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In the spotlight: Hitachi

MD Jon Lawes on his bold plan becoming a reality

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Official fuel consumption figures for the new Audi A3 Sportback range in mpg (l/100km) from: Urban 30.7 (9.2) – 65.7
and CO_2 figures are obtained under standardised EU test conditions (Directive 93/116/EEC). This allows a direct comparison between different manufacturer models
More information is available on the Audi website at audi.co.uk and at dft.gov.uk/vca. *Where the law permits. †Virtual cockpit (available as part of Technology
purpose only and includes optional extras. A3 Sportback shown in Ara blue available to order late 2016.

Search Audi A3

(4.3), Extra Urban 47.9 (5.9) – 80.7 (3.5), Combined 39.8 (7.1) – 74.3 (3.8). CO_2 emissions: 163 – 99g/km. Fuel consumption but may not represent the actual fuel consumption achieved in 'real world' driving conditions. Optional wheels may affect emissions and fuel consumption figures. Pack Advanced) is an optional extra. Statistics stated are relevant to model shown: A3 Sportback 2.0 TDI 184PS quattro S line S tronic. Image shown for illustrative

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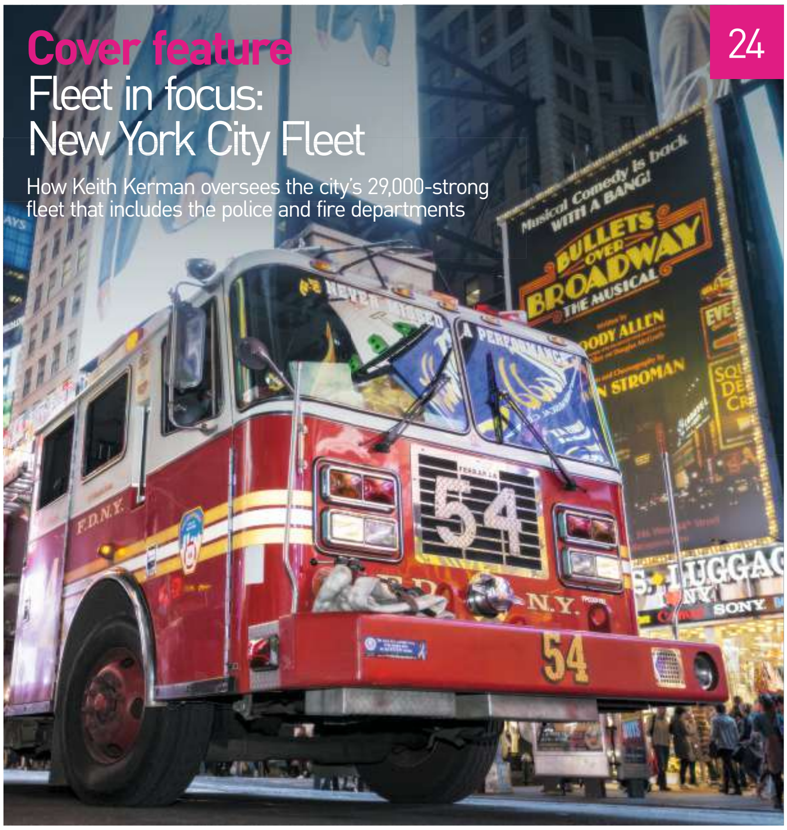


FLEETS AND
MOBILITY

16-page special report into the changing future of fleet management – and how your operation can benefit

Call for overhaul of company car tax bands

HMRC wants views on more incentives for cleanest vehicles as consultation deems current structure not fit for purpose

By Gareth Roberts

New company car tax bands, based on how many miles a vehicle can be driven in pure electric mode, alongside its CO_2 rating, could be introduced for the cleanest vehicles from 2020.

The changes would mean pure electric vehicles (EVs) such as the Nissan Leaf and Tesla Model S would be taxed less than plug-in hybrids such as the Toyota Prius and Mitsubishi Outlander.

HM Revenue and Customs (HMRC) says it wants to continue incentivising ultra-low emission vehicles (ULEVs) through the company car tax regime. However it has admitted in a consultation report, launched last week, that the current rules aren't fit for purpose.

It said the development of new ultra-low emission technologies was "starting to place pressure on the current banding structure", and some conventionally powered engines were also achieving emissions below 75g/km – the current ULEV threshold.

In an effort to make sure only the cleanest cars remain attractive, HMRC is proposing new company car tax bands, with 50g/km the new threshold for ULEVs.

Alastair Kendrick, tax director at MacIntyre Hudson, acknowledged the need to revise company car tax to reflect the changes which have occurred in the company car parc, but he told *Fleet News*: "We have no assurances that HMRC is not seeing this as a fund raising exercise.

"Given the growing popularity of ultra-low emission vehicles with fleets, it is lowering the tax take on the company car population. It must not use these changes to increase the taxable benefit on these vehicles."

Company car tax currently divides ULEVs into two emission categories: 0-50g/km (predominantly battery electric and plug-in range extender hybrid vehicles); and 51-75g/km (such as heavier hybrid vehicles).

The overall CO_2 emissions value issued for ULEVs takes into consideration both their capacity for zero emission miles and the level of CO_2 produced when the car is running solely on a conventional combustion engine.

However, with vehicles having vastly different zero emission miles capabilities, HMRC says this may not be reflected fully in the CO_2 value alone. "The UK's top six selling ULEVs in 2015 had zero emission ranges varying from 15 to 340 miles, but were classified into only two ULEV company car tax bands, with cars capable of 340 and 32 zero emission miles currently in the same band," says the report. "An alternative approach to differentiate between ULEVs for the purposes of company car tax would be to base ULEV bands on how many zero emission miles a vehicle can offer as well as CO_2 emissions."

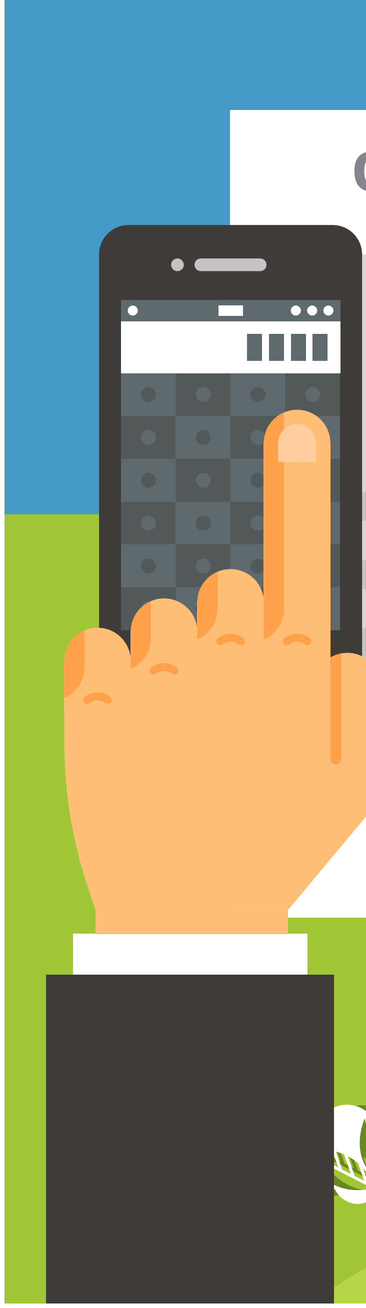
It suggests the 0-50g/km band could be further divided into five bands: less than 20 zero emission miles; 20-39; 40-69; 70-129; and 130-plus zero emission miles.

The Vehicle Certification Agency, the UK regulator, has a database of the zero emission miles capability of all vehicles, which would make it readily available for comparative purposes. And, it would make HMRC's approach to company car tax consistent with the framework for the Government's plug-in car grant scheme.

The tax office said it would also provide "a clear incentive for manufacturers to move beyond vehicles with reduced CO_2 emissions but limited electric mile range, which risk being driven in combustion engine mode most of the time".

Gerry Keaney, chief executive of the British Vehicle Rental and Leasing Association (BVRLA), said: "The Government is right to explore whether zero-emission range could be used alongside CO_2 emissions to produce a more effective set of company car tax bands, but it needs to ensure that any new system does not become too complicated."

The consultation says it could be structured by creating a large number of narrow bands, which taper gently between



50g/km
potential new threshold for ULEVs

2020
when tax bands will be introduced

CONSULTATION LAUNCHED ON TAX CHANGES FOR LEASE ACCOUNTING

HM Revenue and Customs (HMRC) has launched a consultation on the new lease accounting standard published by the International Accounting Standards Board (IASB) in January this year.

The new standard takes effect from January 2019, and tax officials say it will necessitate changes to the existing tax rules for the leasing of plant or machinery, including company cars and vans, in the UK.

It will require companies to report all of their lease commitments as assets and liabilities on their balance sheets.

The IASB has said that more than 85% of those commitments are presently categorised as 'operating leases', which are disclosed only in the notes to financial statements. The remaining 'finance leases' – where the lease transfers substantially all the risks and rewards incidental to ownership of the asset to the lessee – are currently reported on company balance sheets.

For lessees adopting the new standard, HMRC said the current link between accounting and tax treatment will be broken and changes will need to be made to the tax legislation. The changes could simply preserve the effects of the current tax treatment or could introduce a new regime.

But HMRC said it will not change the relief available to lessees or tax liabilities for lessors, but could affect the timing of the charge and relief. HMRC added that UK businesses accounting under UK Generally Accepted Accounting Practice (UK GAAP) will not be affected unless UK GAAP changes its lease accounting to fall in line with the international standard.

The fleet industry has until October 30 to have its say.

To have your say, visit: www.fleetnews.co.uk/cct-consultation

How the suggested new tax bands might look

"They must not use these changes to increase the taxable benefit on these vehicles"

Alastair Kendrick, MacIntyre Hudson

0-75g/km, or by employing a smaller number of wider emission bands, similar to the current ULEV bands, thereby creating "cliff edges".

However, wider bands give no fiscal incentive to choose a car at the cleanest end of the band and less of an incentive for manufacturers of cars, which are not close to a band boundary, to improve environmental performance.

In addition, two types of car falling on either side of a 12-band boundary might be close in environmental performance but attract very different company car tax rates, which "could be perceived to be unfair", according to HMRC.

The details were included in the consultation on company car tax, which was launched alongside two other consultations proposing changes to fleet-related taxes.

HMRC is reviewing tax rules for plant and machinery, including cars and vans, to accommodate new lease accounting standards (see panel) and limiting the tax benefits of some salary sacrifice arrangements, including cars (see page 9).

The Government announced in Budget 2016 that it would consult on refining the bands for ULEVs, but it would continue to use CO_2 emissions to determine company car tax rates (fleetnews.co.uk: March 16).

Colin Tourick, professor of automotive management at the University of Buckingham business school, said: "The review gives the Government a golden opportunity to straighten out one of the giant failings of the current company car tax regime; the fact that it encourages company car drivers to focus on carbon dioxide emissions, but totally ignores the damage caused by nitrogen emissions.

"While saving the planet is a noble aspiration, you would have thought that saving the lives of the thousands of people killed every year in the UK by NOx emissions should be a priority too."

Tourick wants to see a hybrid system of taxation that encourages drivers to choose cars that are low in both CO_2 and NOx emissions. "This would see a move away from diesels, which can only be a good thing," he said.

The Government says it will consider all responses to the consultation, which runs until October, before publishing new bands in the autumn, ahead of setting new company car tax rates from 2020-21 onwards in Budget 2017.

FLEET FACTS AND FIGURES

OPINION POLL

Do you use the HMRC online service to check your company car tax is correct?

FleetNews view:
More than 100,000 people have used an HM Revenue and Customs (HMRC) online service – available via the Personal Tax Account (PTA) – to ensure their car and fuel benefits are correct. It means company car drivers can keep tax affairs up to date in real time, giving them more control by telling HMRC about changes that need to be made as soon as the circumstances around the use of their company car change – and immediately see the impact a change has on their tax code.

This week's poll: How long will diesel remain the dominant powertrain of choice for company car drivers?
fleetnews.co.uk/polls

MOST COMMENTED ONLINE

UK diesel prices top EU league table

fleetnews.co.uk/news

UK AVERAGE FUEL PRICES

Diesel (ppl) 110.24 ↓
Unleaded (ppl) 111.40 ↑

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

Tax benefits of salary sacrifice reduced by HMRC crackdown

Changes will hit basic rate tax payers – about 80% of participants – hardest

By Gareth Roberts

Company cars have been 'caught in the crossfire' of a Government crackdown on salary sacrifice, according to a major supplier of the workplace benefit.

HM Revenue and Customs (HMRC) says that employers who want to offer the benefit will still be able to do so – but added that the tax advantages for some "will be reduced".

David Hosking, chief executive officer at salary sacrifice provider Tusker, told *Fleet News*: "Salary sacrifice cars have been caught in the crossfire as the Government seeks to eliminate the practice of employers offering benefits that either do not attract any tax on a benefit in kind (BIK) or those that solely deliver tax savings. Company cars clearly do not fall into this category."

HMRC says that growth in salary sacrifice represents an increasing cost to the Exchequer and creates an uneven playing field between employees and employers who use such arrangements and benefit from the tax advantages, and those that don't. "We want employers to continue to offer benefits to their employees, but need to balance this with the interests of all taxpayers," it said.

The Government is proposing to change tax legislation so that where a BIK is provided through salary sacrifice it will be chargeable to income tax and Class 1A National Insurance Contributions (NICs), if the taxable value is higher than the salary sacrificed.

However, it has ruled out any changes to pension saving, employer-supported childcare and the cycle to work scheme. Other schemes, including the provision of company cars, are subject to the consultation, which was launched last week.

Alastair Kendrick, tax director at MacIntyre Hudson, said: "Salary sacrifice schemes are very costly for the Government at a time when they need to raise funds."

However, research carried out by Pricewaterhouse Coopers found that many salary sacrifice cars are tax positive, due to the additional revenue from VAT on additional services, lease agreements and disposal costs (*Fleet News*, June 25, 2015).

Hosking claimed that the proposed changes would also have a much bigger impact on employees paying the basic tax rate than it will on those paying the higher rate of income tax.

"These proposed changes are regressive as they penalise lower-paid workers and drivers of low emission vehicles"

David Hosking, Tusker

Employees paying the basic tax rate will pay an additional 12% NI, whereas those paying 40% income tax will see an increase of only 2%.

Research by the British Vehicle Rental and Leasing Association has shown that 80% of salary sacrifice drivers are basic rate tax payers.

Hosking said: "Many of these are public sector workers who have received minimal pay increases over the last few years and use salary sacrifice to make their pay go further."

He also believes that the Government is at risk of contradicting its own stated aims and objectives regarding low CO_2 vehicles. He said: "The proposal will unfairly penalise drivers of low CO_2 vehicles in order to recoup lost tax revenue, contradicting the original policy."

The uptake of low CO_2 vehicles, hybrids and electric vehicles is much higher under salary sacrifice than for new car sales as a whole, with average emissions of 101g/km compared with 121g/km for all new car registrations.

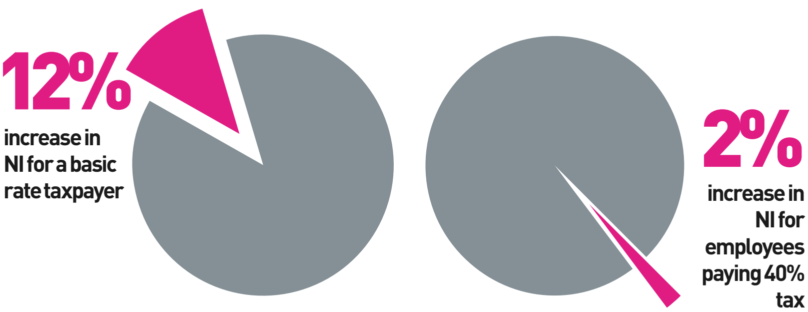
Hosking concluded: "Salary sacrifice for cars opens up the opportunity to drive a brand new car to a much wider employee population. Company cars are no longer reserved for sales people and perk car drivers.

"These proposed changes are regressive as they penalise lower-paid workers and drivers of low emission vehicles, they will halt the move from older cars to safer and lower emission cars, and this will not necessarily lead to greater tax revenues for the Treasury."

The fleet industry has until October 19 to respond to consultation, with new rules expected to be adopted from April 2017, but it is understood they will not apply to existing arrangements.

Following the change, employers would be required to report any BIKs provided through salary sacrifice to HMRC in the same way as other taxable BIKs that they report. This could be through the P11D process or by voluntary payrolling. The BIKs would also need to be reported on form P11D for Class 1A NICs.

For more on PwC's 2015 salary sacrifice research, visit: www.fleetnews.co.uk/salarysacrifice



Amey's entire fleet will now be managed by Hitachi Capital Vehicle Solutions

Amey outsources to Hitachi in biggest deal of its kind in the UK

Six-year contract expected to save £15 million in operational costs alone

By Stephen Briers

Amey has signed a six-year contract to outsource the funding and management of its vehicle fleet to Hitachi Capital Vehicle Solutions in a deal believed to be the biggest of its type ever signed in the UK.

The infrastructure and utility support services provider expects to save £2.5 million in operational costs alone each year.

It becomes the second major Fleet200 organisation to enter a sole-supply outsourcing agreement, after Balfour Beatty signed a five-year/£100 million contract with Lex Autolease in 2014 (fleetnews.co.uk, July 2, 2014). That agreement saw Balfour Beatty move its 6,000 cars and vans to Lex.

Amey's two-stage contract with Hitachi saw a sale and leaseback of the firm's vehicle fleet at the end of March with the full outsource contract coming into effect in July. It runs until summer 2022.

Tom Lawless, Amey Fleet and Plant director, said the decision to outsource its fleet solutions was part of a wider company strategy to look at overheads and the cost of fleet investment.

"We wanted to plug into something that was already out there, especially on our mission critical vehicles, our heavy assets and our heavily modified vans," he said. "For a partner to deliver tier one across all of these, there was only one – Hitachi."

