purchase, lease or rental of the vehicle, managers are having to track monthly repayments, technical specs, renewal dates, MOT dates, servicing dates, depreciation, tax, P11D and insurance. If you have anything but a small fleet, replying on paper, spreadsheets or whiteboards is almost impossible."

Chevin's latest technology integrates with a company's finance software to automate the movement of data between systems. For example, fuel receipts and procurement costs stored in the accounts system for tax returns. This can remove the need for manual rekeying of information.

Martin Evans, managing director of Jaama, adds: "We remain amazed at the number of fleets that continue to manage via spreadsheets or antiquated software."

Jaama's Key2 software links with Government departments and agencies as they increasingly embrace digitisation including the Driver and Vehicle Licensing Agency (DVLA), the Driver and Vehicle Standards Agency (DVSA) and HMRC.

Evans says introducing mobile apps for drivers to 'self-serve' information can also help. A fleet relying on paper forms to collect information from 200 drivers collecting data on three to four different processes every day could mean 16,000 sheets of paper with Sowerby estimating "months" of work.

A big development is being able to get electronic consent for licence checks. Jaama is adding compatibility with the DVLA's V5C suppression service. This means V5C registration documents can be suppressed, and requested on demand, rather than fleets having to store them physically on site.

Matt Goodstadt, managing director of fleet software

Matt Goodstadt, managing director of fleet software provider Civica, puts the potential for technology to save time on admin into perspective.

"On a typical fleet review on a business with around 500 vehicles, I would say we can reduce the amount of time spent on administration by 20% and save in the region of £200,000 if you're looking at it in cost per hour for that work to be done," he says.

Software insight, page 49.



OUTSOURCING HELPS FLEET MANAGERS DO THEIR JOBS BETTER'

Fleet managers can feel undermined by outsourcing activities, but if done properly it can drive positive change. *Andrew Ryan* reports

n an era where the number of dedicated fleet managers is declining, outsourcing can be viewed with suspicion. "There can be a feeling of 'oh my god, if my employer is outsourcing, my job is going to go', but that is not the case at all," says Ross Jackson, CEO of fleet manage-

ment company Fleet Operations.

"The reality is that someone who looks at outsourcing properly will realise that what is really being outsourced is the administration and the stuff that stops fleet managers from doing what their job should be.

"It gives a fleet manager a lot more time, a lot more information and therefore a lot more ability to actually drive change through their organisation, so I don't see it as a threat to their job at all.

"Outsourcing is not 'my job has gone'; outsourcing is 'I can now do my job better because I've got a greater focus, I've got more control, and I've got somebody working with me to actually support me in making the change happen in my business."

As well as reducing administration, outsourcing activities can result in cost savings and access to new technologies as well as the expertise and technical resources of other organisations.



"Outsourcing should be seen as a replacement of a function rather than a replacement for internal staff"

Chris Mitchinson, CLM

One fleet that has benefited from the reduced admin brought about through outsourcing is Celesio, which has seen Arval take on some of its fleet administration as part of the leasing company's service offering to the business.

This means the management of the fleet is shared across Celesio's in-house team and a team at Arval.

"We put the fleet out to tender and that's how we ended up switching a lot of the fleet to Arval," says Martine Smith, distribution manager at Celesio.

The leasing company has taken on vehicle ordering, sched-



uling, servicing, licence checking and downtime management and Smith is expecting Arval's involvement in the fleet management side to increase in the future.

"Having Arval handle a lot of the administrative elements leaves us to concentrate on strategic fleet objectives, such as risk management programmes, review and development of the car policy, and exploring any initiatives that can help us in running the fleet more cost-effectively," she says.

As well as the activities outsourced by Celesio, others which are commonly contracted out to third-party suppliers include vehicle fleet management, funding management, fuel management, accident management and vehicle disposal.

However, what and how many activities a fleet should outsource differs for each individual company.

"If you have a fleet manager who is very competent and experienced, they will probably be limited in the amount they want to outsource," says Geoffrey Bray, chairman of the Fleet Industry Advisory Group.

"Where you have somebody who has, let's say, been parachuted into a role with fleet responsibility but they have little fleet experience, then more tends to be outsourced.

"Before you can decide what to outsource, you have to understand your company's structure and what the capability is within that business.

"You also need to consider the role of the fleet, its size and whether there is a mix of vehicles.

"If you've got a complex fleet consisting of cars, vans, trucks and so on, then the process is completely different to if you have a small car fleet."

Jackson adds: "The decision on what to outsource will largely be dependent upon the levels and cost of in-house fleet resources and expertise.

"The reality is that it is about working out what sits best where – whether that's resources or where the expertise is – and saying 'look, it costs us a million pounds to do it this way. Is it going to cost us more or less if we do it that way, and what's the upside of that?""

Bray says outsourcing certain activities such as maintenance and accident management makes "considerable sense".

"Maintenance is a fairly obvious one to outsource," he adds.
"Why would I want to manage my maintenance in-house

OUTSOURCING CONSIDERATIONS

Businesses should take time to think through what they need, set the terms and identify the right service provider.

Things to consider:

- What are your core strengths and which are secondary? Which processes are you thinking of outsourcing and why?
- Have you calculated the total costs of doing it in-house, including hidden costs such as office space and staff on-costs?
- Check the return on investment (ROI): ask the potential service provider for help, such as an ROI calculator.
- What are the costs of not outsourcing? Will your business suffer because it cannot afford to invest in the expertise, technology or the facilities that an outsourcing partner might provide?
- Have you fully checked out that any potential supplier is capable of limiting your costs and is not interested solely in gaining your business and then massaging up your costs over time?
- Weigh up the risks of outsourcing against those of keeping the processes in-house. Source: CLM

when I can select an outsourcer that can give me all the coverIneed? I can control the supplier by setting parameters and can have it refer back to me if I need to, but at the end of the day I'm covering the area competently and the same applies to accident management."

A further advantage of outsourcing is the expert knowledge a supplier has.

"With a specialist provider, [that activity] is its total and absolute focus," says Chris Mitchinson, director of in-life services at fleet management specialist CLM.

"This means any changes in the marketplace, legislation, new developments or innovative ideas can be used to gain an advantage and increase the benefits to the business."

However, the outsourced activities should be properly managed and monitored internally to ensure there is a match in terms of the personalities involved, that they have ease-of-use systems that are easy to interrogate and can provide meaningful management information.

"It should be seen as a replacement of a function rather than a replacement for internal staff," adds Mitchinson.

Despite outsourcing having a number of benefits for businesses, Bray warns that companies should not get swept away by its advantages.

"Outsourcing for outsourcing's sake is a danger because if you outsource everything and take the worst case scenario of removing the fleet manager's role, you lose that in-house knowledge and skill and that places you at the mercy of the company that you've outsourced to, because you've got no one to challenge it," he says.

"It's a question of striking the right balance. If you get outsourcing right and create a partnership that is fully transparent and open, then it will work.

"However, if the balance is wrong and all your company has done is outsource everything and the board says 'we don't need a transport department, we don't need a fleet manager, we're going to outsource everything', then I believe that is incredibly dangerous.

"You need somebody inside the company that understands what the fleet is all about, and that way you get a balance."

Jackson adds: "We work well with companies without fleet managers and we work equally as well with fleet managers, and quite frankly I prefer to work with fleet managers because they know what we are talking about."





HOW TO GET THE BEST OUT OF SUPPLIERS

A partnership approach can build a positive relationship, but fleet managers need to show their teeth if necessary. *Andrew Ryan* reports

n order to run a fleet efficiently, it is important to be able to manage suppliers effectively. After all, they are responsible for delivering many of the services vital to the smooth operation of a fleet, such as vehicle funding, breakdown recovery or accident management.

Adopting the right approach can ensure these suppliers deliver on their commitments, as well as help fleets adopt the latest innovations which may deliver further efficiencies and savings. Caroline Sandall, deputy chairman of fleet operators' association ACFO, says: "The basic starting point is to have a strong contract because, if and when things go wrong and you don't have a decent contract to fall back on, it can be a lot more challenging to force a supplier's hand to deliver the service you want."

Contracts should include service level agreements (SLAs) that both parties are happy with, supported by key performance indicators (KPIs) and processes to measure quality, driver satisfaction, competence, price and other issues. However, there are additional factors to consider, according to Sandall. "It's great having the SLAs with KPIs, but there need to be consequences if those requirements are not hit – you need SLAs with teeth which would ultimately result in breach of contract," she says.

"You might not be punishing individual failures, but it might punish a certain number of failures in a certain period of time, or consecutive failures, or groups of failures across different aspects of the service. You might then want to ramp up any kind of puni-

tive damages, so some of those damages could be more symbolic: it doesn't need to be thousands of pounds, but I think it does really help to focus a supplier when there are consequences for failure."

However, these 'teeth' should be used as a last resort, as most fleets find that developing a partnership approach is rewarded with better service.

Geoffrey Bray, chairman of Fleet Industry Advisory Group, says: "Enabling a partnership to flourish will allow goodwill to develop on the part of suppliers that will ensure fleet decision-makers are able to drive forward with efficiencies to improve the effectiveness of the fleet operation.

"It is therefore important to ensure that the fleet contract reflects this positive approach."

Fleet managers can measure supplier performance by introducing a matrix system tailored to requirements from individual suppliers.

"Fleets should think about what they should be measuring," says Sandall. "What are the key aspects of your service that will enable you to have confidence that the service is being delivered to your satisfaction?

"That is far more than just saying how quickly the phones are answered. Sometimes, people fall foul of telephony measures where people in customer service operations are so driven about the speed at which they deal with the call that they are focusing more on getting the call over and done with rather than dealing with the query effectively.

"Fleets should look at measuring things that are to do with regulation: are vehicles

CASE STUDY: PJ CAREY DI ANT LIDE

PJ Carey Plant Hire, winner of the fleet of the year construction and building category in last year's *Commercial Fleet* awards, favours a partnership approach to get the most from its suppliers. When the company went out to tender for a number of fleet services to reduce an "unwieldy" supply chain, it allowed it to forge new relationships with suppliers.

"We put an SLA

together which included areas such as turnaround times," says Gary Condon, plant and fleet director.

"We went out to tender for things like tyres, breakdown recovery and vehicle supply and then, based on the tender return, we were able to



"Enabling a partnership to flourish will allow goodwill, ensuring fleet decisionmakers are able to drive forward efficiencies"

Geoffrey Bray, Fleet Industry Advisory Group

being taxed and MOT'd in the way they should be? With accident management, are vehicles being repaired properly?"

Bray recommends that regular meetings are undertaken with suppliers, separating day-to-day operational activities from structured fleet reviews.

"The former ensures that the goals and targets as set out in the contract are being met," he says. "Additionally, regular contact with suppliers allows any problems to be dealt with before they escalate and provides the opportunity for a more effective working relationship."

Sandall agrees that working closely with suppliers is vital. "You need to make sure that suppliers understand what you are trying to achieve, your company and how your drivers behave," she says. "You might have a mixture of interactions, such as a weekly operational call where you might talk about driver issues and the day-to-day mechanics of the organisation, and then, monthly or quarterly, have a more strategic review to look at management information, analyse what is happening and talk about how you can evolve and improve.

"One thing I've done in the past is had pulse' calls, which are weekly calls of probably less than 10 minutes where we don't talk about SLAs; we talk about how we feel about how things are going. You can't measure everything, because SLAs don't always tell the whole story: you can have a service that is green across the dashboard but you can still be unhappy. Do you feel you are being effectively looked after? If not, you

need to make sure you have the forum to express that."

Tender reviews provide fleets with an ideal opportunity to review service levels and introduce new requirements, says Bray, although measuring incumbent suppliers against competitors should be continuous throughout the term of a contract. "It could be written into a supplier's contract that a pricing exercise will be run every two years to reassure procurement colleagues that any deal remains competitive," he says.

Sandall adds: "You need to be linked into the industry constantly so that if you see changes in trends that your supplier isn't reacting to, you need to deal with that as and when it happens and not going out to tender every three years and suddenly finding that you are way off the pace with best practice.

"[Tendering] can be a large exercise, so you really need to think about what you want to achieve in going to the market. I think you have to be sensible about the frequency because it's not only your time, it's also the suppliers' time.

"If you do it too often and you don't change anything, then the other prospective suppliers will think 'oh, right, ok, we've got another paper to respond to but nothing is going to happen because it didn't happen before'.

"If you outsource a number of activities, you tend to find there are aspects of that service that have become quite bespoke over the years. Trying to describe that to another supplier, to enable them to understand enough to be able to price it effectively, is quite hard to do."

reduce our supply chain

"That helped us with reducing our prices but also gave us a supply chain we could work with and manage. It is almost like an extension of our existing business."

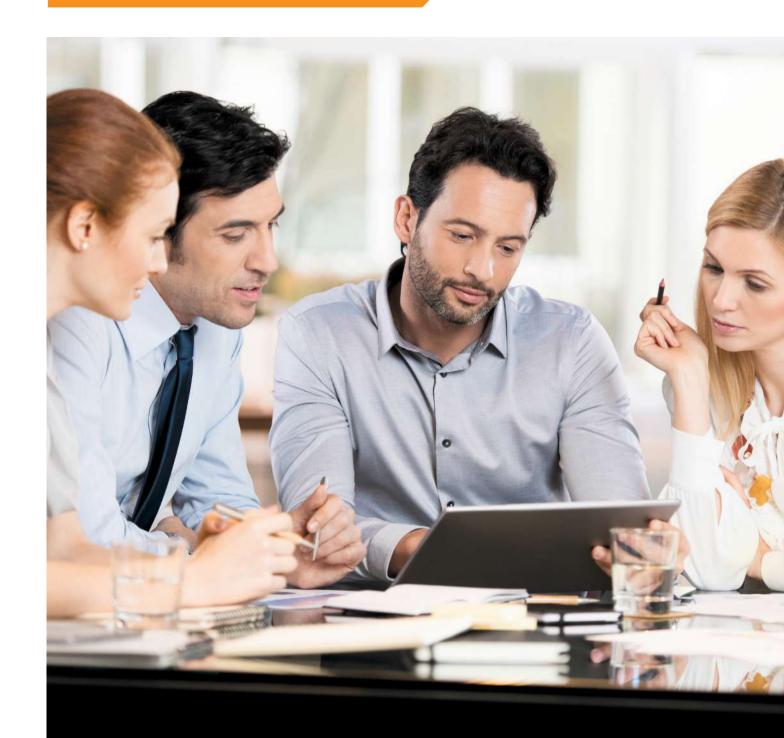
Condon holds quarterly review and performance

meetings. "It's about trying to improve that relationship so it becomes more of a partnership where you are working together." he says.

together," he says.
Condon and his team
have produced a charter
on how the company and
suppliers should work
together (see link, right).







CONSULTANTS: MAKE THE MOST OF OUTSIDE EXPERTISE

Many fleets hire consultants to improve aspects of their operations. Andrew Don looks at how to get the best out of them rganisations may have many reasons for hiring a consultant: perhaps to validate their thinking on an issue, to get a wider perspective of how other fleets are managing their operations, to discover whether the right people are making the right decisions and finding alternative and better ways of doing things.

Or it might be to find ways to make savings, reduce collisions, cut CO2 emissions or electrify and replace the fleet.

Shaun Sadlier, head of consultancy at Arval, says engagements are frequently to identify the optimum fleet management and sourcing strategy, provide support on policies and organisation, recommend the most cost-effective vehicle choices and use of resources and for building and promoting better driving strategies and behaviours within the company.

"All of these areas will support the development of a costeffective, safe and environmentally-friendly fleet," he says.

Paul Holmes, managing director of Fleet Managers Friend, cautions that those who use a leasing company's own consultancy department to look at a procurement policy should not be surprised if a solution that benefits the leasing company turns out to be best.

Matthew Walters, head of consultancy services at Lease-Plan, takes exception to this suggestion and says his company's consultants have a reputation for providing insight and independent thinking.

"You have to be sensible and grown up about these things and make the right recommendations. If you are going to put the customer at the heart of everything you do, which is an ethos we very clearly believe in, then you have to do what's right for the customer."

Jon Burdekin, head of product management at Alphabet UK, adds: "If the piece of consultancy is designed to deliver operational efficiencies, reduce CO2 or improve duty of care, that's something that aligns perfectly well with the leasing company consultant because they will have an element of independence within their own company.

"Of course they are not going to recommend going to the opposition – that's natural, but a lot of things can be achieved through the existing supplier and their consultant."

Burdekin says customers will probably have to look at an independent consultant when they want a review of the market. "There are uses for both camps," he says.

Alphabet will frequently advise whether a customer should be looking at contract hire, contract purchase, salary sacrifice or employee co-ownership. It will do the maths with the customer to determine the product that is right for them.

RULES OF ENGAGEMENT

Do

- Build up trust immediately on both sides.
- Be open and transparent with the consultant and expect the consultant to be the same with you.
- Be honest with yourself as an organisation in terms of what you want the consultancy to achieve.
- Draw up a clear and detailed term of reference.
- Have key checking points along the way and have open and frank dialogue.
- Involve everyone who needs to be involved.
- Understand the value the consultant will bring you.

Consultants should not:

- Be divisive
- Be overcritical
- Ostracise people
- Hold individuals to account for any failures



"We understand fleets' business and what is critical for them and we can create win-wins"

Andrew Benfield, Energy Saving Trust

"If they are happy with the service levels of their supplier, then it's usual for them to try to engage with the consultant of that supplier," says Burdekin.