He added: "I can't think of any organisation that has signed an agreement of this length. We wanted a partner that would work with us for several years to deliver benefits across that period."

The contract covers all of Amey's 8,500 assets, from cars to heavy commercial vehicles, and saw the transfer of some of its fleet team to Hitachi. The team has more than halved in size from 85 people to fewer than 40.

"We are still responsible for lots of the fleet management but we are moving from transact and execute to manage and improve," Lawless said. "We were in the way: the supply to demand contracts were coming through Amey Fleet and Plant and it was inefficient."

The company had an existing seven-year relationship with Hitachi for the funding of 1,600 cars and vans, but the two organisations moved closer after Hitachi won a salary sacrifice contract just prior to Amey tendering for the sole supply agreement.

8,500
Number of Amey assets covered in the deal

£2.5m
Savings expected per year

"We wanted a partner that would work with us for several years to deliver benefits across that period"
Tom Lawless, Amey

Lawless said it provided evidence of Hitachi's commitment to ongoing investment in IT and technology systems.

"It's about future-proofing the deal and how IT will develop in the future," he added. "Hitachi is our eyes and ears, our consultant in the marketplace.

"Also important was safety and compliance of our assets and their operational use – there were clear benefits to the business [of outsourcing]."

Amey expects to make the savings on overheads, while the contract includes gain share mechanisms whereby both companies benefit from any additional cost savings as part of their partnership. "It provides motivation and incentive to identify new opportunities [to save money]," Lawless says.

Some of those opportunities could sit outside the core fleet management agreement to benefit other areas of the Amey business.

Lawless explained: "We fit LED lights for street lights and Hitachi makes them. They cost a lot of money so we will be able to explore outside of our outsource and direct delivery where there are add-on opportunities across the Amey group like this. It underlines the partnership element."

Jon Lawes, managing director, Hitachi Capital Vehicle Solutions, pointed to Hitachi's "proven methodology", which focuses on 12-month plans to identify customer problems and develop solutions.

"A lot of issues are about utilisation, especially where vehicles are kept for 'just in case' situations. We look at costs and opportunities and set targets up front," he said.

Lawes added: "We have built a close relationship with Amey which has resulted in this new partnership. Being entrusted with the management of their entire fleet, including vehicles critical to maintaining parts of the nation's infrastructure, is a great responsibility. This appointment demonstrates our ability to fund and manage the most complex and mission critical fleets operating in the UK."

He believes more organisations with complex van and truck operations will look to outsource fleet management in order to free up time to focus on data analysis and strategy.

■ Turn to pages 28-29 for more on Hitachi's growth plans.

More fleets switching to plug-ins: only 28% go to private buyers

More than 15,000 EVs registered to fleets in the first half of this year alone

By Gareth Roberts

Fleets are driving the uptake of plug-in vehicles, with just one in four being registered to private buyers, new data suggests.

The lion's share – 72% of plug-in cars – was registered to businesses in the first six months of the year which, including July's registrations, equates to more than 15,000 units – a 45% increase when compared to last year.

Transport Minister John Hayes said: "It is fantastic that so many companies are leading by example and adding electric vehicles to their fleets, and we want more to follow suit. These companies will benefit from the fuel and tax savings that electric vehicles offer, as well as helping to protect the environment."

However, in terms of market share, plug-in registrations accounted for just 1.7% of the 887,168 cars registered to fleet and business so far this year.

In fact, when plug-in hybrids are taken out of the equation, pure electric cars account for just 0.5% of the fleet market – some 4,000-plus units.

Their market share could be about to increase however, after Go Ultra Low – a campaign group that involves Government, carmakers and trade body the Society of Motor Manufacturers and Traders (SMMT) – said that more companies have pledged to increase their plug-in fleets.

In total, 65 organisations have now been awarded 'Go Ultra Low Company' status since the initiative was launched in May 2016 (fleetnews.co.uk, August 11).

Public and private sector organisations that already use EVs, or offer them to employees as company cars, are eligible to join the scheme, providing there is a commitment for plug-in vehicles to make up at least 5% of their fleet by 2020.

Poppy Welch, head of Go Ultra Low, told *Fleet News* that the response to the fleet-focused scheme has so far been "excellent".

Interest has come from both the private and public sectors, ranging from small businesses to the 800-year-old University of Cambridge: an "eclectic mix", according to Welch, which is "setting an example for the rest of the UK".

Transport for London (TfL), one of the organisations recently awarded Go Ultra Low Company status, says it will have 120 plug-in vehicles on its fleet by 2018, up from the 16 it operates today and well in excess of the 5% target required.

The broad range of plug-ins appeals to both private and public sector fleets

"It is fantastic that so many companies are leading by example"

John Hayes, DfT

72%
of plug-in cars registered to fleets in 2016

45%
rise in EVs registered to fleets (year-to-date)

Lilli Matson, TfL's head of strategy and outcome planning, said: "Our fleet of electric vehicles keeps the capital moving by helping to maintain the street network and keep buses on the roads.

"It is essential that while doing this we minimise the impact on the environment. The granting of Go Ultra Low Company status is a welcome recognition of our efforts to lead by example and address the challenge of cleaning up the capital's toxic air."

Matson appealed for other fleets to sign up to the Go Ultra Low initiative. "I would urge as many of the city's businesses and institutions as possible to aim for this standard," she said. "Increased uptake of environmentally-friendly transport creates a virtuous circle of economies of scale, cheaper vehicles and the creation of a mass market."

The University of Cambridge is one of five British universities to sign up to the scheme - with its nine EVs currently representing a 9% share of its total fleet. It aims to increase this share to 20% before the end of the decade.

Among the private sector organisations signed up to the Go Ultra Low Companies initiative are Britvic, Co-wheels and Vital Energi.

They all plan to increase the share of plug-in vehicles on their fleets. Britvic currently has 20 EVs and plans to increase that to at least 50 units by 2020 – equivalent to 10% of its total fleet. Operating 70 EVs, car club Co-wheels says it wants to increase its share of plug-in vehicles from 14% to 40% in the next three years, while Vital Energi, with 32 EVs already in operation – 35% of its fleet – aims to increase that to at least 40% by 2020.

Welch concluded: "With more and more electric vehicles now available, we encourage every organisation and fleet to consider switching to electric."

For the most popular plug-ins on UK roads, visit fleetnews.co.uk/plug-in-registrations

Government 'failing' as figures show rise in road casualties

Casualty rate rises 1.9% with an estimated 11 at-work drivers dying each week

By Gareth Roberts

The Government's road safety record has been criticised after figures showed a 1.9% increase in the number of people killed or seriously injured on Britain's roads.

In the year ending March 2016, 1,780 people were killed with a further 22,830 seriously injured. The total casualty figure in the previous 12 months was 22,404.

Experts suggest that one in three road casualties is work-related, which equates to approximately 11 at-work drivers being killed each week.

Up until 2011, figures from the Department for Transport (DfT) showed that year-on-year there were significant reductions in road casualties. But, during the past five years that downward trend has stagnated – indeed, since 2013 there has been a 6% increase in the number of fatalities, which has risen from a low of 1,676.

David Davies, executive director of the Parliamentary Advisory Council for Transport Safety (PACTS), said: "The Government is failing in its manifesto commitment to reduce the number of road users killed or seriously injured. We need to see stronger action on a range of fronts, particularly drink-driving, which accounts for 13% of all deaths."

Looking at incident rates according to road type during the year ending March 2016, crashes involving fatalities on motorways and A roads increased by 3% from 1,014 to 1,040. Fatal accidents on minor roads fell by 2%, from 644 to 630 over the same period.

In terms of speed, more than half (56%) of fatalities also occurred on roads with a speed limit of more than 40mph (non-built-up roads). DfT figures suggest that the number of crashes increased by 4% on this type of road, while there was a 4% decrease on roads with a speed limit of up to and including 40 mph (built-up roads).

However, there is some uncertainty over the DfT figures. The provisional statistics are based on data supplied by police forces, which some failed to supply – leading to the DfT having to estimate incident rates.

Four forces – Dorset, Greater Manchester, Merseyside and the Metropolitan Police – have not provided data for March 2016 and three – Gwent, North Wales and South Wales – have not provided any data for the whole quarter (January to March).

Emergency services deal with another road accident

Davis said: "The Home Office needs to make clear that accurate and timely reporting is essential."

The Government's figures come in the wake of new research from Aviva which shows 83% of drivers 'switch off' during routine car journeys. More than a third (38%) had a suffered a near miss and 16% had been in an accident or damaged their car after not giving the road their full attention.

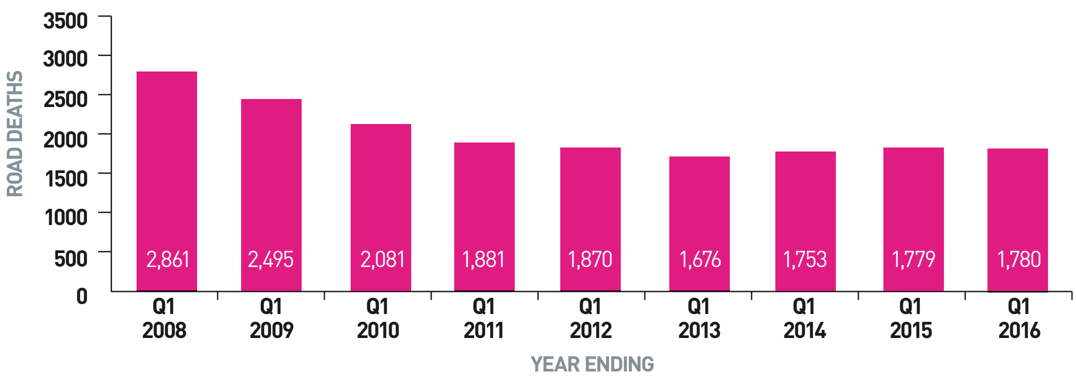
Road safety expert Terry Lansdown, senior lecturer at the Heriot Watt University, said: "Driving is a complex task, in which many things compete for our attention with safe control of the vehicle.

"Often, a second or two of distraction doesn't have a detrimental effect. However, in some situations, even a very brief loss of attention can have tragic consequences."

The Aviva study indicates that, when on familiar routes, motorists are more likely to listen to music (73%), talk to other passengers (40%), look at something outside (24%) and think of things other than driving (21%), all of which can lead to dangerous driving. But, when driving on unfamiliar routes, motorists take more precautions. They plan the route in advance (73%), leave more time to reach their destination (58%) and make more effort to drive carefully (29%).

Adam Beckett, propositions director for Aviva, said: "It is important that drivers stay focused no matter how routine the journey is, not just for their own safety, but also for the safety of passengers and other road users."

ROAD DEATHS: ROLLING YEARS ENDING MARCH, 2008-16



"In some situations, even a very brief loss of attention can have tragic consequences"

Terry Lansdown, Heriot Watt University

1,780

People killed on the roads in the 12 months up to March 2016

38%

of drivers say they had suffered a near miss after losing concentration behind the wheel

Road safety bodies call for action: www.fleetnews.co.uk/casualty-action

Decade of under-investment on UK roads takes its toll

Condition of road network worsens with sharp rise in pothole damage

By Gareth Roberts

Concern is mounting at the state of the UK road network after yet another report called for urgent action to address the issue.

Research from Audit Scotland shows that spending on motorways and key trunk routes maintained by Transport Scotland fell by 4% between 2011/12 and 2014/15. The proportion in acceptable condition also fell from 90% to 87% over the same period.

Transport Scotland also spent £24 million less on structural maintenance in 2014/15 than it considered necessary to maintain road conditions at current levels.

Councils maintain most of Scotland's road network. The proportion of these roads classed as being in acceptable condition has remained constant at around 63% over the four years 2011/12 to 2014/15. Council spending on maintenance fell by 14% over the same period.

Auditor General Caroline Gardner said: "A well-maintained road network is vital for Scotland's economic prosperity. We cannot afford to neglect it. What is needed is a longer term view which takes into account the need for new roads and the proper maintenance of what we have at present."

The Audit Scotland report comes in the wake of a 10-year analysis of RAC breakdowns caused by potholes.

The study, which compared the percentage share of the RAC's pothole-related breakdowns to all other types of call-out alongside historic rainfall and frost data, revealed a 125% increase from 2006 to 2016 in the proportion of vehicle breakdowns where poor road surfaces were likely to be a contributory factor (fleetnews.co.uk, July 30).

In the 12 months ending in June 2006, pothole-related breakdowns, such as damaged shock absorbers, broken suspension springs and distorted wheels represented an average of 0.4% of all RAC call-outs. In stark contrast however, at the end of the 12 months to June 2016 this percentage had risen to 0.9% (21,600 call-outs).

Previous research from the RAC has shown damage to company vehicles due to potholes is one of the top business bugbears for fleets (fleetnews.co.uk, June 16).

In total, 46% of fleets listed pothole damage as their main concern from a list of possible grievances, with only 20% saying they were concerned about the prospect of an economic slowdown. In terms of company-operated vehicles, the RAC said it had seen a 16% increase in damaged suspension springs, from 1,249 in 2014 to 1,455 in 2015.

Jenny Powley, sales director for corporate business at RAC Business, said: "The time spent off the road due to the damage caused by potholes can amount to hundreds of pounds a day in lost productivity."

To address the pothole problem, the Government has set aside £6bn to fund local road maintenance between 2015 and 2021, and announced an additional £50m in the budget to enable councils to fill almost one million potholes.

However, the Asphalt Industry Alliance says that overall budgets for highways departments in England have dropped by 16% and experts estimate that around £12bn would be required to get roads into a reasonable condition.

RAC chief engineer David Bizley said: "It is clear that the effects of insufficient investment over much of the last decade are going to take some considerable time to rectify.

"Without local roads that are fit for purpose, the benefits of the Government's investment in national transport infrastructure may never be fully realised."

Bizley believes "bold and imaginative action is required" to address the underlying deficiencies in local roads.

"Existing funding arrangements are complex with central and local government sharing the cost," he said. "While £6 billion has been allocated by the DfT for the period 2015-2020 for local road maintenance and development, and further funding is available through the Local Growth Fund, the RAC would like to see local roads given the same priority and treated as a strategic asset."

■ **RAC calls on Government to address the pothole problem, see page 21.**

Potholes – one of the top bugbears for business fleets

125%
increase in the proportion of vehicle breakdowns due to poor road surfaces

46%
of fleets listed pothole damage as their main concern

"Bold and imaginative action is now required"

David Bizley, RAC

See how Ford is developing pothole mitigation technology, visit fleetnews.co.uk/ford-potholes

Don't be confused by the contradiction, the All-New Kia Niro knows exactly what it is. Both stylish and practical, with both great driving dynamics and enhanced safety features, all wrapped around two efficient hearts. Our Lithium Ion Polymer Battery and 1.6 GDi petrol engine deliver power when and where you need it.

With reliable features such as 8-inch Navigation System†, Advanced Smart Cruise Control‡ and wireless phone charging** the Niro is not just the first hybrid Crossover of its type, it's the first truly desirable hybrid.

All-New Kia Niro range from £21,240 P11D* and 15% BIK*

Fuel consumption in mpg (l/100km) for the All-New Kia Niro range: Urban 64.2 (4.4) – 74.3 (3.8), Extra

official EU test figures for comparative purposes and may not reflect real driving results. Model shown: All-New Kia Niro 'First Edition' 1.6 GDi 1.56kWh lithium-ion 139bhp 6-speed auto DCT. †Available on Grade '3' and up. ‡Available on 'First Edition' model only. **Available on Grade '3' and up. Please check with your dealer for

THE BIG PICTURE

By Sarah Tooze, deputy editor, *Fleet News*

You wait for the Government to address one fleet tax issue and then it tackles three at once. It has launched consultations on the company car tax treatment of ultra-low emission vehicles, lease accounting (see pages 6-7), and salary sacrifice schemes (see page 9).

The first one is welcome as it should address the criticism that the current regime focuses too much on carbon dioxide, through the current benefit-in-kind tax bands, and not enough on other issues such as nitrogen oxide.

But there is one caveat – any new regime would not be well-received by the fleet industry if it increases the administrative burden and is unnecessarily complicated.

The changes to lease accounting also pose that risk, although the debate about whether leased vehicles becoming 'on balance sheet' will really deter companies from contract hiring rumbles on. Research from Lex Autolease last year suggested that fleet operators would not change funding method provided they had the necessary management information.

However, more recently, our sister brand *Sewells Research & Insight* has reported that fleet operators are 'deeply concerned' about the impending changes.

The decision to include car salary sacrifice in a wider consultation when other benefits, such as cycle to work schemes, have been excluded seems a little misguided – particularly as hybrids and EVs are popular under such an arrangement.

Fifth annual CCIA cricket challenge

It was fifth time lucky for *Fleet News* in the annual Company Car in Action cricket challenge match on August 4, as they beat the manufacturers/Millbrook Proving Ground team for the first time. A special thanks to Olney Cricket Club for hosting the match again this year.

Fleet News batted first and the manufacturers, despite fielding a slightly weakened team after some late drop-outs, pushed them all the way, with the 11-run victory sealed only in the final over.

YOUR LETTERS

MOBILITY

Mobility is being wrapped up in jargon

EDITOR'S PICK

Ste wrote:

Having read 'Mobility: the evolution of fleet management' (***Fleet News*, July 23 2015**) I really think a lot of what is being talked about here is just being dressed up by people in the industry trying to look clever. For example, a fuel card which is now a 'Mobility' card is just a purchase card with a few more merchant categories opened up on it in the background. Second example: calling fleet managers 'mobility managers' because they are managers of multiple business spend categories? Tell you what, why don't we just call them category managers? Finally, classing electric vehicles as a 'new transport option'. No, it's not – it's just another car but with a different power source.

■ For more on mobility and fleet, see page 33 for our special features.

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

FREE FUEL

'Free' fuel is usually no such thing

Petrol Paul wrote:

Having read that recipients of 'free' fuel fall 42% in seven years (**fleetnews.co.uk, Aug 8**), I believe the decline in people 'taking' free fuel has very little to do with rising fuel prices and a lot to do with the prohibtive tax cost on this as a benefit. Broadly speaking, as a higher rate tax payer unless you are doing more than 12,000 private miles per annum – 1,000 per month – free fuel actually costs you money! I'm still staggered by the number of people I meet who have free fuel and do very few private miles but say giving up free fuel would be a 'hassle' as they would need to split private and business mileage. That said I'm sure the treasury are very grateful to this group of fleet drivers paying too much tax (I believe as a little token of their appreciation they allow the privileged 'K' tax code, which stands for 'kind of you').

LEASE ACCOUNTING CHANGES

Significant implications for corporates

Alastair Kendrick (MHA MacIntyre Hudson) wrote:
Having read 'Lease accounting changes "trouble" fleets, research shows' (**fleetnews.co.uk, Aug 10**), the results of this survey are very much in line with our findings. The impact of the balance sheet reporting is likely to have significant implications for corporates given their financial standing, which will impact in lending, etc. When this was first proposed we highlighted this issue across the industry but were told it would have little impact. Let us hope that corporates learn to live with these changes and manage to organise their finances accordingly.

ALFA ROMEO GIULIA

Unsure about Alfa Romeo pricing

Mr Bean wrote:
Having read 'Alfa Romeo announces UK prices and specifications for all-new Giulia' (**fleetnews.co.uk, Aug 8**), I am not sure on the pricing. It is very good looking but it should never be priced like an Audi or BMW – I guess the high discounts will be released very shortly when orders are low. On top of it I'm still not sure the dealer network is doing a good job for their current customers.

ECOTRICITY CHARGES

'Fair usage' gets you only 75 miles a week

Andrew Yau wrote:
Having read 'Ecotricity to introduce £6 fee for EV charging at motorway services' (**fleetnews.co.uk, July 7**), it's no good to switch to Ecotricity as it has stated the free use is under "fair usage policy" – the equivalent charge value is £300, which is approx 50 20-minute charges per year. That is less than a charge a week, going approximately no more than 70-75 miles a week max.

UNUSUAL CAR NAMES

The e-Bah gum, anyone? Nowt so queer as car names...

Len Benson wrote:
Having read 'Cap HPI reveal most amusing and unusual car names' (**fleetnews.co.uk, August 2**), VW offers an electric version of the Up supermini, called the e-Up.

When I first saw one, I assumed it was a limited edition for the Yorkshire market.

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Question:
What activity would you like to see added to the Olympics?

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FLEET OPINION

THE SME SECTOR

Tapping into the SME goldmine

By Steve Whitmarsh

SME businesses are often referred to as the engine room of the economy, and, while data is difficult to obtain, many commentators claim that around 80% of vehicles used for business are from the SME sector.

This has not gone unnoticed, with many contract hire providers having initiatives to entice SMEs into the world of leasing.

The needs of an SME are not dissimilar to the needs of a large organisation, and the sales process to convert these fleets to contract hire requires the same level of investment, thought and consultation. Therefore, beware of the contract hire company that has a dedicated department for SMEs (this generally guarantees SMEs get a lower level of investment, thought and consultation).

In actual fact, many SMEs are potentially sitting on a goldmine with 90% or more being outright purchased fleets, and a lack of attention from the industry is failing to help these businesses realise this value.

A typical SME with 20 vehicles, valued at an average of £6,000, would be able to add £120,000 to its balance sheet through a sale and leaseback, or, more likely with an ageing fleet, a 'sale and lease new'. So, why aren't they doing this?

Well, during the recession many funders would only consider fleets with 100 vehicles or more, and this drove the mid sector leasing companies to target larger fleets (some of them very successfully).

But this left a void that has been filled by broker networks that, although very good, have a transactional interest rather than a long term management interest in their customers.

The reality, of course, is that it is cheaper and easier for brokers to advertise on rate and chase transactional volume than it is to review an SME's fleet policy, and demonstrate the benefits of releasing capital.

And, ultimately you have the issue of inertia – because there are very few providers offering an all-encompassing solution to SMEs, it is just too much like hard work for an SME to dispose of its existing fleet and lease new.

"A typical SME with 20 vehicles valued at £6,000 would be able to add £120,000 to its balance sheet"

Steve Whitmarsh
managing director, Multifleet Vehicle Management

Jenny Powley
RAC business sales director corporate partnerships

For more fleet opinion from the industry, visit fleetnews.co.uk/opinion

POTHOLE INDEX

It is time for bold action on potholes

By Jenny Powley

The condition of the UK's roads has been declining substantially over the past 10 years, according to the RAC Pothole Index.

At the RAC we see at first hand the damage wrought on our customers' vehicles so we have taken a close look at breakdown data stretching back for more than a decade. The result is the RAC Pothole Index, which shows our patrols are called out to twice as many pothole-related incidents now than they were in 2006.

This obviously paints a very disappointing picture with the analysis suggesting that the quality of the UK's roads suffered a steady decline from the start of 2007 through to the end of 2009, presumably due to lack of investment in maintenance and resurfacing during worsening economic times.

Since then, we have seen injections of short-term funding which have gone some way to address the immediate aftermath of periods of extreme weather, but sadly have not been sufficient to tackle the underlying problem.

In short, we've had to put up with a 'make do and mend' approach, when what is actually needed is imaginative and bold action now in order to address the underlying deficiencies in local roads.

So although existing funding arrangements are complex with central and local government sharing the cost, the RAC would like to see local roads given the same priority and treated as a strategic asset.

Every fleet manager and business owner is only too aware of the cost to their operation of vehicle damage caused by potholes, which can range from punctures to damaged shock absorbers and broken suspension springs.

That is why, with a new Prime Minister and a Secretary of State for Transport now in place, it seems like the perfect time for them to demonstrate that they understand road users' concerns and transport spending priorities.

Looking at the bigger picture, without local roads that are fit for purpose the benefits of the Government's investment in national transport infrastructure may never be fully realised.

"Imaginative and bold action is needed now to address the underlying deficiencies in roads"

CITROËN

THE MAN BEHIND 29,000 VEHICLES

Keith Kerman, New York City's first chief fleet officer, has big targets to meet: create the largest EV fleet of any US city by 2025 and help end traffic fatalities and major injuries on New York's streets. *Sarah Tooze* reports

Think your fleet is high profile? Try being the boss of the New York City (NYC) Fleet. Collectively, NYC's 50 agencies, including NYPD (New York City Police Department) and FDNY (New York City Fire Department), operate 29,000 vehicles – making the NYC Fleet the largest municipal fleet in America with an annual spend of $808 million (£619m).

NYC Fleet has 37 workshops, 420 fuelling sites, 841 parking locations and more than 2,000 full-time staff. The man at the helm, who is responsible for supporting the 50 City agency fleets, is Keith Kerman, chief fleet officer of NYC Fleet and deputy commissioner of New York's Department of Citywide Administrative Services.

"Fleet has a brand that is well-known in New York City," Kerman says. "I can't turn on the TV without seeing one of our vehicles."

And if he walks into a toy store he is greeted with miniature models of NYPD and FDNY vehicles. "They are among the most popular toys in the country," he adds.

The chief fleet officer position was created in 2011 to get the 50 fleet agencies to work together and share services (see panel on page 24), with Kerman plucked from his role managing the City parks (including their fleet function) to take on the project.

He now has a key part to play in Mayor Bill de Blasio's ambitious plan to improve road safety, known as 'Vision Zero'.

"It's an effort to try and end traffic fatalities and major injuries on New York's streets," Kerman explains.

Approximately 4,000 New Yorkers are seriously injured and more than 250 are killed each year in traffic crashes. On average, vehicles seriously injure or kill a New Yorker every two hours – but as part of Vision Zero, NYC Fleet has committed to a series of steps to improve safety.

Using fleet management software (Fleet Focus) it has developed a comprehensive collision tracking system called Crash, which records collisions and evaluation reports, along with repair records, for each of the 50 agencies.

In 2014, there were eight fatalities involving NYC Fleet vehicles but last year there were none. Injuries also fell from 695 to 633, while the number of incidents classed as 'preventable' fell from 3,139 to 3,015.

Even so, NYC Fleet (excluding NYPD) had more than 6,133 collisions in 2015 and collisions still result in substantial costs. Last year alone, NYC Fleet spent $150 million (£115m) in collisions-related claims and litigations, mostly for personal injury.

As part of Vision Zero, NYC Fleet is using a combination of safety technology and training to tackle accidents.

It has fitted side guards to 500 of its trucks to help protect pedestrians, cyclists and motorcyclists, and is looking at the wider use of cameras and specifying autonomous emergency braking (AEB). Kerman strongly believes that AEB has huge potential as 50% of the fleet's accidents are currently rear-end collisions.

The iconic NYPD vehicles
come under Kerman's remit

The fire trucks of the FDNY are among the 29,000 vehicles in the NYC Fleet

FACTFILE

Organisation New York City Fleet, Citywide Administrative Services
Chief fleet officer and deputy commissioner Keith Kerman
Fleet size 29,000 vehicles across 50 agencies
Number of workshops 37
Number of fuelling sites 420
Number of parking locations 841
Number of fleet service and dispatch staff 2,000
NYC Fleet costs for 2015 financial year $808 million (£619m)

"I am more excited about AEB than I am about driverless cars," he announces. "We can take AEB today and worry about the rest later."

He is also in the process of rolling out telematics to the entire fleet, which he admits has not been "the most popular initiative" among drivers. "We have had some interesting drama," he adds.

More than 22,000 of the fleet's vehicles already have telematics installed. As well as tracking the vehicle's location, the device measures more than 20 indicators, including speed, seatbelt use and harsh acceleration or braking. In common with many fleet operators that use telematics, Kerman says there is "more data than we know what to do with" and he has recently signed a deal with Columbia University to help analyse it.

NYC Fleet is training all of its 35,000 non-emergency fleet drivers in defensive driving. Since 2014, more than 30,000 drivers have been through the one-day course, which focuses on actual City collisions and how to prevent them.

In addition, an educational video called 'Drive Like Your Family Lives Here' has been produced by NYC Taxi and Limousine Commission, Families for Safe Streets, Transportation Alternatives and the New York City Department of Transportation to tell the stories of five families whose lives have been devastated by traffic crashes.

"It brings home the reality that these things happen, they change lives and we can prevent that," Kerman says.

NYC Fleet has taken a firm stance on the use of hands-free phones with Mayor de Blasio introducing a ban in City fleet operations in May this year as research shows hands-free phone use while driving can be just as distracting as a hand-held phone or texting.

To increase the adoption of Vision Zero, NYC Fleet is partnering with private and public fleets that operate in the five New York boroughs.

It has set up a Vision Zero Fleets Safety Forum for fleet operators to meet and discuss safety initiatives. At the second forum in October last year more than 50 companies endorsed Vision Zero. The event also saw NYC Fleet hand out 'good operator' awards to City fleet safe drivers. The next safety forum will take place in November this year.

NYC also involves private fleets by carrying out surveys to get feedback on safety and general fleet operations. More than 10,000 surveys have been conducted with private fleets and NYC fleet operators in the past two years.

A key finding was that 61% believe backup (reversing) cameras are the most important equipment for improving safety (compared

NYPD cars – among the most popular toys in the US


NYC Clean Fleet in action

SHARED APPROACH SAVES £300 MILLION

New York City Fleet has reduced its costs by more $400 million (£300m) thanks to a shared service programme implemented by Keith Kerman.

He has cut the number of workshops operated by the 50 fleet agencies by 21% (from 47 to 37 sites), established a new parts operation and partnered with Property Room to introduce online vehicle auctions, a move which has freed up six acres of land.

He has also removed 475 non-emergency vehicles and introduced a car sharing service with Zipcar.

A new fleet management system (NYC Fleet Focus) from AssetWorks has played a key role, allowing the various agencies to look up fleet units and complete work orders. It produces a set of reports to help focus on critical performance areas within fleet, including asset management, parts, work orders and usage.

Fortnightly face-to-face meetings with representatives from the fleet agencies also help to ensure co-operation.

To continue the shared approach, Kerman has introduced a new fleet management manual this year and there are now 13 local laws that govern the City fleet.

"There have been bad weeks and months but, in general, sharing has worked," Kerman says.

to a backup alert system, navigational system, driver alert system, additional mirrors and spotlights/strobe lights/work lights).

Mayor de Blasio's targets for fleet extend beyond safety. Last December he set out an equally ambitious environmental agenda, under the banner NYC Clean Fleet. It sets a target of reducing greenhouse gas emissions from fleet operations by 50% by 2025 (against 2005 levels) and an 80% reduction by 2035 – equivalent to planting 6,000 trees.

The initiative will see 2,000 electric vehicles (EVs) added to the fleet by 2025, which will make NYC the largest EV fleet of any US city.

NYC Fleet is already one of America's most sustainable fleets with more than 7,000 alternative fuel vehicles, including hybrids, EVs, biodiesel (blends of 5%, 10% and 20%) and compressed natural gas (CNG).

Of the 50 agencies, NYPD has the largest number of alternative fuel vehicles and Kerman quips that an electric police car is "the nicest way to go to jail".

NYC operates 274 EV charging points, including a solar electric car port, which can charge three EVs. "It's not cheap but EVs weren't cheap to start with," Kerman says, pointing out that the price of a Nissan Leaf in America has dropped by $16,000 (£12,000) in the past few years.

"When we invest in hybrids they work. I'm hoping that in 15 years we get to zero as standard"

Keith Kerman, NYC chief fleet officer

He acknowledges that he can't yet prove the return on investment for pure EVs for maintenance and resale value as he is only in year three of tracking costs but NYC Fleet has been operating hybrid vehicles since 1999 and the maintenance costs are 30-40% better.

As part of NYC Clean Fleet, NYC is also using technologies such as start-stop and anti-idling in trucks and ambulances, and trialling higher blends of biodiesel.

It reports on fuel economy of newly purchased light and medium duty vehicles (a requirement by local law) and has already achieved above the Federal target of 35.6mpg for 2016. The 884 vehicles purchased this year have an average of 55mpg, with an order of 112 Nissan Leafs playing a big part.

NYC Fleet also tracks actual fuel economy, and while "nothing meets 'the sticker' [the official figure]", according to Kerman, hybrids perform better than conventional fuel vehicles. "When we invest in hybrids they work", he says. "Fifteen years ago, alternative fuel vehicles were not on people's radar. I'm hoping in 15 more years we get to zero as standard."

Keith Kerman was speaking at the Future Fleet Forum, organised by Local Authority Plant and Vehicles.

Look out for the September 1 issue of Fleet News for more on operating major fleets.

For more fleet profiles, visit: fleetnews.co.uk/industry-profiles

LAWES'S LONG-TERM PLAN IS PAYING DIVIDENDS AT HITACHI

Significant structural overhaul positions Hitachi Capital Vehicle Solutions as a 'trusted partner'. *Stephen Briers* reports

Twelve months ago Jon Lawes told *Fleet News* about his "outrageous ambition": to take the UK's 10th biggest leasing company into the FN50 top five by 2018.

The Hitachi Capital Vehicle Solutions managing director was just three months into the role following his promotion from managing director of the Commercial Vehicle Solutions division. He had the bullish aspirations, but not the plan; at the time he was embarking on a strategic overview of the business.

Now a plan is in place and changes are already afoot after a structural overhaul of the business earlier this year which saw some people leave (not an easy part of the job, Lawes admits) and others join. His team is now in place.

The strategic review included employing an independent consultant to carry out face-to-face interviews with Hitachi's 15 biggest customers. Their views helped to shape the new vision: to be a trusted partner.

"Generally there is a lot of mistrust in financial services," says Lawes. "Our vision is about long-term relationships."

The biggest change has seen the creation of one business with one leadership team. Previously it was divided across cars, commercial vehicles and the driver instructor operation. Specialisms remain, but they have been reorganised around the needs of customers, explains Lawes.

This has resulted in the creation of three market sales channels. The first, personal and SME, is, says Lawes, the fastest growing sector. It consists of personal drivers and businesses that typically have fewer than 50 vehicles which value speed, online self-service options, competitive deals and easy of working.

The next – corporate fleet – is the largest, consisting of companies with more than 50 vehicles but whose vans are not complex build. Previously these customers would have dealt with both Hitachi's car and CV divisions.

The final channel is specialist assets – HGVs, plant and specialist, and mission critical vans, where downtime and annual savings are crucial.

£200,000

Amount lost by one operator in stolen kit

FOUR KEY MOVES THAT ARE DRIVING FLEET EFFICIENCY

1 MISSION CRITICAL AND ASSET MANAGEMENT TEAM

This team is charged with improving utilisation and asset performance, with telematics data management and proactive maintenance of assets. It includes supply chain engineers who ensure parts are available and repairers are aware of fleet needs, and downtime specialists, while Hitachi has recently moved to 24/7 assistance. "We have extended our working hours to match our customers' working hours," says Lawes.

2 CONNECTED SERVICES

Unlike some competitors, Hitachi is not developing its own systems, nor is it preventing customers from switching on manufacturers' connected services.

"Our view is that many cars have it embedded already and we are working with manufacturers to turn on all the data services because that's putting our customer first," says Lawes. "While that might be a threat regarding cars going to dealerships that we don't want them to, if we turn it on its head, it means there is an opportunity to provide more services to our fleet customers."

This includes the management of multiple pieces of data by pulling the information together via the cloud. "Our role is to take the data in different formats to provide consistent reporting for our customers. That way we can drive processes in a practical way to deliver a better service to customers."

3 INTELLIGENT ASSET MANAGEMENT SOLUTION

A major issue for fleets is the theft or loss of tools and equipment, such as helmets, gloves and harnesses, from the back of trailers. One customer alone spends £200,000 a year on replacing this type of kit.