So how can fleet operators get the most out of consultants? They have to have clear goals, says Andrew Benfield, group director of transport at Energy Saving Trust, which offers a Government-funded consultancy service for fleets to access the benefits of low-emission, energy-efficient sustainable transport. "Initially, it's always about showing them we understand where they are coming from, that we understand their business and what is critical for them and that we can create win-wins," he says.

The data that the hiring organisation supplies is critical and, in most cases, is not easy to come by, says Burdekin – not because clients are unwilling to supply it, but because it comes from various sources within their business.

"You might have people with different agendas," he says. "It takes the consultant a bit of time to go and gather it from the various sources."

DEFENSIVE FLEET MANAGERS

Sadlier stresses how vital it is for fleet operators to be transparent with consultants so they can do their job effectively.

"If information is withheld, there is the chance that the recommendations made will be flawed, difficult to implement or will cause issues in the future," he says.

One of the problems consultants can face is a defensive fleet manager when the finance director or head of human resources has hired them.

As LeasePlan's Walters says: "The fleet operator can have a bit of a furrowed brow when you're crawling all over his baby. The last thing we would want to do is call someone's baby ugly so we have to be quite careful about these things from time to time."

He says it is essential to build trust and get everyone on board with the terms of reference, so everyone is clear about the consultant's role. Customers need to be honest with themselves as well, he says. "If there's a move to reduce fleet or cash allowances or make cost savings, however uncomfortable some of those scenarios are, it's about being open and honest right at the start."

Holmes says trying not to be critical of individuals is the most difficult thing a consultant has to address when meeting a client. "I've walked away from organisations because I've met the fleet manager and within half a day you can read if this person is receptive," he adds.

"They may have been doing that job for donkeys' years and doing a good job, but things move around them that they might not be aware of. You never criticise anyone. That is fatal. The minute you criticise someone you might as well close the door and go."

Darren Bell, managing director of Fleetvolution Consulting, adds: "You have to be a bit of a politician – you are not implicating the fleet manager for being incompetent but trying to give reassurance about how you can do things better."

CASE STUDY: WATES GROUP



Family-owned construction services company Wates Group chose Arval to help it identify, specify, kit out and deliver 154 bespoke commercial vehicles last year, so the company could honour a major new contract with Birmingham City Council.

Ted Sakyi, group fleet manager for Wates, says: "From the outset we knew that we were up against extremely tight deadlines to support the delivery of the biggest UK social housing contract, covering 31,000 homes."

The result was the selection of 132 Renault vans and 23 Vauxhall flatbed vehicles, delivered to deadline on March 31 this year.

Both companies say it was essential to the

success of the project that the vehicle manufacturers, dealers and convertors quickly became part of a cohesive working party, focused on meeting Wates's needs.

After selecting partners that Wates could trust, the consultancy played an important facilitating role to bring them together and ensure a focused, organised and effective approach.

"Because of the size and scale of the task, teamwork and clarity of objective were crucial factors to success," says Sakyi.

SMH Fleet Solutions to open £15m strategic base

New 29-acre vehicle support and logistics facility will open in 2017

MH Fleet Solutions is driving business forward by opening a new and extensive £15 million vehicle maintenance, refurbishment, storage and logistics facility in Bedfordshire.

Created by commercial developers St. Modwen, the 29-acre Thurleigh Airfield site is expected to open in December 2017.

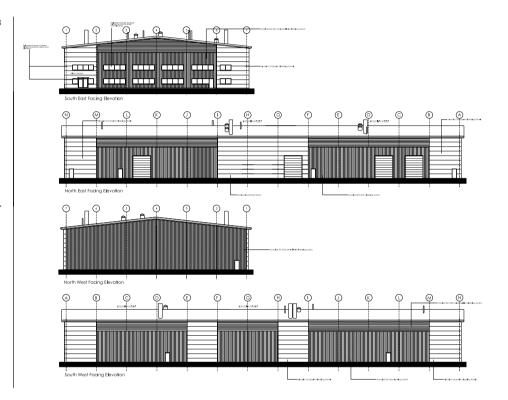
It will give UK businesses better access to the most up-to-date and comprehensive demonstration, company car, press and reallocation vehicle supply and storage, as well as vehicle movement and maintenance services.

It also represents the next stage in SMH's expansion into the south of the country.

Martin McAuley, managing director at SMH, explains: "As the UK's leading provider of vehicle logistics and vehicle support services, we are continually innovating, investing and extending our offer.

"This new facility will enable us to respond even faster as we meet the varied needs of our growing customer base."

Located just to the north of Bedford, Thurleigh Airfield was a Royal Air Force





"This new facility will enable us to respond even faster as we meet the varied needs of our growing customer base"

Martin McAuley, managing director, SMH

aerodrome that played a key operational role in WWII. No longer used as an airfield, it has space to locate and store up to 400.000 vehicles.

SMH has been a tenant since 2001 and as a part of this development, new administration accommodation and a state-of-the-art, $40,000 \ \rm sq$ ft vehicle inspection repair and refurbishment workshop will be built.

"We're also very pleased that this major commercial investment will create over 200 new jobs, making us a key local employer," said McAuley.

Anyone who would like to know more is invited to call 01905 829 400 visit www.smhfleet.com or email claire.finch@smhfleet.com





IN-HOUSE SPECIALISTS ADD VALUE AND FFFICIFNCY

Dedicated administration roles may be a dying breed in fleet departments, but they can make a significant difference to an operation. *Andrew Ryan* explains how

udget pressures and outsourcing activities have seen the size of fleet departments typically fall in recent years, reducing the number of administration roles. But in the right circumstances, having specialised admin staff can bring significant benefits to a fleet.

"Our parking control manager Terry Moore and his team save three or four times the cost of his whole department, which is a massive benefit to us," says Dermot Coughlan, operations director of Kelly Fleet Services, which has around 1,800 vehicles.

In the 12 months leading up to November last year, the team successfully appealed around £200,000 in parking tickets. "This team definitely helps the company and the drivers, because not only does Terry's role have the function of appealing tickets, but he also advises drivers where to park," adds Coughlan.

"For example, if we have employees from the Midlands down in London for the week, they are on to Terry straight away and he will give

FLEETS AND ADMIN: ADMINISTRATION ROLES



them some instructions on where to park – a big stressbuster for someone who doesn't normally drive in the city."

Kelly Fleet Services has around 20 administrators in its fleet team, covering areas including vehicle utilisation, fuel card, damages, maintenance, invoices, estimates, congestion charge lists and

registering vehicles for the Dartford crossing charge.
"We cover most of the fleet admin functions in our department, we don't

really outsource anything," Coughlan says.

PD Hook has a fleet team of five which enables it to carry out the majority of functions in-house. Nigel Boyle, administration and technical director of PD Hook, says: "We tend to do everything in-house, except financing and service, maintenance and repair, because it is cost-effective and gives us better control.

"When we brought driver licence checks in-house it halved the cost. There is also a time benefit – we can do instant checks which is key when you have so many staff and staff changes."

Kelly Fleet Services also benefits from immediate access to data, says Coughlan, while having its own admin staff means they are doing what is best for the company and not what is best for a third party.

"We are paying our employees' wages – they have no ulterior motive," he says. "We say the less we pay out, the safer and more stable the company is."

Coughlan says that while admin staff specialise in one area – "they get to know their specialism very well which gives us extra depth and expertise" – they are also familiar with other activities, so they can provide holiday cover when necessary.

"This means that, as a business, we are not affected by a single person's absence." he says.

"It's very important to keep the continuity of support to the rest of the company so they don't think 'oh no, so-and-so is away for the next two weeks on holiday, we can't get a fuel card etc.'.

"You can't allow that kind of thing to happen."

To get the best out of admin staff it is important that they understand the fleet industry, and training courses provided by organisations such as the Freight Transport Association and Institute of Car Fleet Management can help, says Coughlan.

"If people know why they are doing what they're doing and understand the reasons behind it and how it affects the business, they'll be able to make much better decisions," he says. "There are so many good places to learn."

CASE STUDY: CHILTERN TRANSPORT CONSORTIUM



Chiltern Transport Consortium (CTC) is hiring a specialist supervisor to get the most out of a new telematics system.

The organisation – a police fleet shared service for Bedfordshire Police, Civil Nuclear Constabulary, Hertfordshire Constabulary and Thames Valley Police – will launch the technology across 2,500 vehicles by the beginning of next year. It will be used to look at four areas: fuel,

collisions, vehicle utilisation and maintenance.

"When I was doing some trial runs, one of the problems I encountered was that the driver data was all going back to the line managers," says Sam Sloan, head of CTC (pictured).

Sloan found the technology provided good data, but it needed to be used appropriately to get the best benefits. "I wanted to have a standardised approach so that we had a whole suite of information around driver behaviour, how we would tackle that and what the processes would be," he says. "A key part of that was making the information simple and easy for the end user."