Hitachi has been working on a solution to manage the whole asset, not just the vehicle, for the past 18 months and is ready to start trials. The concept is to fit supermarket-style RFID tags to all the equipment, which will reduce downtime and improve utilisation. The tags, which cost around 15p each, will also help to prevent vehicle overloading.

"Everything is logged by a scanner as the van leaves the yard and is logged back in when the van returns, so all missing items can be identified and retrieved. Staff who lose the most equipment can be identified," says Lawes. "This is about linking the plant proposition with vehicle downtime to manage everything together."

4 RECYCLING/REFURBISHMENT OF LCV BODIES

Hitachi says around 80% of van bodies can be refurbished for a double-life rather than written off over one lease, which reduces rentals. Key markets include home delivery with refrigerated bodies.

"Savings can reach 25-30% of the capital cost and that translates to 25-30% reduction in the lease rate," says Lawes.

Hitachi has designed the refurbishment process itself which means it can move bodies from one type of van chassis to another, and even change the size of the body. "It drives a different conversation with customers when we are going to tender – it's an example of our savings initiatives," Lawes explains.

Specialist assets are a core part of the Hitachi business

"We have reorganised our senior management team to be one business but we go to market through our three customer bases," says Lawes. "The FN10 can do the first two, but not the third."

The new structure is already paying dividends with the announcement that Hitachi has been awarded the sole leasing and fleet management contract for Amey's fleet of 8,500 vehicles in a six-year deal (see news page 10).

It has also re-signed eight of nine contracts that were up for renewal this year out of its 15 biggest customers (the one it didn't, Environment Agency, has gone elsewhere for its cars but continues to work with Hitachi on its plant and specialist vehicles). Clearly it pays to talk.

Growth has been identified at all levels of the business, not least in cars. Hitachi has been a long-time advocate of blending funding solutions but few fleets were willing to look at the concept. That's now changing, according to Lawes.

"Out of our top 10 customers, we are talking about blending funding to four of them, whereas three years ago it was too complicated for them," he says. "We already have some customers on blended, which is typically contract hire and ECO."

Lawes believes ECO – employee car ownership schemes – is "back on the agenda, particularly for fleets of 1,000-plus as part of the blended solution", as it gives a certain type of driver the most tax-efficient funding option.

"High residual values and low taxation policy drives the ECO conversation," he adds.

ECO is often viewed as an 'either or' option with salary sacrifice, but Lawes says Hitachi is seeing demand rise for both. In the past six months alone, the company has signed 12 new customers to its salary sacrifice scheme.

Across all its 23 salary sacrifice customers, it is averaging a penetration rate of almost 10% over the first two years. It is now funding more than 8,000 cars in this way.

"We have a fully insured policy now so we manage all the risk from early terminations," says Lawes. "And we have a salary sacrifice 'light' product for companies with 1,000 to 5,000 employees which is a more off-the-shelf product than bespoke. We don't see salary sacrifice working with fewer than 1,000 employees because of the penetration levels."

"Delivering KPIs does not deliver the next contract; they are just the basics that give you the right to have another conversation"

Jon Lawes, Hitachi

FACTFILE

Company Hitachi Capital Vehicle Solutions
Managing director Jon Lawes
Time in role one year five months
Funded fleet 51,241 - Cars 34,113; vans 16,014; HGVs 1,114

For more industry profiles, visit fleetnews.co.uk/industry-profiles

Hitachi's new business outlook enables it to put the greatest resource where it is most needed but the decision to bring the teams together also enables it to share disciplines across the business.

Lawes says his philosophy is long-term – about working with customers for life, not just for short-term profits. A key business measurement is about the longevity of customer relationships and this comes down to complete transparency and the ability to prove what the company has delivered over and above the terms of the agreed contract.

"Delivering KPIs does not deliver the next contract; they are just the basics that give you the right to have another conversation," Lawes says.

"We have a proven methodology that looks at 12-monthly plans with customers where we identify their problems and look at solutions. We look at their costs and the opportunities and set targets up front. We won't win contracts simply by delivering KPIs."

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- Telematics - A true 'smart' mobility partner

The Fleet Insight Theatre

These free seminars are specifically aimed at HR, Finance/Procurement managers and small and medium sized business owners or directors who are responsible for vehicle fleets.

Topics covered will include

- **Funding company vehicles**
- **Driver safety**
- **Legislation**
- **Duty of care**

Breakfast for Beginners

Aimed at new fleet managers (including HR/finance/procurement professionals) who suddenly find themselves responsible for company vehicles, the Breakfast for Beginners session will give visitors an introduction to fleet management.

Ask Nigel

In Fleet News regular feature, **Nigel Trotman** gives advice on your fleet challenges and queries.

At this year's Fleet Management LIVE, Nigel will be appearing in person on both days to answer your fleet related queries during hosted group sessions.

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FLEETS AND MOBILITY

Taking control of all forms of staff travel – not just company cars – could reduce cost, risk and CO_2 for your company, and help you prepare for the future of fleet management

INSIDE

WHAT IS BUSINESS MOBILITY?

The phrase has become popular in the fleet industry, but there is still confusion as to what it actually means. *Andrew Ryan* asks leading suppliers and organisations for their definitions and how their visions will shape the future of fleet management

PAUL HOLLICK

'IMAGINE A WORLD THAT LOOKS LIKE THE MOVIE *MINORITY REPORT*'

What does business mobility – or mobility management – really mean for the vehicle fleet operator as we head towards 2020? For me and my colleagues on the Institute of Car Fleet Management (ICFM) Board, it is really quite straightforward.

Three industries are coming together very quickly – these being fleet, travel management and payments – and they are colliding due to the adoption of technology, primarily mobile phone/4G technology.

This means fleet is changing to all forms of transportation – the role now becomes 'how to get an employee from A to B' in the most cost-effective, efficient and cleanest way possible. Fleet management is moving away from just managing a vehicle.

The successful fleet manager's DNA is now very different to any time previously and it requires much more emphasis on connected living (including the car); demand responsive transport (trains, planes and automobiles) and a willingness to completely embrace the autonomous vehicle technology revolution in all its guises, coupled with the management of 'big data'.

What's next? No idea! But maybe the future is clearer in the longer term. The pace of change in our industry is increasing and fleet operators need all the help they can get if they are to succeed in this complex but nonetheless exciting and challenging period. Additionally, the speed of change in technology is also increasing – so things that were 10-20 years away are now only three to four years away.

Imagine a world that looks like the movie *Minority Report*. Automated vehicles – particularly in urbanised areas – being the main way of life, low carbon technologies, vehicle sharing, mobility rather than leasing and retina/ GPS designed specific marketing. The new generation (call them either Generation Y or the Millennial Generation) who are now arriving into employment have a completely different mindset – one that is not particularly concerned about owning a car or owning anything. It is now all about "usage".

In fact, due to excessive insurance costs, they also do not even mind being tracked by telematics. A world where organisations know your movements and keep data about you is not a problem to them.

Europe has two mega-cities in London and Paris but more and more people are flocking to cities that are growing, so it is only a matter of time until Governments in all parts of the world will be forced to properly address public transport connectivity.

PAUL HOLLICK is chairman of the Institute of Car Fleet Management

GRAEME BANISTER

'THE FUTURE WILL SEE INCREASING INTEGRATION'

Frost & Sullivan tracks market trends and has undertaken research into corporate mobility across five European markets, including the UK.

As part of this we created a definition. Corporate mobility means all local, regional and international travel requirements of a business (including commuting and business travel) on behalf of the company – and all of the associated facilities, processes, policies and products required to determine need, control policy, manage the travel activity and financially reconcile. These include:

- Fleet management
- Business travel management and policy
- Employee daily commute benefits or policy
- Travel and expense management platform
- Travel related facility management

In summary, mobility solutions developed in the retail space are robust enough to offer as a B2B service and providers are now pushing hard to exploit this channel with simple messaging – such as saving 10% on your ground transport costs, for example.

The future will see increasing integration of fleet, business travel and expenses management – covering all modes of transport where deployed solutions allow mobility users to search, book, pay, be supported in-trip and then seamlessly reconcile the costs.

GRAEME BANISTER is director of consulting, mobility, at Frost & Sullivan

GERRY KEANEY

'TECHNOLOGY IS BLURRING THE TRADITIONAL BOUNDARIES'

Mobility, and Mobility as a Service (MaaS), represent a fundamental shift in the way individuals and businesses are planning their transport needs.

Traditional models of car use are being eroded in many urban areas, where congestion and air quality issues have seen the introduction of a number of anti-car measures.

Meanwhile, a younger group of motorists is embracing a service-based mentality by renting or using shared vehicles, instead of owning them. This same generation is increasingly comfortable with a digital, smart-phone-enabled approach to buying and using mobility services.

Technology is blurring the traditional boundaries between car clubs, vehicle rental and leasing. It has seen the introduction of services that offer journey planning and bookings for these and a number of other transport modes.

The concept of MaaS is now being embraced, as it provides users with seamless, on-demand access to a range of transport modes tailored to their individual needs. Instead of viewing transport as a series of separate journeys, it is integrated and brings together every kind of transport in a single, intuitive mobile app that combines options from different providers.

Rental and leasing companies continue to play a key role in this world of mobility services, whether they are delivering a bespoke solution or something that has been bought off the shelf. New technology is one thing, but fleet management expertise and a dedication to customer service will always have a value – and BVRLA members have years of experience of delivering innovative and cost-effective services to their customers.

GERRY KEANEY is chief executive of the British Vehicle Rental and Leasing Association

MARK GIBSON

'TODAY'S TALENT WANTS TO CONNECT AND COLLABORATE WHILE THEY TRAVEL'

The integration of physical movement and electronic communication across all modes of transport is driving a revolution in business travel. Economic, demographic, cultural, environmental and technological trends that are profoundly shaping business strategies also necessitate new approaches to providing employees with mobility.

For businesses, this new approach is all about getting an employee to where they need to be in the most efficient, sustainable way. We call this 'business mobility'.

With business mobility, the journey starts with a person, not a car. Cars will still feature significantly, but how they are used and their role as the default means of travel is changing.

Employees themselves – particularly the 'Millennial' group – grew up with, and are increasingly on, the internet.

App-savvy and ready to work wherever there is wi-fi, they do not aspire to car ownership or even having a driving licence to the same extent as previous generations.

While their parents travelled to connect with people, today's younger talents want to connect and collaborate while they travel.

This change in expectations has enormous ramifications for recruitment, productivity and profitability.

Fleet management techniques have been the best means of meeting most corporate travel needs for so long now that it takes a while to realise that this may no longer be the case.

Trying to get more of the same out of shrinking budgets is increasingly difficult. It could even be counterproductive when it comes to attracting and retaining the next generation.

As a result, growing numbers of business leaders and organisations believe that the answer lies in business mobility.

MARK GIBSON is head of marketing and business development at Alphabet (GB)

ADRIAN BEWLEY

'MOBILITY MEANS ACCESS TO EVERY TYPE OF VEHICLE – FOR ANY LENGTH OF TIME'

Business mobility is about helping organisations move equipment and goods – and, most importantly, their people – from one point to another in the simplest, safest and most cost-effective manner. That will often involve a blend of public transport, company cars and rental.

Most employees, even if they don't travel enough to warrant a permanent company vehicle, may need to be mobile on occasion – or require a replacement vehicle if their own is unavailable.

Business mobility involves fulfilling all those needs – such as the car club for an hour, daily rental for a day or a bespoke van or truck for six months.

This is why a lot of businesses are moving from having a fleet policy to a broader transport policy that encapsulates all forms of mobility.

Their employees could need a wide range of solutions. They might need to travel to a meeting down the road, a site visit in another town or require a specialist commercial vehicle for a year-long project.

Access to mobility is vital, but identifying the right solution for each occasion requires in-depth analysis of what customers really need, based on real data.

How do their people travel for work? When, why and how? This is why data is so important.

Fleet managers need to understand the level of mobility their people require and develop a strategy that matches it.

Talking with customers, we've found that mobility means they have access to every type of vehicle (or other forms of transport) for any length of time – and that those needs often emerge at very short notice.

ADRIAN BEWLEY is head of business rental UK & Ireland at Enterprise Rent-A-Car

FleetNews PORTFOLIO

WHAT WE DO IN YOUR INDUSTRY

Fleet News magazine

The leading business publication for the fleet sector, offering insight, analysis, best practice and in-depth profiles of fleets and suppliers every fortnight. But don't take our word for it: 96% of readers say *Fleet News* is the most useful fleet publication (*Fleet News* reader survey). Every issue is packed with information that helps companies to run efficient and effective fleets – and our readership of 16,000 is restricted to named decision-makers, running fleets of 10-plus vehicles.

Commercial Fleet magazine

Commercial Fleet offers insight into the world of light commercial vehicles and trucks to provide operators with detailed analysis on key topics such as operations, safety, remarketing and the environment. Case studies in every issue provide best practice advice to help you to improve your efficiency. The magazine is supported by the commercialfleet.org website and events.

Fleet events

Fleet News events are the biggest and best in the sector. Our annual awards night attracts more than 1,500 people; the FN50 Dinner sees 950 leasing, manufacturer, rental and supplier companies networking and *Commercial Fleet* Summit provide insight into key areas of fleet operation; monthly roundtables enable 10-15 fleets to discuss issues and share solutions.

Driving Business magazine

This quarterly magazine is sent to managing directors and finance directors at 25,000 small to medium enterprises (SMEs) that are running fewer than 50 vehicles. Focusing on the key elements of running cars and vans, *Driving Business* provides practical advice to reduce cost and improve safety with a minimum of time and effort.

Websites and newsletters

The *Fleet News* website is an extensive library of best practice advice, fleet case studies, news and tools. Compare car and van running costs, check how much tax employees will pay and find out which models use the least fuel with our easy-to-use tools. We also send *Ignition, a* monthly newsletter which contains car reviews and interviews not included with our print magazine.

Fleet Leasing magazine

Fleet Leasing provides insight and analysis to board level executives, senior management and regional sales staff at contract hire and leasing companies. Its objective is to inform and educate about fleet trends, new models and technological developments, once a quarter, supported by a website regularly updated with the latest leasing news.

Bespoke publications

Magazines, supplements, brochures and digital products are produced for commercial partners. These bespoke publications inform fleets about companies and topics relevant to their business. They include manufacturer and supplier reports, in which *Fleet News* journalists interview key personnel to unearth the developments of interest to fleet operators.

'ONE-STOP SHOP' HELPS SAVE NHS TRUST £500,000 IN TRAVEL COSTS

Creating a travel bureau led to significant savings for Sussex Community NHS trust. Here, *Andrew Ryan* looks at how fleets can reap the benefits of successfully implementing their own travel policies

Gaining control of how staff travel on business can achieve significant cost, environmental and duty of care benefits for a fleet.

The first step in doing this is often for companies to introduce a travel policy, which includes a hierarchy stipulating preferred methods of transport for different journeys and requirements.

"The reality is that a travel policy means different solutions for different fleets," says Helen Fisk, product development and strategy manager at ALD Automotive.

"The objective is to run fleets more efficiently, reduce costs, lower CO_2 and manage risk while maintaining driver satisfaction with more time to do their job.

"Once a fleet has agreed its travel plan, effective communication with the driver and the means to monitor the way they travel are paramount to its success."

A further method used by fleets to achieve success is the creation of a travel portal or bureau which employees can use to book or request travel.

These tend to either operate through an online system or a dedicated phone line.

In 2012, Sussex Community NHS Trust rebranded its fleet department as a travel bureau, which is essentially "a one-stop shop for staff and managers to review their travel", says Jim Thomas, head of logistics at the organisation.

Its creation followed the introduction of a business travel plan which outlined ways to reduce the cost – both financial and environmental – of the trust's travel: in 2012/13, staff covered almost six million business miles at a cost of almost £3 million.

"Because we travel millions of miles a year, we knew that it would take a relatively low percentage of people changing their mode of travel to save a lot of money for the trust," says Thomas.

"The whole concept of the travel bureau is based around telling our employees that 'we are not telling you how to do your job, we know you need to travel because we are a community trust, but we reckon we can help you to travel smarter'.

"Essentially, we invite people to contact us on a generic trust email address or a phone number which comes through to the team."

Using the travel bureau provides employees with access to a range of initiatives, such as a pool car fleet of 16 low emission vehicles, information on and booking of public transport, and route planning.

"We've worked with clinical staff who have maybe started working in a new area and are given a list of 10 or 12 patients to visit," says Thomas. "They may just work their way down that list in the order given, but what we can do is use software like Autoroute to plot the patients in a different order to reduce the miles our employees need to travel.

"We've also got pool cars based at key sites and, as part of our sustainable travel campaign, we are getting people to think about coming into work in other ways than their car, such as by bike or on public transport, knowing they can take one of our vehicles if they need to travel during their working day."

The trust's travel policy and bureau have dramatically reduced its grey fleet mileage: it fell 17% – or 949,500 miles – between 2013/14 and 2014/15. Based on an average reimbursement of 50 pence per mile, that is almost £500,000.

Thomas says the travel bureau has also reduced parking pressures at its 65 sites.

CASE STUDY: RICOH UK

The introduction of an online travel portal at Ricoh UK has reduced administration and given the company greater control over the cost and methods of staff transport.

"We had a process where staff had to fill out a form, then scan it in and send it over to the travel team who would book everything and then send the confirmation to that employee," says Chris Haynes, fleet and business travel manager at Ricoh.

"Under the travel policy, if a request was above a certain price point, the form would have to be forwarded to their manager, they would have to reply, and so on and so forth.

"A manager could be seeing 20 of these requests a day and they may not have had the time to look at them, or they were on their mobiles and having to look at these tiny forms which were handwritten most of the time: it was a very manual process."

In 2014, the technology company replaced this system with an online travel portal aimed primarily at non-company car drivers and company car drivers who wanted to use an alternative form of transport.

Employees can make requests for hotels, trains, rental cars, ferries, flights and airport parking.