This led the CTC to create a role for a dedicated telematics supervisor. "One person gives you consistency in the way information is presented and we can benchmark across the forces and look into differences in performance," adds Sloan.

CTC also uses dedicated admin staff to look after other functions. "I've got one person that does insurance and one person does the fuel cards," says Sloan. "It usually means that person is much more efficient. They become an expert."

Advertisement feature

Fourways: a complete vehicle rental solution



By Leigh-Ann English, director, Fourways Vehicle Solutions

hether you operate a large company fleet or one or two cars and vans, considering vehicle rental as a useful fleet tool can have real advantages, such as the

flexibility to upscale your fleet without long-term commitment, eliminating grey fleet headaches and ensuring you have the right vehicle for the job. Choosing the right rental partner is key: competitive, transparent pricing is important but so too is a provider that can service all of your rental needs with a customer focused approach.

You might need a partner with UK coverage, or one that can source a wide range of vehicles, so taking the time to research your options is vital. Fourways Vehicle Solutions has an extensive nationwide supplier network through which we can source any vehicle from a full range of cars, light and heavy commercial vehicles to prestige and specialist requirements.

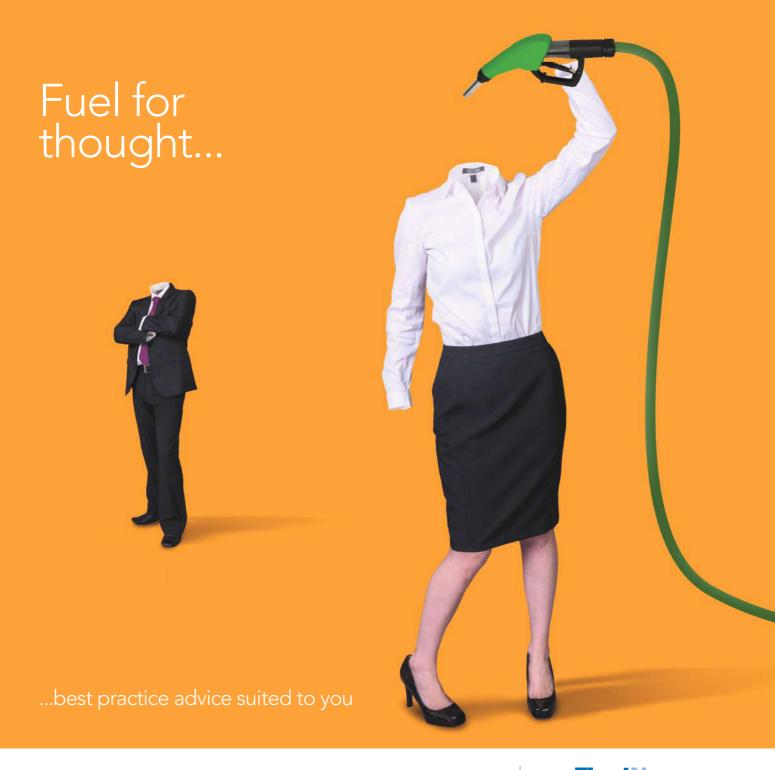
Another important factor is your booking route, ideally allowing you flexibility while supporting your company policy. Our state of the art cloud-based system allows real-time access to reservations as well as accurate invoicing and management information to keep you in control. We are also available on the telephone any time; with no options to navigate or voicemail you will get through to our team straight away.

Also essential is peace of mind that the correct vehicle will arrive on time; our expert team check each and every reservation with the supplying branch prior to delivery in order to minimise last-minute hitches. We also offer a 24/7 helpline manned by experienced Fourways staff for reassurance that we are there in an emergency.

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FNBG is for company owners and directors who are responsible for buying or leasing cars or light commercial vehicles. They want to get a good deal but they do not have the benefit of a dedicated fleet manager or fleet procurement support.

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- We help you specify the vehicle and provide real quotations, simply and quickly from our vehicle suppliers.
- 3. We show you how much money you can save.
- 4. We confirm your order and you authorise it.
- 5. We check that you're happy with our service.

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Once the order is placed, the supplier will let you know when you can expect to take delivery. Your personal FNBG account manager will always be on hand to help you with any queries.



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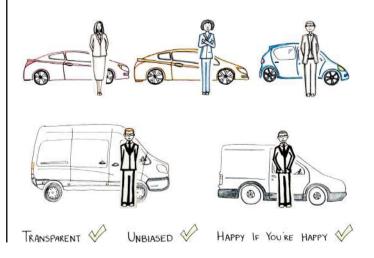
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SUPPRESS YOUR APPETITE FOR SOFTWARE FEATURES

Getting the right software package means resisting the temptation to add unnecessary modules and focusing on what is really needed. *Catherine Chetwynd* finds out how to tell a must-have from a pricey add-on

leet operators looking at introducing new fleet management software could be forgiven for feeling like a ravenous glutton at an all-you-caneat buffet.

The growing capability and reach of software means the number of modules available is expanding rapidly, meaning fleets are often spoilt for choice.

For example, Chevin Fleet Solutions offers 29 different modules, Civica Tranman around 40, Drive Software Solution's modules include mobile, workflow, complaints, rentals, drive financials and CRM, while Jaama's Key2 handles management of users, tyres, defects, hire, insur-

40

Number of modules offered by Civica Tanman

ance, P11D, P46, benefit-in-kind, suppliers and more.

But like the diner who eats too much and ends up with indigestion, fleet managers dazzled and tempted by the latest developments can end up with equally unpleasant results: expensive features that never get used.

"It is easy to be seduced by the many surprise-and-delight features in modern fleet software," warns Ashley Sowerby, managing director of Chevin Fleet Solutions.

So, how do fleet managers assess what software they need and then convey their requirements effectively to potential suppliers in requests for proposals (RFPs)?



CASE STUDY

Foxtons
A desire to stay up-to-date with changing legislation was a key reason for estate agent Foxtons to update its fleet

management software.
The company – which has 1,400 vehicles based in central London, mostly cars with 10 light commercial delivery vans for the organisation's 10 offices - had been using home-grown technology, which was designed largely as a control system rather than a fleet reporting system. It did not allow for creating efficiencies.

"Fleet legislation is continually changing and we need to be on top of that, including corporate manslaughter," says Ken Needham, director – fleet and logistics.

"We know the who, what, where, why and when, but when we have to do a P11D, for example, it doesn't fall into the current regime."

The system also required time-consuming manual manipulation when it came to compliance with legislation and produced inadequate back-office reports.

"They did not fulfil our obligations to a

level I would be content with as a director of the company," Needham says. "We wanted a system that does everything

we need, including something that encompasses e-consent licence-checking and Jaama was one of the early adopters."



"We looked at Key2 and liked the fact it was modular, how it evolves and how it integrates into Epyx 1link and into our personnel system, so that we can import all

we need to."

The system is not live yet but Needham says the native data is easy to export so he does not anticipate problems with

integration.
To ensure all vehicles used by employees are 100% compliant, if an employee's car is being serviced, they take a replacement only from the Foxtons fleet, not from external car hire companies, and it was a stringent requirement that needed to be tracked by Key2.

Needham garnered all the information he about potential suppliers through long

telephone conversations and meetings, and involved his team in discussions

People who don't engage their staff in the discussions are foolish," he says. "If it's not user-friendly and doesn't get used, then we will not get the controls we require as a plc. "Staff need to be involved in the test

products; they come at it from a different

angle from a director or senior manager."
Needham did not, however, go to tender.
"It is a tedious process," he says. "It can have its place, but it is not always about price. It's no good getting the cheapest system if it doesn't work. "You have to build in as many efficiencies

as possible - doing driving licence checks electronically, you can save a couple of

"At the end of the day, you need to keep sight of why you thought technology could help you in the first place," says Sowerby.

"It is important not to suffer from distraction and let your focus drift."

Fleets should first define business processes from start to finish, so they are clear on what they need and can see the scale of administration that has to be coded into a new

This includes allocation of equipment to drivers, deployment, operating expenses, incidents, work orders, maintenance, workshops, legal requirements and vehicle disposal.

They all have to be taken into account as many processes are linked and information generated in one place may be used in another," says Sowerby.

An RFP is an ideal opportunity to examine practices that have grown over the years to ensure they are still best practice for today.

Sowerby advises identifying a small number of key areas for immediate improvement, with step goals for possible future attention, weighted according to importance.

Where a fleet wants to make changes in a system, they should beware of looking for much the same thing in newer packaging, says Matt Goodstadt, sales director at Civica

Tranman. "Fleet managers should ask themselves what is going to give them the most benefit in cost or efficiency savings," he adds.

They should also discuss their requirements with their

Martin Evans, managing director of Jaama, says: "Do not buy a software system in the hope it might do the job.

"Contact existing users of your preferred system, talk to them about the benefits and go to their offices to see the system operating in a real-world environment.

Select a standard software system that can accommodate upgrades and new functionality from your chosen provider," he adds.

If special fleet requirements must be met, the technology partner should be able to develop suitable modules to be added to the system, but be warned that bespoking a system could restrict future developments.

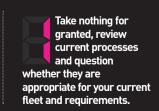
It is also essential to consult staff who will be using the software package to ensure that it is employed to full capacity and produces all the management information (MI) required.

This could include accounts and HR – particularly given the growing crossover between fleet and mobility in large companies.

Number of modules offered by

Chevin Fleet Solutions















"It is easy to be seduced by the many surprise-anddelight features in modern fleet software"

Ashley Sowerby, Chevin Fleet Solutions

Some crystal ball gazing is also a must, according to Simon West-Oliver, sales and marketing director for Drive Software Solutions. "Fleet managers need to be thinking about the shape of their requirement over the next five years," he says.

"For example, at the moment, a lot of organisations are using telemetry but manufacturers are going to start putting it into their vehicles as standard and all the devices we use will become more intelligent: they should be telling us where we have got issues.

"It is not just about keeping tabs on drivers, it is making sure you have the best asset for your business and managing the wholelife cost of assets more effectively.

"Organisations often buy a piece of software as if they were buying another car, rather than looking at their business and consulting with suppliers on finding the best way of implementing a solution that will give a good return on investment, save money and improve processes."

It is also important to assess what third-party software the fleet management tools will need to integrate with, such as finance, HR, payroll, external supplier systems, the DVLA, fuel and maintenance card providers, elec-

tronic purchase transactions from suppliers, telematics and HMRC. Failure in any of these areas can leave fleets vulnerable to cost,











SPONSOR'S COMMENT

By Matt Goodstadt, managing director at Civica



Tenders are used to make sure that suppliers are compared fairly and comply with procurement rules. The average cost of tendering is £60,000; with costs similar for

potential suppliers it is important to get the most from this procurement method. What is the best way to do this? In my opinion, focus on identifying what will bring the most benefits and cost savings to your organisation rather than looking at your current system and processes.

The number one action should be making sure you engage with suppliers early, before writing and issuing your tender. At Civica we often receive tenders from organisations who have not consulted the main suppliers, so hours have been spent writing questions and evaluating answers on lists of features that come as standard in software packages. What you really want to find out from any procurement process is what makes a supplier stand out from the rest, and whether they are able to supply you want to achieve.

We often find a tender doesn't include many of the new innovative solutions that suppliers can apply to bring real costs savings. Engaging with suppliers and asking them to examine your business and suggesting ways their solution can improve your operation will inform what you ask for in the tender. Allow freedom in the tender response to detail how the supplier can be innovative and make a difference to your organisation.

We have performed a fleet review for many of our customers, who can now demonstrate significant cost and efficiency savings from implementing a new system. This allows us to analyse the current processes and then detail what can be realistically achieved with a new system.

In summary, focus on benefits, not features, and engage suppliers early to see what the market has to offer.

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compliance and administration failings. This is less of an issue that a few years ago, as many current systems are 'software as a service' (SaaS), which means they can integrate simply with other systems in companies.

Other factors to consider when selecting software include how data is stored, whether data conversion is required, the quality of data to be transferred, size and complexity of the fleet, the number of locations and people that require access to the information, who - if anyone - is allocated to drive the implementation and the approach to be taken to training system users.

'Fleets should have an open and frank conversation with their supplier about what level of support will be required along with how much resource can be supplied," says Evans.

"Additionally, it is important to ascertain whether support is available only during the software implementation phase or whether there is ongoing support during the lifetime of the business partnership."

Entering data into a system is all very well but it is equally important that fleet managers are able to extract the information they require easily and in the format required, so that it can be analysed and action taken as appropriate.

Goodstadt also stresses the importance of consultation when selecting a new software package.



"Have a frank conversation with your supplier about support"

Martin Evans, Jaama

"Engage with suppliers before a tender, so that you understand what they have got and they can bring to bear the experience of their other customers," he says.

"Often, people dust off an old tender and update it a bit, but there is a danger in that: the market moves on."

Putting together a tender document can also be a key step for ensuring a fleet gets the software package it needs.

"Probably 90% of the tenders we receive are at least good through to excellent," says Sowerby.

'The fleet is able to express its needs and has an understanding of how they can be met.

"The remaining 10% can be very frustrating though, because we sometimes see fleets tendering for solutions that clearly don't meet their needs.

"For example, we have been involved in tendering where the fleet is asking for fleet software when it really needs a telematics system and vice versa."

A well-written tender document ensures that all parties end up satisfied with the outcome: fleet managers have the software and back-up services they need to run their vehicles efficiently, with a good return on investment, the highest compliance and the best practice.

Equally, the supplier has the opportunity to provide technology in the most appropriate format to give clients greatest efficiencies of















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time, operation and cost. In addition, only specific questions elicit specific answers and, to ensure buyers fully understand what various modules do, questions should be

However, there has to be a balance between requirements that are too narrowly defined and those not narrow enough.

"The most common mistake we see is having a specific checklist of must-haves or software features organisations think will solve an issue, without properly identifying and stating the problems they are trying to resolve," says Sowerby.

Standard tenders are definitely not the answer because so little in them is relevant.

"I would like to see organisations using internal fleet and software expertise or an external consultant to compile a requirements list which forms the bulk of the tender document," says Evans.

Although fleet managers can enjoy considerable time savings thanks to technology developments, they do not always take account of that when writing a tender document.

"That is predominantly because they are very much on the coalface and are probably not aware of changes that could automate processes for them," says West-Oliver.

Although procurement departments might say it is all about price, there is a risk of false economies if a company does not have a system that provides appropriate data to give good management information.

"While an organisation's procurement department may lead the tender exercise, it is critical that the fleet department researches the marketplace first, so the final tender document better reflects requirements and so that fleet operators believe that they can work with the supplier," says Evans.

FUTURE-PROOFING FOR UNFORESEEN CHANGES

It is important to make a new software package as future-proof as possible: ultimate flexibility of both provider and product cater for this and mitigate unforeseeable developments in legislation.

The modular design of most systems ensures that any element could be developed in response to changes, ensuring suppliers can help fleet managers keep up with the status quo.

Drive Software Solutions has seen that grey fleet is an area which is receiving particular attention at the moment. "This is something that many end-user fleets, particularly big corporates with concerns about corporate social responsibility and reputation management, want to manage," says Simon West-Oliver.

And with the onset of e-consent for licence checking, Jaama is seeing demand for its Key2 product. The software handles all angles from endorsement points and driver age to accidents that attract points above a certain value, and more, and fleet managers can weight these according to corporate or insurance company requirements.



"Fleet managers need to be thinking about the shape of their requirement over the next five years"

Simon West-Oliver, Drive Software Solutions

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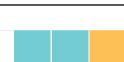
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As sponsor of the Hall of Fame this year, the AA could not be more delighted with the presentation of the award to such a worthy winner and stalwart of our industry. John deserves huge credit for his work at ACFO and we would like to take this opportunity to congratulate him on his inauguration into the Fleet News Hall of Fame. Roger Williams, director of fleet services at the AA.

JOHN PRYOR

'I enjoy challenges and trying to be ahead of the game'

John Pryor genuinely did not expect to win the *Fleet News* Hall of Fame award, and is still hungry for improvement

By Stephen Briers

CFO chairman and Arcadia group fleet and travel manager John Pryor was slouched in his chair watching the awards citation for the *Fleet News* Hall of Fame, but his mind was wandering. He had to leave early to drive from London to Leeds and was deliberating whether to slip away.

Then he heard the words "fashion retailer" and sat bolt upright. Surely not...? Those sitting nearby also report a few expletives as the words "...and welcome into the Hall of Fame John Pryor" were read out.

"I had no idea and I don't think I really deserve it," he modestly tells *Fleet News*.

Fleet News: How did you first get into fleet management?

John Pryor: It started when I joined the Burton Group in facilities. I was asked 'what do you know about cars?'. I said 'nothing, but I can soon learn'. At that point, we owned everything; we gave staff a sum of money and told them to go off and buy something. But Burton decided to review the fleet. It had 18 or 20 brands, with around 3,000 vehicles; and I ran 150 in my department. Each department was asked by treasury to send details for its bit of fleet, and I was one of just two who did. Then I got a call to be seconded to help set up a central fleet service.

FN: How did your facilities background help when it came to fleet management?

JP: They are about the same thing: attention to detail, organisation, understanding and dealing with suppliers. It is logical. You have an asset – do you understand it, and can you control it? I'm a gatekeeper, to ensure we get the best value.