"Now the employee has to send a simple email saying where that person is going from and to, and, more importantly, the purpose and reason for travel," says Haynes.

"The team will pick up the request and we will use our preferred partners to source the hotel or hire car, so it's simply for requests, the employee doesn't book the travel themselves."

The online portal still features an upper cost limit, but anything over that amount triggers an email to the line manager or – depending on the cost – board director, with 'accept' or 'reject' buttons.

The data created by the travel portal allows Haynes's team to report on everything from supplier through to reason for travel through to cost.

"It has really changed the approach by making it more streamlined and improving the process," he adds.

The portal also allows his team to suggest alternative travel arrangements to staff to reduce cost and CO_2 emissions, such as car-sharing, changing train times, or using video-conferencing technology.

For more case studies on travel plans reducing mileage, visit: fleetnews.co.uk/travel-plan

"We are just making it as easy as possible for our employees to rethink their travel," he adds.

The main way staff have so far been encouraged to use the travel bureau has been through communications, although Thomas is now engaging with cost centre managers to make it a more formal part of the trust's operations.

Ricoh UK (see panel above) found that the creation of its online travel portal allowed it to clamp down on people "going under the radar," says Chris Haynes, the company's fleet and business travel manager.

"What I mean by that is employees thinking 'I know I'm not going to get the hotel I'd prefer if I was booking it through travel, so what I will do is book it using my own credit card and claim it back through expenses'.

"We've had a real think about how we manage that because we want to be able to report on travel all in one place, but we also have a duty of care to know where people are at any one point in time, so if there's a natural disaster or worse, then we can ensure we know where people are.

"We had a clampdown where we said 'any travel that you've booked and claim back on expenses will be rejected and you will have to pay for it yourself'.

"That's reversed the trend, so now we are getting 99% of all travel going through the travel portal."

Fisk says using technology such as driver portals provided by suppliers can ensure a travel plan is adhered to by employees. "Using telematics and a vehicle mileage expense system where drivers can submit validated mileage journeys through an automated approval process, prohibited journey methods can be refused and drivers will not be reimbursed," she adds.

"We know our employees need to travel but we reckon we can help them travel smarter"

Jim Thomas, head of logistics, Sussex Community NHS Trust

MOBILISING THE OCCASIONAL USE BUSINESS DRIVER

There are several different transport options – which can generate significant savings – for employees without company cars. *Andrew Ryan* reports

POOL CARS

Dumfries and Galloway Council employed its fleet management software provider to develop a bespoke pool car booking system.

The pool car fleet, which has grown from an initial 100 vehicles across 23 locations to around 160, was introduced six years ago following the removal of lump sum payments for grey fleet users and a reduction in mileage reimbursement rates.

It cut the council's staff travel bill by more than £250,000 in the two years immediately after its launch.

Central to the success of the pool fleet was having an accessible, easy-to-use booking system.

Initially, the council trialled booking pool cars by telephone or email, but quickly decided the best option was to provide access to pool car booking online.

"We looked at several commercially available options, but none were designed for running an in-house pool fleet," said a spokesman for Dumfries and Galloway Council.

The local authority commissioned Civica, its fleet management software supplier, to develop a pool car booking system in Tranman.

The system provides an availability search based on time, dates and location. From the list of pool vehicles available, drivers can then select a vehicle and make a booking.

They enter their details, including name and employee number, and the system then checks the date of their last licence check.

Once the booking is complete, the confirmation is automatically produced and can be either saved or printed.

The pool car web application also allows drivers to enter their employee number and view the details of any future bookings.

Staff can check availability and make bookings without having to contact the fleet team, and bookings can be made at any time. Vehicle keys are held by existing reception staff at a number of offices. They release keys to drivers and update Tranman to indicate keys have been picked up or returned.

Sussex Community NHS Trust has also used pool cars effectively. It relocates its leased pool car fleet of 16 low emission vehicles around its 65 sites to ensure the cars are not under-used.

"We have established that, for a five-day week, a Toyota Yaris Hybrid needs to do 35 miles a day to break even against reimbursing staff using their own cars on business use," says Jim Thomas, head of logistics at Sussex Community NHS Trust.

"We manage those mileages and move those vehicles around the trust to make sure we are making the best use of them."

CORPORATE CAR SHARING

Replacing a pool car fleet with a corporate car sharing scheme has cut administration by "about 90%" at The Royal Borough of Windsor and Maidenhead Council, which is also on track to save £100,000 in the first year of its operation.

The authority had been using nine Ford Fiesta 1.4 TDCi and two electric Nissan Leafs as pool vehicles, but in February these were replaced by 13 petrol Minis operated through Alphabet's AlphaCity product.

"Although we had a pool car scheme, it became quite time consuming and cumbersome as most of the process was manual," says Mark Green, fleet manager at The Royal Borough of Windsor and Maidenhead Council.

"We had manual logbooks in the vehicle and walkaround checks, and employees had to pick up keys from the town hall.

"Booking was done through our internal portal which meant staff had to deal with those bookings and make sure everything was OK."

Green says under AlphaCity, council employees who are members of the scheme have cards which are used to access and start the cars, meaning keys do not have to be stored or signed out.

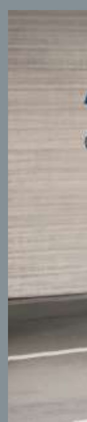
Staff book the cars through AlphaCity's own platform, which can be accessed through the council's intranet.

"We still pick up some issues related to the scheme such as people parking in the wrong bays or if people have problems making or cancelling a booking, so the admin hasn't been completely taken away, but 90% of it has," adds Green.

AlphaCity was initially introduced in one of the council's five directorates and Green says this is on target to cut costs by £100,000 in its first year.

The car sharing scheme will eventually be rolled out across the entire council. "When it does go fully across the five directorates, the actual savings will be quite large," he adds.

"We are already looking at maybe doubling the number of cars we've got. It's had that much of an impact."



CAR CLUB

Introducing a car club helped Aylesbury Vale District Council save £90,000 and halve grey fleet CO_2 emissions last year.

The eight on-site hourly rental vehicles were sourced through Enterprise Car Club and are used by council employees making short journeys.

They have replaced grey fleet vehicles as a cheaper and more environmentally-friendly option.

"Using a car club has helped us save tens of thousands of pounds," says Alan Asbury, sustainability and energy manager at Aylesbury Vale District Council.

The car club was created under a new travel policy which focused on the council's duty of care to employees after analysis showed the authority had a grey fleet of 170 cars that were, on average, 7.2 years old and used on around 8,000 journeys annually.

"We checked licences, insurance and MOT certificates once a year, but we had concerns about control, cost and emissions," says Asbury.

Enterprise analysed the council's usage data and was able to segment its employees' business trips by cost-efficiency. It was then able to highlight where hourly rental and daily rental would be most effective.

For example, by restricting daily rental to those with journeys of more than 75 miles or eight hours, it has ensured its car club vehicles are used more regularly.

Asbury explained: "Our new travel policy was based on an in-depth understanding of how our drivers behaved and their needs in terms of mobility."

"[This] helped us analyse where, how often, and why staff were travelling, which was vital if we then wanted them to do it more efficiently."

Asbury says the travel policy, including the car club, has been highly successful.

"We've now been invited to speak with other public and private sector organisations to show them what we did and how we did it," he adds.

ELECTRIC BICYCLES

Electric bicycles can be a viable option in urban areas where congestion and parking are problems.

Oxford City Council introduced electric bikes three years ago following a free trial with a local bike shop. It now has six.

"Staff doing 10 different meetings within Oxford in a day will use those because of the convenience of not having to park a car or wait for a bus," says Jennifer Carr, sustainable energy officer at Oxford City Council.

"Pedal bikes would fulfil that but having an electric bike means you can get there quicker and you're not exhausted when you get there."

Sussex Community NHS Trust employees have also found the traffic-busting ability of electric bikes useful. "We've got a couple of electric bikes and we are looking to take on some more," says Jim Thomas, head of logistics at Sussex Community NHS Trust.

"They have proved very popular because it can be difficult to drive across Brighton and Hove and find a parking space.

"We are told quite regularly that the people using the bikes are seeing as many patients, if not more, than the employees using cars as a result of not getting stuck in traffic or struggling to park.

"The patients love it too when our staff turn up on a bike."

"People using bikes are seeing as many patients, if not more, than employees using cars as a result of not getting stuck in traffic or struggling to park"

Jim Thomas, Sussex Community NHS Trust

INTRODUCING THE NEW CASTROL VECTON EURO VI PRODUCTS

Castrol Vecton Long Drain 10W-40 E6/E9 and Castrol Vecton Long Drain 10W-30 E6/E9 are the latest advanced low SAPS formulations in the Castrol Vecton range, fully approved by OEMs for use in Euro VI trucks to their maximum oil drain.

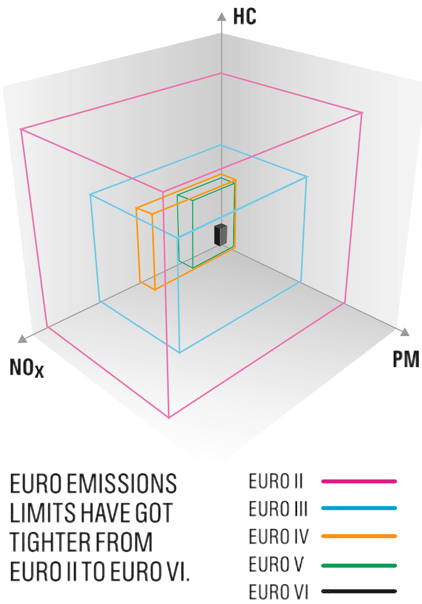
WHAT IS EURO VI LEGISLATION?

Euro VI sets the strictest limits on exhaust emissions in Europe, and all new trucks sold since the end of 2013 must be compliant. To achieve these tough limits, the truck OEMs have deployed their most advanced engine designs ever.

To ensure that Euro VI trucks continue to perform on the road, the right engine oil must be used:

- Low SAPS
- Specially formulated to protect modern precision hardware and to handle harsh engine operating environments
- Approved by OEMs for use in Euro VI trucks to maximum oil drain interval.

Euro Emissions Limits



WHAT IS EURO VI TECHNOLOGY?

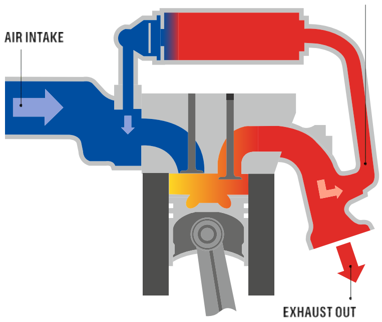
All OEMs will have to use after-treatment devices which deal with the nitrous oxides, carbon monoxide and particulate matter which the engine produces. The devices are sensitive to components in the lubricant, and can stop working if the wrong lubricant is used. To make sure they work properly during the life of the vehicle, it is vitally important to use a low SAPS lubricant.

WHAT PROBLEMS CAN THE NEW CASTROL VECTON EURO VI PRODUCTS HELP PREVENT?

Two of the most common devices in trucks are EGR (exhaust gas recirculation) and DPF (diesel particulate filter).

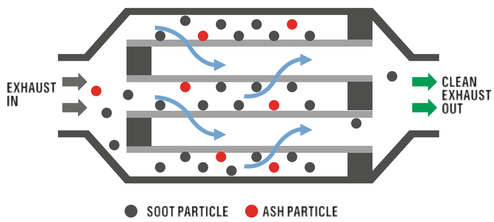
EGR lowers the combustion temperature to reduce NO_x. This can also increase levels of soot and other contaminants. Castrol Vecton with System 5 Technology™ is specifically formulated to fight these harmful contaminants, helping to maximise the performance of the engine and preventing potential damage.

EGR System



DPF traps soot particles in the exhaust stream, but it can also become blocked with ash from the oil itself. Castrol Vecton with System 5 Technology™ is specially formulated as low SAPS to prevent DPF blockage, while meeting the Euro VI requirements of the major OEMs.

Diesel Particulate Filter



MORE BENEFITS ABOUT THE NEW PRODUCTS

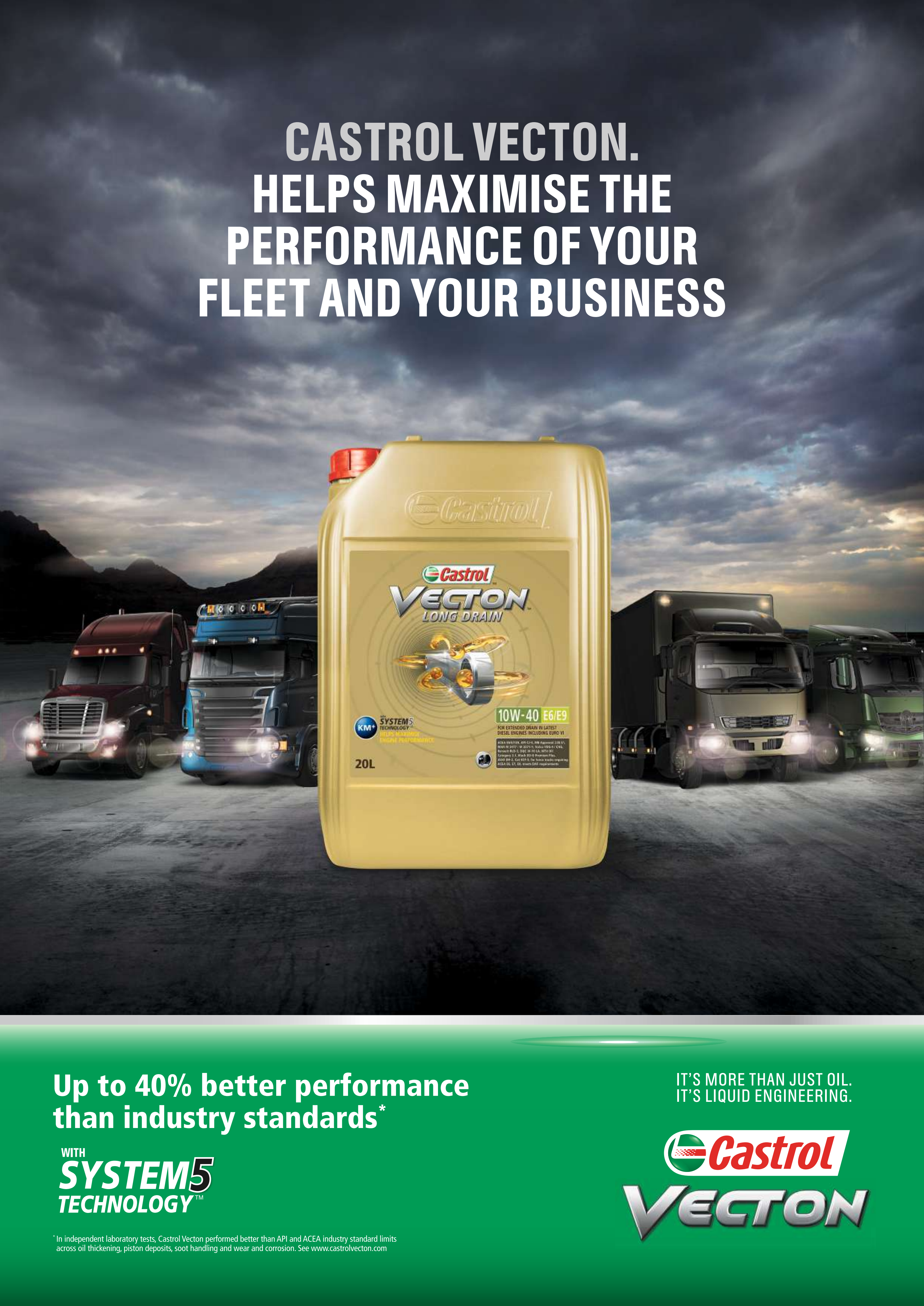
Castrol Vecton Long Drain 10W-30 E6/E9 and Castrol Vecton Long Drain 10W-40 E6/E9 are formulated with System 5 Technology™ **delivering up to 40% better performance**[1]. They are specifically engineered for **extended oil drain up to 100,000km**[2] in the latest Euro VI diesel engines. They can also be used in low emission Euro IV and Euro V European trucks and buses, especially those requiring a low SAPS lubricant and in older on-road and off-road vehicles, and equipment that require this performance level.

With Castrol's new Euro VI products, truck fleets and truck workshops need only stock one 10W-40 or 10W-30 product, simplifying their product range and the oil change process during the service intervals.

For more information about the new products, please visit our website
www.castrol.com/vecton

[1] In independent laboratory tests, Castrol Vecton Long Drain performed up to 40% better than API and ACEA industry standard limits across oil thickening, piston deposits, soot handling and wear and corrosion. See www.castrol.com/vecton

[2] Castrol Vecton Long Drain is approved by some major OEMs for oil drain up to 100,000km, in accordance with their specifications. Actual oil drain depends on engine type, operating conditions, service history, use of on-board diagnostics and fuel quality. Always consult your manufacturer's handbook.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* In independent laboratory tests, Castrol Vecton performed better than API and ACEA industry standard limits across oil thickening, piston deposits, soot handling and wear and corrosion. See www.castrolvecton.com
IT'S MORE THAN JUST OIL. IT'S LIQUID ENGINEERING.
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VECTON

THREE WAYS COMPANIES HAVE IMPROVED THEIR GREY FLEETS

1 TREATED GREY FLEET AND COMPANY CAR DRIVERS EQUALLY

"We don't see any difference [between grey fleet and company car drivers]," says Alison Moriarty, road risk manager at Skanska.

"If somebody is driving on behalf of our company, then whether they are in a car we've provided or in their own car, the risks are the same and our responsibility is the same."

All grey fleet drivers must have their licence checked with the same frequency as other company drivers, while their vehicles must meet the standards set by Skanska: CO_2 emissions must be below 130g/km and less than seven years old.

All insurance policies must contain 'business use' and – as well as any relevant MOT documents – must be checked annually.