Of course, it was more lax in those days. The first thing we did was a sale and leaseback of the vehicles. After that, we then moved to leasing which changed the whole concept.

FN: How did you learn about fleet management?

JP: From leasing companies and how they work, and also early on I joined ACFO. That was a huge benefit. Fleet management was very isolated – and it still is to a certain extent today. We have 20,000 employees and they are all fashion retailers; they don't know about fleet.

All our brands have managing directors, finance directors, HR directors and retail directors so, if they have an issue, they can ask a colleague in another part of the business.

But we only have one fleet manager. So, the only way I can do that [deal with an issue] is to go to my peers in other businesses. So we put questions on the ACFO website, use your illustrious magazine and ask others.

"There is no right or wrong way to run a fleet. My advice is to try to understand what you've got and analyse it the best you can. Fleet is all about future-proofing"

John Pryor, ACFO/Arcadia





FN: What have been the initiatives that you are most proud of getting off the ground?

JP: Moving the group from outright purchase to leasing and educating the business on how to become a more streamlined operation, because that gave us the ability to have all the parts of the group sweat its assets. Rather than cars sat in one department, we could move them around, which gave us big savings. Also, moving the group expenses for fuel to pence per mile, which gave us the ability to manage the process. That was 15 years ago and meant we didn't have the admin of fuel cards. We have strong disciplines in place and staff know what their costs are going to be which helps them when they are choosing their cars. I like to think we are ahead of the game. I am also proud of the work I have done with ACFO.

FN: What advice do you have for anyone starting off in

JP: There is no right or wrong way to run a fleet. You can sit with 30 or 40 fleet managers and, although there are similarities, each runs it in a different way. That's the interesting thing and it means you can always pick up ideas from other people. My advice is to try to understand what you've got and analyse it the best you can. Fleet is all about future-proofing: you are buying an asset where you need to know its worth in three or four years' time and you have to consider how you are utilising it during that time. You have to understand what your company wants and whether you have a goal to reach. Then it's mapping out how you get there. Fleet exists to meet a company's objectives while achieving best value.

FN: What has been the biggest change you've seen during your time in fleet?

JP: It is forever changing with Government legislation; for example, licences, smoking bans and phone bans - when I started we didn't have mobile phones. But the biggest change is company car taxation [in 2002]. It's so much better with CO2 rather than mileage.

FN: Do you see a long-term future for the company car?

JP: One of the problems is that people don't understand the

value of a company car. It is too easy to hit company car drivers - they are faceless - but if you buy the right car at the right spec and the right CO2, it is a big asset and a lot of people are missing that. They see a sum of money and think they can do better. But with a car, you don't know what it has cost you until you sell it. People don't understand depreciation, tax and running costs, especially unforeseen maintenance and repair.

FN: What about the future for fleet managers and fleet management?

JP: Fleet needs to evolve; fleet managers need to take on more, especially where there are synergies such as travel, facilities and expenses. You still have a policy and processes and you manage suppliers. Big fleets need a fleet manager; smaller businesses still need someone to manage the fleet, so if that role is combined with other areas, then it justifies having a role for someone to manage it professionally and to take advantage of the synergies. There is an opportunity for an increase in the number of fleet managers who have multiple roles within smaller organisations.

FN: What do you enjoy about fleet ...?

JP: I enjoy the challenges, the things you've not seen before and have to resolve. I enjoy trying to be ahead of the game. And I enjoy working for Arcadia.

FN: ...and what don't you enjoy?

JP: People cold calling you telling you how much better they can do it than you - although there's not as many as there used to be.

ne area that Pryor does believe could be improved is joined-up thinking within the Government. He admits it is improving in some areas, and

could be done to remove red tape and to simplify processes. 'We need clarity from the Government and also time to make changes. We are planning four years' ahead; we can't

points to DVLA as an example, but believes more

just change policy on a whim," he says.

FACTFILE

Hall of Fame winner John Pryor Position ACFO chairman Time in role Two years Joined 1995 Day job Arcadia fleet and travel manager Fleet size 592 cars Funding method Contract hire

Number of Arcadia employees

CITROËN C3

New model is first to offer integrated dash cam. Maurice Glover takes a closer look

itroën will launch a bold bid for fresh business in B-sector fleet motoring when a striking new C3 range reaches UK showrooms next year.

With distinctive styling and a cheeky personality, the next-generation supermini has all it takes to kick-start the fortunes of the French brand in the segment with SME buyers, corporate account user-choosers and public sector drivers, believes fleet and used vehicle director Martin Gurney.

"Having gone through its life cycle, the current car is no longer competitive with rivals and accounts for hardly any business sales," he told Fleet News as the car was being previewed in France. "However, I think Citroën is ready to make a comeback thanks to a stand-out product that is packed with innovation to drive us right back into the heartland of a particularly tough sector.

"The PSA Group has a strong heritage in small cars and sold a total of 30,000 examples of the Peugeot 208 here last year. By comparison, fewer than 6,000 C3 models were registered, but all that is about to change. Our new car is a much different proposition than its predecessor and there's no doubt that we have a real winner on our hands.

"It's too early to talk about numbers, but I'm confident that this is a package that will have strong appeal in the marketplace."

Still six months away from its launch in UK showrooms early in 2017, the first of four new Citroëns due in the next 18 months has yet to be priced, but it is understood the car will cost between £9,000 and £19,000.

"This is the first wave of a fresh product offensive," said Gurney. "We have the right car at the right time in a major part of the market and we're very excited about the future."



ENGINES

Current 1.0-litre and 1.2-litre
PureTech petrol offering 68hp, 82hp
and 110hp, 75hp and 100hp 1.6-litre
BlueHDI diesel motors will be carried
over but are expected to perform
more efficiently in bodywork that is
said to be lighter and more
aerodynamic.

Slightly longer, lower and wider, the thirdgeneration C3 stands on a longer wheelbase and has greater shoulder room for occupants. Boot capacity remains the same, at 300 litres, with the rear seats in position.

Customisation is a strong interior feature with a choice of four shades of upholstery and a horizontal dashboard with minimum switchgear accentuating the feeling of uncluttered space.

EQUIPMENT

Citroën is the first to offer a fully integrated camera with GPS connection to allow C3 drivers to share on-road experiences on social media. Called ConnectedCam, the equipment should be of particular interest to fleets because it offers HD filming that could be used as evidence in court by covering the period from 30 seconds before an accident to one minute afterwards.

Entry-level Touch trim will include cruise control, height and reach adjustment for steering and driver's seat, a split-fold rear seat and digital radio. Feel grade will add a touchscreen, auto air conditioning and alloy wheels with the top Flair version likely to include ConnectedCam, air bump door protection, a reversing camera and rear parking sensors. A panoramic sunroof will be optional.



EXTERIOR

Sharing a visual link with the C4 Cactus, the new C3 adopts a high stance and scratch-proof 'air bump' panels on the lower part of its doors to offer protection from slight damage to bodywork. With the biggest wheels in its class, the car has short overhangs and a muscular appearance. A choice of nine colours for the bodywork and three for the roof promise a total of 27 combinations for customisation, with the roof colour being repeated on the foglamp trims, air bumps, wing mirrors and rear window trim.

A raft of advanced driver assistance systems will be offered with the new car, headed by a connected sat-nav that can be controlled by voice or touch from a seven-inch screen and which provides real-time traffic information and visual and audible warnings of accident blackspots. Mirror-screen technology will duplicate smartphone content.

A reversing camera also operates via the touchscreen and hill start assist will hold the car on steep gradients. Helping guard against driver fatigue will be lane departure warning, while blind spot monitoring will operate via indicators built into the wing mirrors and driver attention alert will recommend a break after two hours' uninterrupted driving at more than 45mph.

THINKING CAP



By Martin Ward, manufacturer relationships manager

cap hpi

Monday Mercedes-Benz Vans live today at Millbrook, and what a spectacular event it is: so many vans, pick-ups and conversions to see and drive, from ambulances, firetenders to supermarket delivery vans - you name it, there was one there. I chose to drive on the off-road course in a Sprinter 4x4, and to say it was outstanding is an understatement. This van performed every bit as well as the most seasoned, true and high performance 4x4 with a badge on it. Traditionally known for going through rough terrain, this van went through thick mud, down very steep inclines, and up rocky and rutted tracks. Very impressive for a large van.

"Sprinter performed as well as the most seasoned high performance 4x4"



Tuesday/Wednesday

Down to Barcelona, where Seat invited a few fleet guests from around Europe to

drive the all-new Ateca. We saw the original concept a couple of years ago, and to say it wasn't too good would be being polite. But the designers at Seat listened, took note and came up with much improved styling. It looks great from every angle, with every line crisp and attractive. A great level of standard spec, but the one to have is the SE, and I would probably pick either the 1.6-litre TDI or even the 1.0-litre threecylinder petrol. The Ateca name comes from a small town in the north of Spain. The car is well put-together, and the cabin is very quiet. Plenty of rear legroom, and the boot is massive. Seat may just be on to a winner with this SUV.