"Grey fleet is something we have really tightened up on so it does mirror the company car fleet," says Moriarty.

"The most effective thing we did was to give the fleet services team the responsibility to trigger an employee being able to claim for mileage, so until every single document is checked and found to be valid and compliant, they are not able to claim anything.

"That's been a really strong thing for us because everybody wants to get the documents in to us really quickly, which means you are not chasing people; they want to claim their mileage."

> *"Whether they are in a car we've provided or in their own car, the risks and responsibility are the same"*
>
> *Alison Moriarty, Skanska*

2 IMPOSED TOUGHER RESTRICTIONS ON GREY FLEET VEHICLES

The Construction Industry and Training Board is planning to introduce tougher restrictions on the grey fleet vehicles used by its employees.

Currently, vehicles bought through a car allowance scheme and used on work business must be under seven years old, have covered fewer than 140,000 miles, and must be comprehensively insured.

"We've already told people that in 2018 the plan is to reduce the seven-year limit to five, and to introduce a CO_2 cap to match our company car fleet (currently 130g/km)," says Colin Hutt, category and contracts manager (fleet and insurance) at the CITB.

"The idea is, as much as possible, to have no difference between a grey fleet car and a company car."

The policy is part of a scheme to encourage cash allowance drivers to move back into company cars.

Annual checks are made on all grey fleet vehicles and this provides the company with valuable information: the first time it also discovered that the oldest grey fleet vehicle was 17 years old.

"Anyone approaching the seven-year limit we contact to say 'don't forget the criteria – can you nominate another vehicle or would you like a company car?'," says Hutt. "That's when we try and catch those people and offer the company car option to them. Quite a lot take it, which is what we want."

> *"The idea, as much as possible, is to have no difference between a grey fleet car and a company car"*
>
> *Colin Hutt, CITB*

3 TAKEN RESPONSIBILITY FOR THE GREY FLEET

"When we looked into our grey fleet, it was a minefield," says Paul Brown, group fleet manager at EnServe Group. "We had an HR policy but after an employee had joined, HR believed operations would police it and operations believed HR would police it; in the end no-one policed it.

"We decided we would write a new policy with HR, but the minute the employee joined the company and accepted the terms and conditions for taking the car allowance, the whole management of that would sit in fleet.

"The simplest way to manage the grey fleet was to develop a robust policy but bring control of that into one department."

Existing car allowance takers whose vehicles did not comply with the grey fleet policy – which stipulates that cars are less than five years old and be fully maintained, insured for business use and have breakdown cover – were given 120 days' notice to comply otherwise their allowances were suspended.

There are no vehicle age restrictions for new starters who opt for the car allowance during the three-month probation period, but they must adhere to the policy after that time.

> *"The simplest way to manage the grey fleet was to develop a robust policy"*
>
> *Paul Brown, EnServe*

Advertisement feature

Unlock savings for you and your drivers with electric cars

Wholelife cost calculations demonstrate cost-cutting in the thousands

Businesses are being urged to adopt electric cars to unlock significant savings for both themselves and their company car drivers.

Best practice dictates that decisions around vehicle choice should be based on wholelife cost calculations. Lex Autolease figures show that companies can save thousands of pounds by opting for an electric vehicle (EV) ahead of a diesel or petrol model.

"Go Ultra Low encourages businesses across the UK to include electric cars on their fleets and include them as company car options for their employees," says Poppy Welch, Head of Go Ultra Low, the joint government and auto industry campaign aimed at raising awareness and promoting the benefits of EVs.

"Company car drivers who choose electric cars are saving hundreds of pounds a month, while driving some of the most stylish and fun-to-drive models available today."

Wholelife cost figures reflect all the projected, vehicle-specific costs associated with operating a car over its fleet life, including funding inclusive of any VAT recovery and corporation tax relief, the cost of borrowing money, fuel, employer Class 1A national insurance contributions, service, maintenance and repair (SMR), vehicle excise duty and insurance.

Lex Autolease calculations show how the higher P11D value of plug-in vehicles is more than offset by significant fuel savings, notwithstanding recent falls in the pump price of petrol and diesel, an estimated 20-40% reduction in SMR costs and tax benefits.

For example, running a BMW i3 over four years/60,000 miles will deliver a potential saving of £39 a month over rival models, or £1,872 over a four-year operating cycle. If a fleet replaces 10 diesel or petrol cars with i3 models, the savings escalate to almost £19,000 over four years.

The monthly savings of operating a Nissan LEAF Acenta compared to a Ford Focus 1.5 EcoBoost Zetec S are an impressive £70 a month. That equates to almost £3,400 over a four-year operating cycle and almost £34,000 on a fleet of only 10 cars.

Chris Chandler, principal consultant at Lex Autolease, says: "It is important that businesses look beyond the initial list price of the vehicle. Plug-in vehicles benefit from Government grants, tax breaks and have significantly cheaper fuel costs, all of which help to reduce the total cost of ownership. In addition, these vehicles provide notable environmental benefits as they produce substantially lower CO_2 emissions."

The reduced emissions means that having electric cars on a fleet is a practical way for businesses to develop their corporate social responsibilities. To further incentivise uptake of EVs, businesses which commit to having them make up at least 5% of their fleet by 2020 will be able to apply for Go Ultra Low Company status. Find out more and apply at goultralow.com/fleet

As well as the potential for significant cost savings, further benefits of operating electric cars are:

- **The Government's plug-in car grant takes up to £4,500 off a vehicle purchase price.**
- EVs are eligible for 100% first-year capital allowances to 31 March, 2018 (compared to the 8-18% you can offset with a petrol or diesel car).
- **Vehicle excise duty (road tax) exemption.**
- The lowest levels of company car tax (5% for less than 50g/km CO_2 and 9% for 51-75g/km CO_2.
- **No congestion charges in London.**
- Free chargepoints in many UK locations.
- **Businesses who cover employee mileage could save up to £800 a year, per driver.**
- The lowest levels of national insurance payments.
- **Free parking in many UK locations (e.g. Milton Keynes, throughout Westminster).**

The long awaited XE was targeted at the key sector players and faced tough challenges. But impressions to-date have been overwhelmingly positive

In November 2015, *Fleet News* said: "The XE is a real delight to drive, with direct, accurate handling, responsive and assured when pushed and with an accommodating chassis which delivers the right combination of absorption and firmness."

The sports saloon is lightweight yet powerful, with new Lightweight Aluminium Architecture chassis, coupled with Jaguar's new Ingenium diesel engine. The UK-built 2.0-litre diesel Ingenium engines are aluminium, too, based on a completely new design and are extremely efficient.

With emissions as low as 99g/km, when paired with a manual gearbox, and 106g/km for an automatic (163PS engine), the range offers an affordable benefit-in-kind proposition for both the company car and business driver.

Strong residual values mean competitive monthly rentals, and service intervals are as long as 21,000 miles – keeping your fleet's service, maintenance and repair costs down too.

The engine range offers performance and economy – official combined mpg figures for 163PS engines are as high as 75mpg for manual and 68.9mpg for automatic.

Economy doesn't come at the cost of enjoyment - driver appeal is key to the car's success.

Fleet News added: "Handling is direct and well-weighted, while the ride is firm but not jarring – the suspension has been engineered, says Jaguar, to sit at a mid-point between sporty and comfort in the segment. It's pitched perfectly, better even than the BMW 3 Series."

The driving experience can be improved further if you wish, with all-wheel drive (180PS auto only) and Adaptive Dynamics available as options to channel the XE's power through turns and twists.

> "XE is pitched perfectly, better even than the BMW 3 Series"
>
> *Fleet News*
> November, 2015

The exterior design is instantly recognisable as a Jaguar. A sculpted body design with optional Xenon headlights and LED daytime running lights add to an imposing front-end design, with J-Blade headlights leading the eye to the rear of the car. The short back overhang and F-TYPE inspired lights add presence.

Inside, a premium interior plays host to modern infotainment and technology systems.

Digital radio, Bluetooth and navigation are available at the driver's fingertips through the large, eight-inch InControl Touch display.

The InControl Remote app allows easy connectivity between your phone and the car, for music, apps, and location services, while the InControl Protect system allows you to keep an eye on whether your car is locked, and to view warning messages and fuel levels from the comfort of your house – or anywhere.

Safety is a key priority. Voice commands allow your driver to keep their eyes on the road and hands on the wheel, with Autonomous Emergency Braking (AEB), Traffic Sign Recognition (TSR), cruise control, Lane Departure Warning (LDW) and optional parking aid pack offering reassurance and backup. The technology and intelligent design means the Jaguar XE has also received a five-star Euro NCAP safety rating. In fact, XE topped the NCAP rating in its sector.

When it comes to signing on the bottom line, your business definitely won't feel the pinch.

Search **XE fleet and business offers** or call: **0845 600 2214**

Official fuel consumption figures for the Jaguar XE range in mpg (l/100km): Urban 24.4-64.2 (11.6-4.4); Extra Urban 46.3-83.1 (6.1-3.4); Combined 34.9-75.0 (8.1-3.8). CO_2 Emissions 194-99 g/km. Official EU Test Figures. For comparison purposes only. Real world figures may differ.

JAGUAR

THE SHIFTING LANDSCAPE OF TRANSPORT

Paul Zanelli, chief technology officer at the Transport Systems Catapult, identifies key innovation trends set to shake up the fleet industry in the next decade

Three years ago the Transport Systems Catapult (TSC) was tasked with enabling the UK to remain at the cutting edge of transport innovation. We now find ourselves at the gateway of a revolution in transport technology, the like of which has not been seen since the invention of the combustion engine.

In those three years, we have seen the rise of ride hailing apps, causing traditional transport providers to rethink their business models. Meanwhile the race to develop autonomous vehicles has gone global – with international technology giants, established vehicle manufacturers and audacious new players racing to be the first to put working models on the road.

In 2017 we shall see the 10th anniversary of the smartphone, a device which has literally changed the way people live their lives. This tidal shift is now engulfing the transport arena. Some 72% of the UK travelling public now own smartphones and 54% already consider them to be an essential part of their journey.

These changes are bringing uncertainty and disruption into the transport and automotive industries. However, the digital revolution also brings with it a massive opportunity for positive change. We call this area Intelligent Mobility (IM) – the use of technology to create an integrated, efficient and sustainable transport system – and there are two key developments of which fleet managers should be aware over the next decade.

Paul Zanelli: "Cities could quite literally be transformed"

CONNECTED AND AUTONOMOUS VEHICLES

Autonomous vehicles will be the first major watch area for the fleet industry. This technology is developing quickly (we should see the first fully driverless vehicles being tested in the UK later this year) and is set to sky rocket between now and 2025 – with vehicles becoming readily available after this time.

Fleet managers will be more familiar than most with some of the technologies involved – telematics, driver safety systems, GPS and vehicle connectivity form many of the building blocks. However, completely autonomous vehicles will be truly revolutionary when they emerge. To put it in perspective, much of the built environment around us has been designed around ownership of the traditional car.

Cities could quite literally be transformed by this technology – potentially removing car parks and changing how roads are designed.

Behind the scenes there are also huge implications to be considered. Autonomous vehicles are unlikely to fit in with the traditional ownership mode, but will be operated as fleets, particularly in urban areas. At present cars are on average inactive for 95% of their life and operate at 20% of their capacity – driverless vehicles will not need to be restricted in this way. Autonomous vehicles will have the potential to be "always on", completing journeys for different users 24 hours a day.

The TSC's spin-out company, Immense Simulations, is already working on a commercial system which will allow the centralised management of fleets of autonomous vehicles over large geographical areas. The potential to map journeys around congestion, air quality and immediate events, as well as the ability to introduce new vehicle behaviours such as platooning (vehicles travelling close together to save fuel) could maximise the use of capacity and reduce environmental impact. Furthermore, those who drive for business purposes could well find hours of productivity time is released by the technology.

Fleet suppliers have a huge opportunity here if they engage quickly in the development of autonomous vehicles. More traditional fleet companies could offer access to a network of "always on" autonomous vehicles for businesses who do not necessarily need 24-hour access to cars – or to businesses in cities, where the difficulty of keeping vehicles has traditionally been a barrier.

MOBILITY AS A SERVICE

While new technologies will eventually have a huge impact, it will likely be a change to the way we use transport that will have a more immediate effect.

In the past three years we have seen the rise of ride hailing apps and car sharing schemes, as well a huge growth in smartphone apps for transport. Meanwhile, the way people expect to receive and interact with goods and services has been transformed by smart technology.

From this situation we see the emergence of "Mobility as a Service" (MaaS), involving a move away from personal ownership towards the provision of mobility contracts. These contracts will allow you to travel seamlessly between transport modes based on your unique circumstances.

In this scenario you would simply use a digital interface to select a destination and desired time of arrival. The application would do the rest, booking train tickets, taxis, driverless vehicles and even e-bikes before presenting you with a step by step itinerary.

To achieve this, we will need to break down many of the barriers between transport modes. We are already seeing a willingness to do this as operators begin to see increased demand for smart ticketing solutions and transport apps for smart phones.

One of the more interesting developments in this space is the blurring between traditional notions of "public transport" and automotive. In a mobility service plan you may be given access to a car for your journey if the situation requires it, meaning car ownership will no longer be necessary for large segments of the population. Car sharing schemes are already demonstrating how this will work and the concept will be appealing to urban travellers who often find ownership of vehicles impractical.

There are clearly opportunities in this space for fleet management companies who are already providing vehicles as a service to clients. Managing fleets of vehicles for service providers who wish to add the use of cars into their offering is one example of a potential growth area. Meanwhile, many companies may also find that their expertise in providing cars for business use – and in managing these fleets – puts them in a unique position to become a MaaS provider themselves.

Adding alternative methods of travel into the traditional fleet offering and helping to manage customers' travel itineraries could lay the foundation for a new area of business growth as the technology behind MaaS matures. There will be intense competition in this area, so moving quickly and exploring options now will be a must for anyone who does not wish to miss the boat when it comes.

If you would like to find out more about the work of Immense Simulations on the management of autonomous vehicles visit www.imsim.co.uk. The TSC has also recently published a report entitled *Exploring the Opportunities for MaaS in the UK*. To find out more visit ts.catapult.org.uk

"Fleet suppliers have a huge opportunity here if they engage quickly in the development of autonomous vehicles"

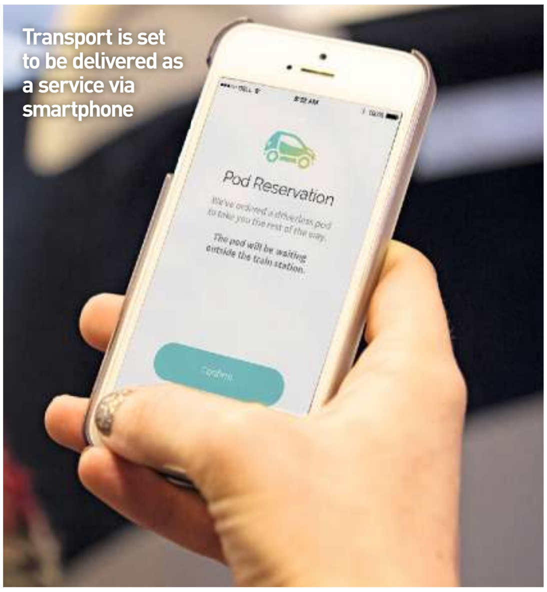
Paul Zanelli, chief technology officer at the Transport Systems Catapult

TRANSPORT SYSTEMS CATAPULT

The Transport Systems Catapult is one of 10 elite technology and innovation centres established and overseen by the UK's innovation agency, Innovate UK. Their mission is to drive global leadership in Intelligent Mobility – promoting sustained economic growth and well-being through integrated, efficient and sustainable transport systems.

What will these changes mean for fleet managers? fleetnews.co.uk/mobility-evolution

Autonomous vehicles have huge implications for the fleet industry



Transport is set to be delivered as a service via smartphone

FleetNews BUYING GROUP

BETTER DEALS, QUICKER.

A free service that combines the demand of hundreds of businesses to deliver competitive prices for cars and vans

The problem... and the solution

Companies like yours tell us that leasing or buying a car or van can be complicated, time-consuming and confusing. There are so many vehicle suppliers and funding options to consider, while the amount of time it takes to get a good deal can be a major distraction for smaller companies.

Instead of spending their time running their core business, companies feel that they waste time negotiating with vehicle suppliers with no guarantees that they are getting a good price or the best service.

What smaller companies really want when they are sourcing new cars and vans are value for money, swift answers and a hassle-free service.

Wouldn't it be great if you could get the right vehicle at the right price, quickly and simply, from a business you can trust. Well, now you can.

THE SOLUTION

Since 1978 Fleet News has been dedicated to helping you reduce costs and increase effectiveness. Fleet News Buying Group (FNBG) is the perfect extension of this approach. By combining the demand from hundreds of businesses like yours, we get bigger price discounts from our panel of top leasing companies and dealer groups who compete to win your business.

FNBG is free to use and enables companies to make the right buying decisions for their business each time they need a new car or van. We'll show you how much money you are saving and we'll even bring you special offers on relevant vehicles when they are available.

Who is FNBG for?

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.

IS THIS YOU? THEN READ ON.

The benefits to you

FNBG is different to any other offer in the market. Our service is free to you because we take a fixed marketing fee from the leasing company or dealer group for every transaction.

The marketing fee is the same irrespective of the vehicle you choose or the company which supplies it, which means we have no bias about your choices.

We will provide you with a personal account manager and we guarantee you will receive your quotes within one hour.

How does FNBG work?

Fleet News Buying Group has partnered with leading leasing companies and dealer groups who will provide competitive pricing for your cars and vans.

When you register your company with FNBG you just need to provide information about your vehicles and when you are intending to procure. This is called the Customer Action Plan (CAP), which is a non-binding agreement between you and FNBG.

When the time comes to make the transaction, FNBG has created a simple five-step process:

1. We contact you as agreed in the Customer Action Plan.
2. 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.

Once you have a vehicle shortlist (3 or 4 choices), you can start the buying process.