Friday Up to Skipton, where Kia had assembled some of its cars for us to test. Although we have driven most of them, it was good to have a catch-up. The new Sportage is a great looking SUV, but opinions are divided.

AUDI Q2

Company's first compact SUV offers head-up display and adaptive cruise control



NEED TO KNOW

- Autonomous braking with pedestrian recognition
- Quattro available on most powerful models mid-2017
- Orders open for November delivery

By Simon Harris

uch of Audi's growth over the past 20 years can be put down to ensuring it has a presence in key sectors of the market, as well as being relatively a early adopter of emerging niches.

The 'relatively' qualifier is necessary, as Audi wouldn't treat a car from a mainstream manufacturer

Therefore, the Q2, which is Audi's first compact SUV (or 'crossover' as the company is insisting on calling it), currently has no premium-badge rival.

Based on the Volkswagen Group MQB architecture (from which we'll see a new Seat Ibiza and Seat compact SUV in 2017), the Q2 is set to arrive in the UK in November, offering power outputs from 115hp to 190hp in petrol and diesel variants.

And, in a break from the design-by-numbers that Audi is often criticised for (in the media, if not by customers), the Q2 has a lot more chiselled details and edges than any other model in the range. Just as well, as the conservative styling which has served it so well might be seen as too boring for the younger audience Audi is targeting with the Q2.

Although Audi is blind to any rivals for the Q2, you could make a case for the Mini Countryman, Jeep Renegade and one or two other B-sector-based SUVs as having drivers who might be interested in the Audi, as well as people looking for a little more room (and more upmarket image) than a conventional small car provides.

The Q2 is available with technology found in larger Audis, such as the 'virtual cockpit' instrument display, although

COSTS

P11D price £23,975

BIK tax band (2016/17) tbc

Annual BIK tax (20%) tbc

Class 1A NIC tbc

Annual VED $\ensuremath{\text{tbc}}$

RV (4yr/80K) tbc

Fuel cost (ppm) the AFR (ppm) 9

Running cost (4yr/80K) the

SPEC

Power (hp)/torque (lb-ft) 116/155

CO2 emissions (g/km) tbc

Top speed (mph) the 0-62mph (sec) the

Fuel efficiency (mpg) the

KEY RIVAL

Mini Countryman Cooper D Business Chili

P11D price: £21,865

BIK tax band (2016/17) 22%

Annual BIK tax (20%) £962

Class 1A NIC £664

Annual VED £0 then £30

RV (4yr/80k) £6,325/29%

Fuel cost (ppm) 7.46

AFR (ppm) 9

Running cost (4yr/80k) 30.78ppm

Running cost data supplied by KeeResources (4yr/80k)



here it comes as part of a £1,500 technology pack rather than the £400-£500 option it is in the TT, A4 and A5.

There's also a head-up display, Audi pre-sense warning with autonomous braking initiation and pedestrian recognition. It can also be specified with adaptive cruise control with a 'stop and go' function in traffic, which we used in a particularly congested 30 minutes of our test route.

The interior isn't especially roomy behind tall front seat occupants, although the minimum luggage capacity of 405 litres is decent in a small car.

Power from the 115hp 1.6-litre TDI is decent on the flat, but seems to labour somewhat when pulling the Q2 uphill. Audi has yet to reveal CO_2 emissions for some versions of the Q2, including this one, and we suspect it has been geared to maximise fuel economy and cut CO_2 .

It was our least favourite engine of those we tried in the event, preferring 115hp and 150hp petrol variants, the former with three cylinders, the latter with cylinder-on-demand technology.

Quattro variants will be launched mid-2017 standard on 190hp 2.0-litre petrol and diesel engines, and an option on the 150hp 2.0 TDI.

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1.4 TDI ECOMOTIVE SE 5DR

SEAT IBIZA

A good diesel option, but can it compete with rivals on costs?



NEED TO KNOW

- 78.5mpg potential according to official figures
- New multimedia interface for 2016
- Diesel running costs still lower than petrol equivalent

By Simon Harris

iesel has had a great deal of negative press recently. Since Volkswagen admitted including so-called 'defeat devices' on North American cars to cheat tough NOx emission tests, the whole area of emissions and fuel economy has come under increased scrutiny.

While some private buyers may be swayed by hysteria in the media over what diesel exhausts may or may not contain, the fleet sector, while noting the developments in the emissions story, has taken a more pragmatic view.

Regardless of improvements in petrol engine and hybrid technology, there are still roles on car fleets for which diesel would make a stronger case for itself.

When we first drove the 2016 model year Seat Ibiza last year, unsurprisingly we were keen to learn about new petrol engines.

As a small car, it's always more difficult considering the price premium associated with diesel engines to justify choosing it. But we decided to take a look at the most frugal 1.4-litre diesel Ecomotive variant to see if it is viable for the fleet operator and company car driver.



"The Ibiza Ecomotive is quite relaxed on the motorway, and a world apart from earlier three-cylinder diesel models"

With CO2 emissions of 93g/km it certainly isn't the lowest in its class, but as it falls into the same BIK tax band as diesel cars with emissions as low as 75g/km it's good enough to hit the sweet spot for internal combustion engine company cars.

There are a large number of similar cars with power outputs at the same level as the Ibiza's 75hp for the Ecomotive, but Ford's Econetic Fiesta has a more sprightly 95hp, while the Vauxhall Corsa has a 75hp and 95hp option, with the higher power output offering lower CO2 emissions and overall running costs than the less powerful model.

The Ibiza Ecomotive comes with a five-speed manual gearbox. As we're in a price-sensitive sector of the market, a six-speed box would add cost for limited benefit, but the ratios in the five-speed box are separated by gulfs. It means third gear is comfortable for 30mph, while fourth gear at that speed is laboured and risks stalling.

And you probably won't need fifth gear until around 50mph. But the Ibiza Ecomotive is also quite relaxed on the motorway, and a world apart from much earlier three-cylinder diesel models for noise suppression and refinement.

The interior of the Ibiza – always one if its weaker points – has been spruced up for the 2016 model year, and has a new multimedia interface available which is compatible with Apple and Android smartphone operating systems, displaying apps on the car's dashboard touchscreen.

While the Ecomotive might not embody all of the emotional appeal of the FR and Cupra variants, it still feels related to them and most drivers would be happy to be seen in one.

THE RIVALS

- Ford Fiesta 1.5 TDCi Econetic Zetec
- Peugeot 1.6 BlueHDi 75 Active
- Vauxhall Corsa 1.3 CDTi 95
 Fcoflex SF

P11D PRICE	
208	£15,560
lbiza	£15,600
Corsa	£16,195
Fiesta	£16,440

BIK TAX A	AND CO2
Fiesta	18%/82g/km
Corsa	18%/85g/km
208	18%/90g/km
Ibiza	18%/93g/km

FUEL CO	OSTS
Fiesta	5.69ppm/£4,552
Corsa	5.69ppm/£4,552
208	6.22ppm/£4,976
lbiza	6.4ppm/£5,120

DEPRECIATION	
208	15.42ppm/£12,336
lbiza	15.53ppm/£12,424
Fiesta	15.61ppm/£12,488
Corsa	15.78ppm/£12,624

SMR	
Ibiza	2.57ppm/£2,056
Fiesta	2.63ppm/£2,104
Corsa	3.16ppm/£2,528
208	3.26ppm/£2,616

RUNN	ING COSTS
Fiesta	23.93ppm/£19,144
lbiza	24.5ppm/£19,600
Corsa	24.63ppm/£19,704
208	24.91ppm/£19,928

VERDICT

The Ibiza Ecomotive makes a strong case for a diesel small car on running costs, but so does the Ford Fiesta Econetic — and you get an extra 20hp. We'd choose the Ford at the expense of the Seat in this case.

Winner: Ford Fiesta 1.5 TDCi

Winner: Ford Fiesta 1.5 TDCi Econetic Zetec

Running cost: KeeResources (4yr/80k)



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Volvo V60 D2 Geartronic SE Nav



According to marketing experts, sat-nav and climate control are the only items of additional equipment likely

to boost the residual value (RV) of your car.

But some of the growing number of drivers who use their vehicle as a mobile office may well take the view that other extras are well worth the cost. With a comprehensive list of standard equipment that includes lumbar-adjust front seats, hill start assist, an electric parking brake, speed sensitive steering and rear parking sensors, the lowest-priced version of Volvo's V60 range is well kitted out.

But the £5,500-worth of options that came with our test car seemed a little over the top.

The steering wheel paddle shifters for the automatic transmission, for instance, cost £150 but tend to be redundant most of the time as the gearbox manages its ratio changes very well.

However, the rest of the extra kit is making a big difference.