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.

www.fnbg.deals

Giving you confidence…

1. We provide you with all the information, reviews and funding advice you need to decide which car or van is best for your business.
2. We offer a service that has your best interests at heart.
3. You have a choice of all brands – car and van – from an independent business that you can trust.

Saving you time...

1. Multiple quotes delivered to you within one hour.
2. A mutually agreed action plan based on your individual requirements and a timescale that suits your business needs.
3. A personal FNBG account manager that you can trust.

Saving you money...

1. The combined demand of hundreds of businesses like yours
2. Multiple companies competing for your business
3. A service that's completely free to use
4. Special offers brought to you when they're available

What happens next?

FNBG will begin trading in August 2016 and is now looking for expressions of interest from businesses like yours.

Demand is likely to be high and we would advise a quick response to be among the first to benefit from this service.

Registration and the agreement of your Customer Action Plan will be completed with you in early August and trading will start immediately.

If you're interested in better deals, quicker, go to **www.fnbg.deals** and complete the FNBG preregistration form to secure your membership.

BETTER DEALS, QUICKER.

Make your fleet Appy

The Appy Fleet app is about to revolutionise telematics, via mobile phones

Trak Global believes its new app-based tool, Appy Fleet, could revolutionise the uptake of telematics in the fleet sector by removing a number of the barriers associated with traditional systems.

The app, which enables fleet managers to better monitor and manage the performance of their drivers, costs significantly less than hardware-based telematics (£4 per vehicle per month compared to around £15 to £20 per vehicle per month).

It can easily be deployed across a fleet, as drivers simply need to download the app and pair it with the Bluetooth in their car.

Waters, which develops and manufactures scientific analytical instruments for laboratories, is one of the companies that has made the switch from a traditional tracking device to Appy Fleet.

The firm began trialling the app three months ago and 80 of its 90 company car drivers have registered and are benefiting from feedback on their speed, smoothness and usage for each journey.

Alick Sidgwick, environmental health and safety officer at Waters, points out that with the previous telematics system the company had to take a car off the road for a day, pay to have it installed and pay for the hardware.

"There are systems out there that plug in to the OBD port, which you can effectively do yourself, but again there is a hardware cost," he says. "The app has no upfront cost."

For Sidgwick the app also brings the "intangible business return" of helping to keep the company's service engineers safe on the road.

The app maps onto Google Maps and Trak Global's speed data so Sidgwick can identify vehicle speed per speed limit.

The web-based portal, Appy Fleet Manager, shows which drivers are most in need of intervention.

"The great advantage of the Appy Fleet app compared to anything else for me is to use it as a dynamic risk assessment," Sidgwick says. "I'm not looking at whether someone has exceeded the 30mph speed limit once in a day. I'm looking at trends over time, I'm looking for people who are frequently driving above those speed limits, and doing so for periods of time, and I'll be using that data to develop a training strategy."

"The great advantage of the Appy Fleet app compared to anything else for me is to use it as a dynamic risk assessment"

Alick Sidgwick, Waters

Appy Fleet gives drivers an average score from minus 10 to plus 10 and, while the vast majority of Waters's drivers are within a score of plus five, which means they are considered a 'good driver', there are a number with a lower score.

Sidgwick has identified that some drivers' scores are dropping because they are not taking a break after two hours – something which he is keen to address from a duty of care perspective.

Drivers also appreciate having information on their driving.

Stephen Ainscow, implementation project manager at Waters, says: "I quite welcomed the idea of being able to see my scores rather than on the old system where only the administrators would see them. It's good you can have this information so you can be conscious of what you're doing. It's a bit of a pride thing. If you see a big red graph you think 'that's not very good'. The aim is to get the green."

Drivers that improve their scores also benefit from better mpg and therefore save on their fuel bill. They are able to put the app into 'private mode' so that non-work journeys are not reported into the Fleet Manager portal and the expenses function makes it easy to export mileage data.

Ainscow advises other drivers to be open-minded about telematics apps. "Don't be too critical because I don't think it's 'big brother' watching you," he says. "I'm a manager myself and it's not that we're watching all the employees. It's more about safety. If someone is in the red all the time then it can be highlighted and, for your own safety, you might want to think about slowing down."

To find out more about Appy Fleet visit: appyfleet.co.uk

appy fleet

FLEETS INFORMED

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The *Fleet News* Fleets Informed programme is designed to deliver comprehensive advice and knowledge to fleet decision-makers.

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What are the business b acting on 'at work' driver

Producing a driver risk management programme can bring a range of benefits to your fleet operations, says AA DriveTech

"Around a third of road traffic collisions involve a person at work," states the Department for Transport's *British Road Safety Statement*, published in December 2015. Driving for work involves risk; employers have legal, financial, moral and reputational reasons to act. With a driver risk management programme, employers can benefit from:

■ **Improved compliance:** It ensures your duty of care to employees and minimises your exposure under health and safety and corporate manslaughter legislation.

■ **Enhanced employee safety:** It reduces the impact on driver, either physically or psychologically.

■ **Reduced fleet running costs:** It minimises damage to vehicles so you avoid hikes in insurance premiums and other additional costs.

■ **Maintaining brand reputation:** It helps you avoid bad publicity from driving incidents.

AA DriveTech's driver risk management programmes can ensure that you're both minimising risk and driving a better business. That's the core of what we do.

STARTING YOUR JOURNEY

Since 1990, AA DriveTech, part of the AA, has been working with many organisations to reduce occupational road risk.

As a result, we have refined a five-step 'one-stop-shop' approach to driver risk management called 'The Journey'. It comprises of five key components: Audit, Validate, Assess, Train and Manage. But it's not a prescriptive approach. Indeed, we encourage organisations to create tailored programmes to meet their own needs.

AUDIT

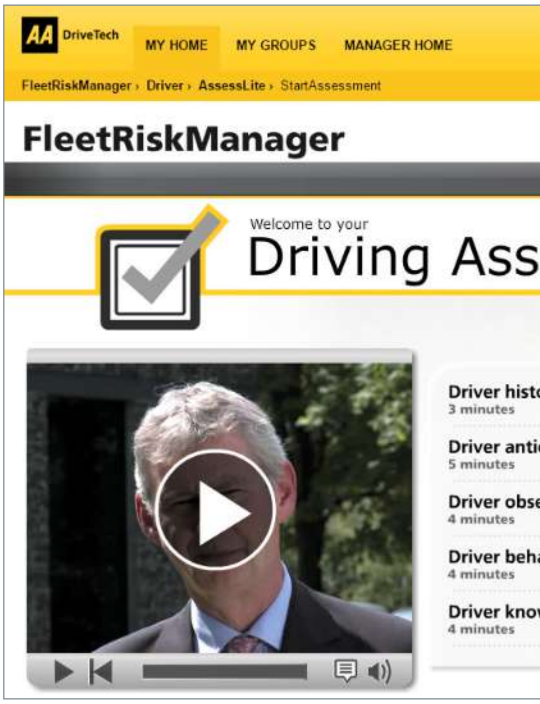
We will take an in-depth look at the organisation's current policies, procedures and practices from a legal, financial and operational standpoint. This culminates in a detailed survey report highlighting areas of concern.

VALIDATE

Driving licence validation is a crucial early step in effective driver risk management. It ensures that your drivers are legal and have the correct entitlement to drive. With many years' experience in this area, we now offer eConsent capabilities to our customers that remove paperwork and admin overheads from the licence checking mandate process through online digital authentication. This means we operate a speedy, highly cost-effective validation service that can accommodate any size of fleet.

ASSESS

It is a legal requirement to assess employees' exposure to risk in the workplace and driving is no exception. The most effective approach is to use an online driver risk assessment tool that can be completed at any time 24/7. The level of risk exposure is then identified together with appropriate training such as in-vehicle, classroom or online e-learning.



> "We have refined a five-step 'one-stop-shop' approach to driver risk management called 'The Journey"

TRAIN

Whatever training is delivered, we pride ourselves in having some of the most experienced and highly qualified defensive driving trainers anywhere in the UK.

We can also provide specialist training for foreign drivers, minibus drivers, LGV and PCV drivers as well as 4x4 off-road drivers.

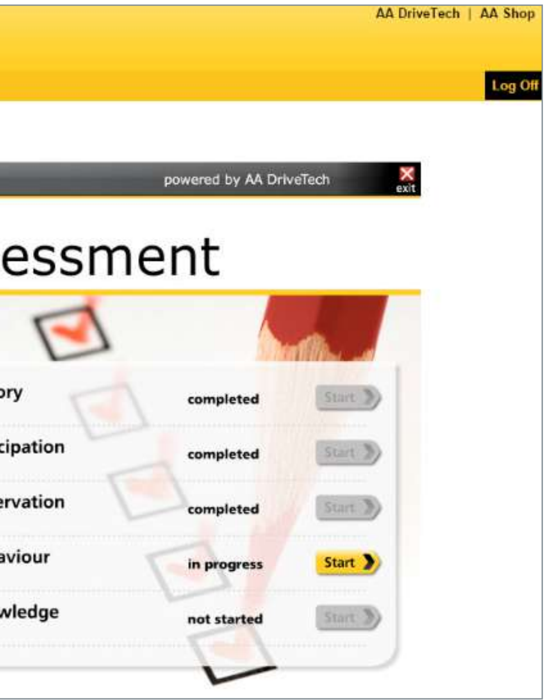
MANAGE

Driver risk management should be viewed

Close Brothers' solution – point by point

- Validation and reporting of driving licences, against the DVLA database, for around 1,000 drivers, including grey fleet and employee's nominated drivers.
- eConsent capability allows paperless, online sign-off of driving licence mandates, reducing admin overheads for driver and company.
- Timing of licence rechecks are made automatically depending on existing number of points.
- Automatically-arranged, on-road driver training for very high risk drivers or employees with more than six points on their licence.
- All starters (and leavers) are imported directly by Close Brothers into the FleetRiskManager portal
- Speed Recognition course specifically for drivers with high number of points due to speeding.
- Private car information and documentation uploaded and stored on FleetRiskManager with update alerts.

enefits of : risk?



as an on-going, evolving process but the only way to ensure you have control is to ensure that you have relevant, accurate data and information at your fingertips. This can now be achieved, thanks to our FleetRiskManager portal.

This is an online management tool that gives a real-time picture of assessment results, training outcomes, licence status and vehicle service records, together with driver-declared information.

KEY BENEFITS

Many hundreds of organisations have benefitted from this holistic approach and achieved both compliance and real business benefits.

We pride ourselves in delivering driver risk management programmes that make a difference.

CASE STUDY: Close Brothers Modern Merchant Banking

Close Brothers is a leading merchant banking group, providing lending, deposit taking, wealth management services and security trading. The company employs around 3,000 people, principally in the UK, with nearly 1,000 staff driving for work, of which 60% drive company-leased cars.

The fleet is managed centrally but is run through 20 separate Close Brothers organisations. The board, through its risk committee, takes its duty of care compliance very seriously. In the last five years, the company has implemented, from scratch, a driver risk and compliance programme for every driver who drives on company business, including staff who drive their own cars for work.

Close Brothers chose AA DriveTech, due to its track record and robust online portal, FleetRiskManager (FRM).

Today, every driver (and nominated partner), has their licence validated against the DVLA database, the results managed within FRM and any issues highlighted. Likewise, all at work drivers undertake an online risk assessment with associated e-learning. Drivers who come out with very high risk exposure and/or more than six points on their licence, are automatically offered on-road driver training. In the rare situations, where drivers have more than nine points, a specialist Speed Recognition Course is offered to demonstrate the driver's commitment to behaviour change before a possible court appearance. In addition, all private car details and documentation can be logged within the FRM portal.

"AA DriveTech has been instrumental in helping achieve 100% compliance in support of our duty of care responsibilities across the business. Focusing on data quality, we are now able to use one system, FleetRisk-Manager, so we have all the information we need in one place. The FRM dashboards help on a day-to-day basis which, combined with great customer service from AA DriveTech, means we are completely in control"

Steve Cuddy, fleet manager, Close Brothers

Close Brothers – key benefits

- 100% duty of care compliance via driving licence checks through AA DriveTech.
- Zero admin overhead for Close Brothers to train high risk drivers.
- Close Brothers have flexibility to add/edit or remove their own driver data.
- AA DriveTech trainers provide detailed and insightful reports.
- Reports for board meetings can be easily downloaded from FRM into a spreadsheet.
- Regular account management and client services interaction with issues resolved quickly and efficiently.
- AA DriveTech is backed by the AA brand and values.

For more information, email: tellmemore@AAdrivetech.com, call: 01256 495732 or visit: AAdrivetech.com

AA DriveTech

Real-world testing proves AFV benefits

Rhys Harrhy explores ALD's ongoing AFV trials and the importance of telematics for monitoring its fleet performance

As technology continues to shift towards alternatively fuelled vehicles (AFVs), here at ALD Automotive we have undertaken comprehensive fleet trials, with the aim of studying and demonstrating the various benefits of these vehicles. Cutting fleet costs and emissions are often labelled as the main benefits, but AFVs also bring about other improvements including improved driver behaviour and reduced vehicle downtime.

These latest assessments form part of an ongoing series of trials on AFVs on ALD Automotive's internal fleet, and we have already seen Nissan Leaf fully electric vehicles put to the test, with pilots of plug-in hybrids planned in the future.

Such trials are intended to not only demonstrate the company-wide benefits of such vehicles, but also to provide invaluable data for the company's widespread consultancy work with fleets under the 'Smart Mobility' solution – we consider it crucial to have real-world experience of these vehicles when promoting their benefits.

Conclusive environmental and financial results from real-world testing

Under the latest phase of testing, more than 30 Mercedes-Benz C- and E-Class Hybrid models and a total of 74 vehicles, including traditional diesels, have been driven by ALD drivers.

Comprehensive data on vehicle usage and performance was gathered using ALD's market-leading ProFleet2 telematics solution in order to benchmark drivers' performance compared to conventionally powered vehicles. We have now been testing for more than nine months, and have completed 400,000 miles to-date.

The results are conclusive. The hybrids – which bring emissions starting from 94g/km for the C-Class and 110g/km for the E-Class – are benefiting both the drivers and the business through reduced taxation and running costs, but are also helping to deliver a significant reduction in ALD's average CO_2 emissions from its own company car fleet – down from 120g/km in October 2015 to 98g/km currently. In addition, fuel economy is up by an average 10%, as measured by the in-depth information provided back by ALD's fuel cards.

Importantly, the hybrids have also helped deliver a key change in individuals' driving behaviour – without any bespoke hybrid vehicle training. Although ALD's Smart Mobility consultancy

programme for customers places a keen focus on recommending the introduction of eco training for AFVs, the company's own employees were not provided with such training for the express reason of ensuring a direct comparison with their behaviour in conventional vehicles. Even without such training, the data fed back from the ProFleet2 telematics devices shows there were considerable improvements found in areas such as speeding, harsh braking and cornering, rapid acceleration and idling as drivers tried to improve their economy figures.

The hybrid vehicles also add a new dimension to the traditional view of eco-driving, with our drivers commenting on how they had become much more focused on trying to run on electric power only, including pulling away at junctions.

Wider fleet implications

Importantly, the trials continue to show how the introduction of AFVs can bring about a number of extensive fleet benefits in addition to reductions in the business's carbon footprint and vehicle running costs. The clear trend of improved driving behaviour that we have seen among employees switching to greener vehicles has wide-ranging implications for improved road risk management amongst fleet. In addition to the obvious benefits for drivers, it would lead to improved compliance with the company's occupational road risk policy and a likely resultant fall in the number of accidents suffered by the fleet. This then delivers benefits including a reduction in vehicle downtime, a fall in insurance costs and the overall enhancements to the company's corporate and social responsibility profile.

Comprehensive support package

While ALD's trials so far have conferred a number of internal benefits for its drivers and the business itself, there are also gains for external customers, as the data and experiences will be used to inform ALD's Smart Mobility initiative and enable other fleets to implement AFVs.

Under the Smart Mobility programme, customers are offered access to a dedicated team that provides a holistic consultancy service on introducing optimum mobility solutions across all areas of fleet operation. This includes assessing where AFVs can be utilised and then introducing them alongside initiatives including eco training and telematics to help enhance their effectiveness. Importantly such services mean that fleets need not take a leap of faith in implementing AFVs themselves, but can draw upon ALD's solid expertise and supporting data to be sure their business will benefit from their introduction.

With more AFV trials planned for the future, ALD will shortly be starting trials on a number of other plug-in hybrids later in the year – this will include analysis on the impact on the fuel consumption from drivers just refuelling the vehicle instead of charging it. Along with advances in technology, we will continue our AFV trials for the years ahead, testing new vehicles and technologies as they come to market.

Mel Dawson, managing director of ALD Automotive, explains how the latest AFV trials have important implications for their customers. "For many businesses, 2016 may well be the year that the benefits of AFVs start to stack up," he says.

"Sales of AFVs are at an all-time high driven by a record number of models in the marketplace while the government is showing a clear appetite for incentivising cleaner vehicle take-up. By using our Smart Mobility programme, fleets can gain from our extensive experience in trialling such technologies and our dedicated team of expert advisers to ensure their switch to AFVs makes sense on every business level."

"The trials show how AFVs can bring benefits in addition to reductions in a company's carbon footprint and vehicle running costs"

Growing our business th understanding our custo

A dedicated team ensures right from the start that your defleet needs are given the attention they deserve, says Aston Barclay

When talking to a potential new client, we start to understand and learn their expectations and ambitions well before any new contract is agreed and vehicles start the remarketing process.

We pride ourselves on our commitment to exceptional levels of service, ensuring that any proposals put forward are built around this thorough understanding. We then start to build bespoke solutions, educate our teams and develop our systems.

By listening to the needs of each individual client, we can use our industry experience and knowledge to assist the customer in exceeding their goals and handle the entire remarketing process from start to finish.