The transmission makes progress particularly smooth and convenience is rated highly with keyless drive and adaptive headlights that are impressively efficient and never blind oncoming traffic. Even if they do little to bolster RVs, enhancing features like this ought to prove attractive.

Maurice Glover

Škoda Superb 2.0 TDI SE Business



'Superb' and 'golf' are two words which have never been used in the same sentence to

describe my high-handicapper game, but for a week they were a match made in heaven. This was nothing to do with the quality of my game, but how the Škoda performed during a 900-mile qolfing holiday with a friend in Scotland.

We don't travel lightly, meaning that we usually have to either fold down the back seats or have a bag across the back seat to fit everything in. It was this that saw me swap out of my normal Vauxhall Astra long-termer and into the Superb to take advantage of its enormous boot which, at 625 litres, is larger than those of rivals such as the Ford Mondeo (541 litres) and Vauxhall Insignia (530). With its square shape, this was ideal as it meant we could put both bags across in, while there was still room to add our trolleys.

The Superb's impressive load-carrying ability was far from its only success. Over the week, its high level of refinement and comfortable ride quality made it an ideal long-distance companion, while fuel economy averaged 60mpg. If only my golf game lived up to the car's abilities.

Andrew Ryan

See extended long-term tests at fleetnews.co.uk/cars/car-reviews/

1.6 TDI SE DYNAMIC

SEAT LEON ST

Voice programmable navigation is a bonus



COSTS*

P11D price £20,340

BIK tax band 21%

Annual BIK tax (20%) £854

 $\textbf{Class 1A NIC}\ £589$

Annual VED £0 then £20

RV (4yr/80k) £5,325/26%

Fuel cost (ppm) 7.12

AFR (ppm) 9

Running cost (4yr/80k) 29.05ppm

SPEC

Engine (cc) 1,598

Power (hp) 108

Torque (lb-ft) 184

CO2 emissions (g/km) 106

Fuel efficiency (mpg) 67.3

Max speed (mph) 121

0-62mph (sec) 10.9

Test mpg 58

Current mileage 4,200

By Matt de Prez

ith the odometer primed to reach 2,500 miles in the first five weeks of ownership, the Leon ST is proving adept at coping with my daily motorway commute. Despite my initial despair at its lack of adaptive cruise control, I have settled back into the ritual of constantly engaging and disengaging the basic standard system in rush hour traffic – before giving up completely and relying on my own right foot.

The built-in navigation has been a favourable travel companion, with up-to-the-minute traffic reports ensuring I am well aware of the daily A14 blockages before I reach them. It's relatively simple to use and comes with the added bonus of being programmable by voice or using the steering wheel buttons – much more preferable than jabbing at the screen and festooning it with fingerprints.

The seats have caused me no bother either, despite being influenced by 'bigger brother' Audi in terms of firmness. There is adequate adjustment, including height for the passenger seat, and the steering column can be adjusted for both reach and rake

The Volkswagen influence on ergonomics is clear from the concise layout of the cabin and tactility of the controls.

My only gripe – which may sound petty, but it is irritating – is that the key needs to be twisted at an excessive angle to fire the car into life. I'd much rather see a push-button start system, which the majority of our other test cars currently benefit from.

The upcoming Ateca SUV will be the first model from Seat to use this technology.

A more frequent need to keep the air-con running has meant a slight reduction in fuel economy. Average consumption is currently hovering at around 58mpg, giving me a range of 580 miles – still respectable given the engine is only just starting to loosen up.

*Running cost data supplied by KeeResources (4yr/80k)

"The built-in navigation has been a favourable travel companion, with up-to-the-minute traffic reports, keeping me aware of A14 blockages"

TONY GREENIDGE

SALES AND MARKETING DIRECTOR, FLEET OPERATIONS

He can't sing, but that didn't stop him wanting to be a soul singer. Tony Greenidge also has a penchant for a bit of dancing, and will go to 'extraordinary lengths' to avoid being late.

My favourite film is Saturday Night Fever - it was the first X certificate film I saw and made it cool to be a dancer. I had just started lessons and, following that, I danced in competitions including twice at what was the Hammersmith Palais.

One of my earliest memories associated with a car was when I bought my first car on a Friday but had to walk to work on the Monday. The middle bit I refer to as

I would tell my 18-year-old self there is more to life than looking cool on the dancefloor, and one day you will realise that the advice your father gave you does in fact make sense.

'the lost weekend' (I crashed it).

If I was Prime Minister for the day I would outlaw the use of spin so that the public can make judgements based on facts only.

The book I would recommend is any book is worth a read. I am just about to start the latest John Grisham novel.

My pet hate is being late - I will go to extraordinary lengths to avoid it.

Away from the office, I enjoy spending time with my family, sport and music. Also, my son pressured me into getting a dog. Walking him is a great pleasure - and it also provides me with thinking time.

The most pivotal moment in my life was when my parents emigrated to Canada when I was 21 - I realised then that I had no fallback position; I was going to have make my own way in life.

> I would like to be remembered as a genuine person who had a positive influence on all those around him.

> > The three cars I'd like most in my garage are a Toyota Celica Mark 1, Aston Martin DB9 and Audi A8 with all the trimmings.

First fleet role My first role was corporate sales manager for Arval. I then had a two-year spell running my own fleet and sales consultancy business, before becoming head of sales for Apetito, provider of meals on wheels. I loved the the genuine difference a simple meal can make to the lives of vulnerable members of our community. I really felt that I was making a difference, but I have left and come back to the industry because it is at the cutting edge of technology and the sales process offers a level of complexity and excitement that is hard to match.

Career goals at Fleet Operations

To achieve our three-year plan to grow our outsourced fleet by an additional 10,000 vehicles.

Biggest achievement in business

Winning contracts against the odds, particularly on one occasion when I was told by my then boss not to waste my time pitching for one deal as we would never get it. I won the 2,000-vehicle fleet on sole supply - a great coup for the business.

Biggest career influence One of my first managers, a man called Alan Davies. He told me I had the potential for a career in sales, but only if I applied myself and if I didn't he would sack me. He gave me an opportunity and when I achieved the targets he kept his word in terms of commission. I was amazed and realised then that sales was the career for me.

Biggest mistake in business

Perhaps not the biggest, but one that has shaped what I do since, was sending my CV in for a perfect role, only to be rejected because of two spelling mistakes. I learned that the correct use of English is a really important aspect of business.

Leadership style Pragmatic.

If I wasn't in fleet Professional sport, but preferably football.

Childhood ambition To be a soul singer. Unfortunately, I cannot sing.



<mark>Next issue:</mark> Sarah Easton, director, Fleetondemand



he benefits of Ford's success at Le Mans and on the rally and rallycross circuits are enjoyed by fleet drivers every time they get behind the wheel of their car.

Ford's road and race engineers work literally hand in hand on light-weighting, aerodynamics and engine design; all Ford race cars are powered by EcoBoost petrol engines from the 1.0-litre Fiesta R2 up to the V6 Twin Turbo GT.

The all-new Ford GT serves as the pinnacle product of the Ford Performance group, a division dedicated to providing innovation through perfor-

mance. Set to deliver more than 12 new performance vehicles by 2020, Ford Performance's racing efforts and expertise are producing innovations on dedicated performance models and performance parts that are helping Ford develop technologies that can ultimately be applied to the full Ford vehicle line-up.

The performance segment is a growing business for Ford, as the company recognises its customers' desires for vehicles that offer excellent fuel economy, leading technology and a great driving experience. The Ford Performance line-up includes Ford GT,

Focus RS, Focus ST and Fiesta ST and ST200. Ford Performance has also inspired the sporty styling of Ford's ST-Line range — including the newest, the Mondeo ST-Line, with its enhanced driving dynamics, sports suspension, interior and exterior design features and SYNC3 with improved infotainment.

The Ford GT race car features innovations Ford believes will ultimately provide benefits to each vehicle in the Ford line-up. These include state-of-the-art aerodynamics, advanced lightweight composites featuring carbon fibre, and the power and efficiency of an EcoBoost engine.

FORD VIGNALE RANGE TO BE ENHANCED WITH KUGA OUT THIS YEAR

Ford's upscale Vignale range is being extended with the confirmation of a Ford Kuga Vignale available to order later this year

The Ford S-MAX Vignale sports activity vehicle is available to order now alongside Ford Mondeo Vignale four-door and wagon, with Ford Edge Vignale and Mondeo Vignale five-door also available to order later this year. Ford Vignale vehicles deliver individualistic styling options, high-power,



fuel efficient powertrains and sophisticated technologies including Active Noise Control. All Ford Vignale models feature as standard the SYNC3 communication and entertainment system that delivers faster performance and features a redesigned eight-inch touchscreen enabling pinch and swipe gestures for the first time.

They also enhance the passenger experience with a premium audio system and front and rear ambient lighting.