Once any contract has been agreed, we launch a full implementation plan covering all areas of the solution and involve team members from every department of our business. We know that every member of our team is connected with our client's vehicles in one way, shape or form; we always strive to let the customer know that their vehicles are in safe hands.

Aston Barclay staff undergo training, ensuring they are fully up-to-date with customer-specific systems and methods of working. This ensures that cover is always available for every aspect of the customer's account and it continues to run smoothly, minimising any potential disruption caused by staff absence.

A THOROUGH IMPLEMENTATION AND EDUCATION SERVICE

The implementation process normally begins a minimum of two months before the first vehicles are remarketed with a dedicated Implementation Team created to oversee the entire programme.

A board level director will take overall responsibility for the implementation programme, ensuring that senior management are fully aware of clients' needs. Staff from every Aston Barclay centre where the customer's vehicles will be remarketed are represented within the Implementation Team, ensuring that the service is seamless and that the client has full visibility over our activities.

This is representative of Aston Barclay's hands-on and flat management structure; all Aston Barclay team members on the account are involved from day one at every level, from customer reporting in the boardroom to using their industry experience when vehicles are going under the hammer.

Senior account management directly analyse what is happening on the auction floor, sharing industry experience and advice with buyers and vendors. It also enables any additional requirements from the customer to be communicated directly to all levels of management, ensuring requests and questions are dealt with and actioned in a fast and effective manner.

Lastly, to ensure that our team has sound relationships with clients, we undertake site visits to remarketing offices, dealerships, defleet locations or anywhere else that the client feels will give us the right level of understanding of our clients'

"Aston Barclay can work to your schedules in terms of vehicle allocation and collection, using our new fleet of state-of-the-art transporters"

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processes to be beneficial to the smooth running of the solution.

FULLY CUSTOMISABLE AT EVERY STAGE, AT EVERY LEVEL

We will never tell you what is best for your business but we will liaise with you to develop solutions that fit your working practices, processes and which seek to maximise your returns, improve cash flow and surpass your expectations.

Through our recently-enhanced digital services, including our fully-bespoke, cloud-based Inventory Management System (IMS) reporting suites and Auction Management System (AMS), we develop our infrastructure and back-end systems to meet our customer's requirements through customisable parameters, using dedicated staff to make sure that any integration is seamless between multiple systems which may be vital for delivering a trouble-free, efficient service.

The formatting and method of presenting to the client is decided entirely by the client, on everything from reporting to inspections and appraisals.

A remarketing strategy will be proposed to the customer, with Aston Barclay working to accommodate any specific requests. The number of vehicles at each sale will be prioritised, as well as their pre-sale and run phase marketing. This is entirely flexible, with the schedule of vehicles coming up for sale frequently reviewed.

To drive buyers to our four auction sites and to our digital sales channels, we work extensively with customers on joint marketing activities. These are created to ensure all promotional and marketing activity adheres to the guidelines of the customer, whether they are a leasing company, dealer or manufacturer.

Once all marketing has been approved by the customer and initiated, we utilise all available media outlets to raise brand awareness and create buzz about the upcoming sales. Once the contract has begun, we enter a run phase marketing programme prior to each sale, and continuously via our website and social media.

END-TO-END REMARKETING

The extensive experience of Aston Barclay's senior management – each of whom have more than 25 years' experience in the industry – gives our new fleet customers unrivalled access to inside knowledge of the auction and remarketing sector, allowing Aston Barclay to advise on best practice and changing market conditions. Aston Barclay can work to your schedules in terms of vehicle allocation and collection, using our new fleet of state-of-the-art transporters.

Aston Barclay provides complete visibility of each vehicle while in our care. Our transport fleet is fitted with the latest telematics, tracking vehicles on the road with our state of the art trucks, helping to lessen our environmental impact, improve efficiency and reduce fuel costs – which can then be passed back to our clients.

Still one month from the first vehicles being auctioned, Aston Barclay will establish review meeting schedules and processes against agreed KPIs selected by the customer and Aston Barclay. Only then will the agreement fully commence with vehicles collected, inspected and remarketed to Aston Barclay's ever-growing buyer base.

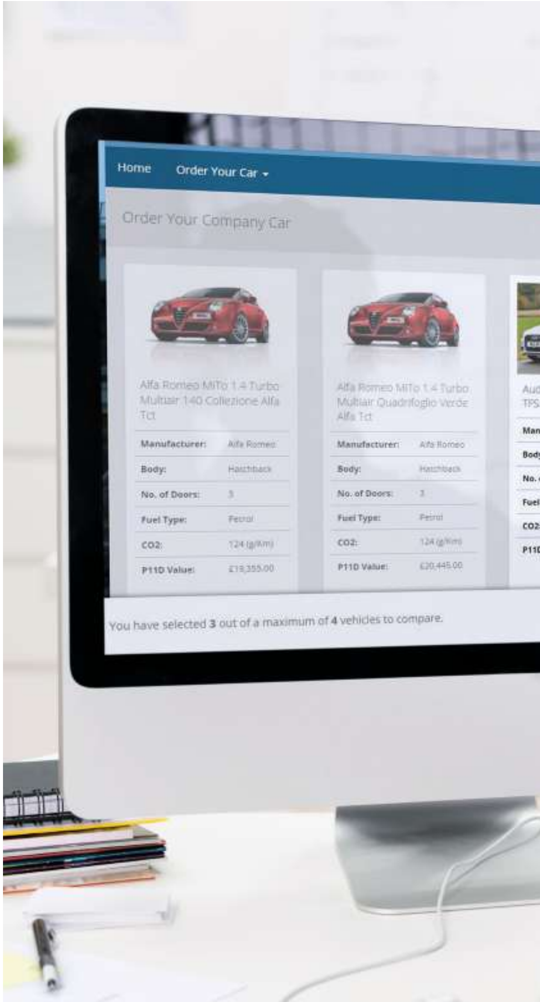
"The time and effort Aston Barclay has invested in Venson to understand our exact requirements, down to every bespoke detail, long before our vehicles hit the auction floor, makes it an obvious choice when selecting a remarketing provider," said one Aston Barclay fleet customer. "Its depth of expertise reassures us that our complex business needs can be met – and exceeded – providing a full end-to-end remarketing service."

Aston Barclay Vehicle Remarketing
Telephone: 01245 450700 Email: info@astonbarclay.net
Website: astonbarclay.net

ASTON BARCLAY
Vehicle Remarketing

A business on the move

Fleet Operations takes a partnership approach to management services, including multi-bid procurement



Mitchells & Butlers understands the importance of building strong working relationships with suppliers. The company's partnership with fleet management specialist Fleet Operations epitomises its strategic drive to achieving business excellence.

Mitchells & Butlers is one of the largest operators of restaurants, pubs and bars in the UK, with more than 1,700 restaurants and high profile brands including Miller & Carter, All Bar One, Toby Carvery and Harvester. With annual sales close to £2 billion and 43,000 UK employees, the company has remained at the industry's cutting edge by constantly innovating.

THE FLEET CHALLENGE

Mitchells & Butlers were looking for a fleet management partner, with a transparent business model, to oversee full day-to-day responsibility for all fleet-related matters.

A focus on best practice fleet management and proactive cost control, delivering high value and company-wide service excellence, was considered paramount. In a competitive recruitment environment, the company car continues to play a significant role in the attraction and retention of high-quality staff. An outsourced partner was needed that could also support them in meeting this recruitment challenge.

ACTION STATIONS: A PARTNERSHIP SOLUTION

A wide range of potential suppliers were evaluated before appointing Fleet Operations – the UK's leading independent provider of fleet management services – as the company's management partner for its 550-strong vehicle fleet.

Darrell Wilson, director of procurement and supply chain at Mitchells & Butlers, explains: "Fleet Operations clearly demonstrated how they work solely in the best financial and operational interests of their clients. The business was very professional from the outset, but the gravitas and deep subject matter expertise of the Fleet Operations team is impressive and gives them a level of credibility not attained by other businesses.

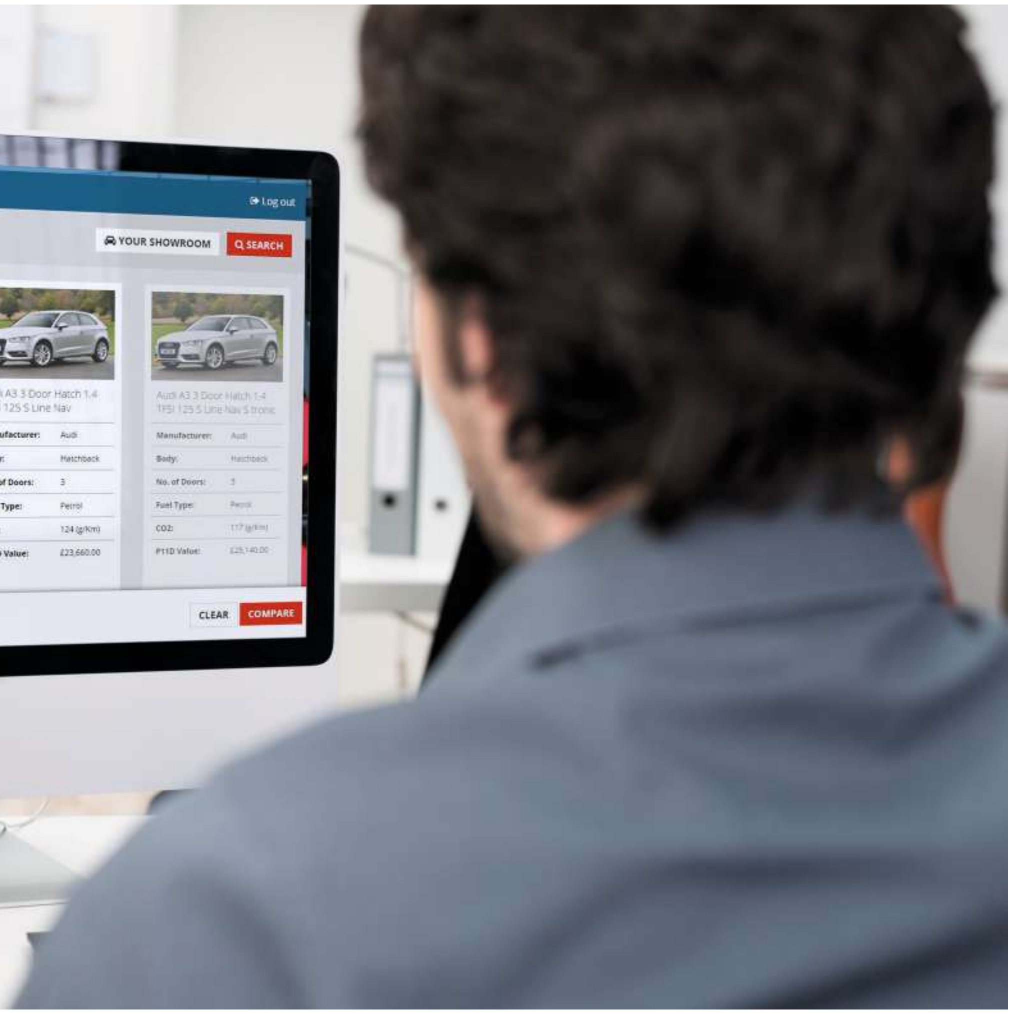
"With fleet policy set by the Mitchells & Butlers HR department, a successful, joined-up fleet management approach has now become established between Fleet Operations and the company's HR and procurement teams.

"As a procurement director, I'm always challenging cost but I'm also a strong advocate of value and service. Fleet Operations delivers against that value criteria, giving us a unique blend of cost efficiency, service enhancement, greater support to our employees through highly personable people and systems, along with detailed and meaningful MI."

RAISING THE BAR IN MULTI-BID PROCUREMENT

Mitchells & Butlers is no stranger to multi-bid fleet procurement, but the company felt the time was right to move its service provision to the next level and, in so doing, gain greater transparency and an advocate for its business. Fleet Operations's long-established procurement model, a

> "With annual sales close to £2 billion and 43,000 UK employees, the company has remained at the industry's cutting edge by constantly innovating"



multi-bid proposition, is underpinned by the award-winning MOVE solution, which interfaces with any UK leasing company or dealer.

For Mitchells & Butlers, this has meant that the multi-supplier procurement process has become fully automated. Drivers can select their vehicles, build them to their exact specifications, select optional extras, compare them in a digital showroom and arrange test drives. Benefit-in-kind, P11D declarations and employee contributions are displayed and calculated automatically.

This welcome development has delivered unprecedented levels of continuity, consistency and efficiency to the ordering process. The MOVE driver portal brings together all the information drivers need in one place, enabling orders to be tracked online, boosting speed and service.

During the first 12 months of its contract with Fleet Operations, 89 vehicles have been ordered, saving the restaurateur £26.16 per vehicle a month. This equates to a lifetime saving over four years of £1,255.68 per vehicle, from the vehicle procurement process alone.

The automated process is expected to deliver further efficiency gains for both the company and its drivers over the coming months. Furthermore, Mitchells & Butlers and Fleet Operations have worked closely to negotiate enhanced manufacturer support terms, delivering even further discounts. These savings have been passed on to the company's drivers, offering them a better choice of vehicles.

For short-term hire vehicles Fleet Operations went to the market with an open tender. A resulting contract with Nexus Vehicle Rental has led to a 25% saving on Mitchells & Butlers's overall rental spend. The hire vehicles have been supplied, utilising a tailored online solution, to both company car and retail employees.

UNLOCKING MAINTENANCE EFFICIENCIES AND SAVINGS

Although Mitchells & Butlers have used 'pay as you go' fleet maintenance services for several years, the company was looking to change supplier. Fleet Operations managed a full RFP for its service, maintenance and repair requirements.

"Underpinning their commitment to independence and transparency, they negotiated a contract with ARI that provides us with a fully disclosed cost and net price on every item of spend," says Wilson.

"Given the total value of our corporate fleet spend, delivering a solution that now provides us with a full understanding of all costs, without 'hidden' margins in the supply chain, has proved an important aspect of the Fleet Operations overall service provision."

ARI actively manages vehicle off-road (VOR) times, ensuring these are minimised with maintenance ETAs pursued by the provider to ensure that the highest service standards are met.

SPOTLIGHT ON COMPLIANCE AND SAFETY

With Fleet Operations on board, further administrative resource savings are being realised in the completion of key compliance tasks. Regular 'permit to drive' licence checks are carried out, for example, on all company drivers, including grey fleet and occasional drivers. The company has demonstrated an impressive 'driver status' compliance record of more than 95%. A review of all criteria, including endorsements and accident history, is now set to be used to categorise drivers as low, medium or high risk to support a structured driver training programme. This will further improve the company's duty of care, while helping to control maintenance and insurance costs.

A GLANCE TO THE FUTURE

With a wealth of highly visible brands in its portfolio, being at the forefront of good corporate practice is vital to Mitchells & Butlers. Strong corporate social responsibility values are, consequently, taken very seriously. With this in mind, Fleet Operations is sharing its best practice expertise on sustainable transport as part of an ongoing strategy to develop and shape its future green fleet policies.

"During the life of this contract, the corporate fleet sector is likely to face a number of challenges and opportunities," says Wilson. "With this in mind, Fleet Operations's proven ability to provide professional and genuinely impartial fleet consultancy is seen as a major benefit of our evolving relationship."

Move to Key2 brings cutting edge efficiency

Speedy upgraded to Jaama's software from spreadsheets to improve its fleet management of vehicles and drivers

Regulatory compliance is essential for all fleet operators alongside efficient and cost-effective fleet management which is why an ever-increasing number of public and private sector fleets are introducing Jaama's cutting-edge vehicle and driver management software.

Key2 is the UK's most frequently recommended fleet software. Speedy, the UK's leading provider of equipment and plant to the construction, infrastructure, industrial and related industries, introduced the technology in spring 2014 as a 'front-end tool' to manage vehicles and drivers.

Key2 replaced a software system that did not provide the flexibility, integration with other IT platforms across the company or ability for fleet suppliers to easily deliver critical vehicle-related information related to Speedy's all-leased fleet of 800 vans and 250 trucks as well as 1,200 commercial vehicle drivers and 500 company cars, and their drivers.

Lycrecia Rea, project manager, transport and logistics, Speedy, says: "We now have all information in one location, which improves administration and enables fleet forecasting that in turn improves operational efficiencies and compliance."

Speedy utilises many of the Key2 modules and is currently working on a number of projects that will see use of Key2 extended to include:

- The collection and interpretation of data from in-vehicle telematics.
- The collection and interpretation of truck tachograph data.
- A link to car and van leasing and maintenance provider Lex Autolease to view all data in respect of all vehicle servicing, maintenance and repair, MOT and vehicle excise duty matters.
- Introduction of Jaama's recently launched eConsent driving licence validation solution that replaces a paper-based mandate.

The Merseyside-headquartered company is a Freight Transport Association Van Excellence member and Fleet Operator Recognition Scheme (FORS) gold accredited business (both of which Jaama is an accredited member of). Rea says: "Compliance with all legislation and operating best practice is critical for Speedy.

"It is vital that we are able to demonstrate to our customers that the fleet is as safe and compliant as is possible. Key2 helps achieve that objective because all data is stored in one location, is easy to access and provides a detailed audit trail."

Online access leads to 'remote enforcement'

The Driver and Vehicle Standards Agency (DVSA) is moving to a policy of "remote enforcement" that will see fleets provide permanent online access to vehicle and driver records so compliant organisations will not be hindered by random roadside stops or spot checks thus improving operating efficiency.

What's more, the DVSA publishes its own guide to maintaining vehicle roadworthiness and advocates using IT as "part of an effective vehicle maintenance system".

In recommending that fleet operators use a computer-based system, the DVSA says: "The automated processes that can be created help to organise and manage an efficient and well-planned system."

Not only is compliance critical from a legislative perspective, but Rea highlights that it is also crucial in respect of corporate image and the company's ongoing focus on cost reduction.

For example, in the past 12 months Speedy has cut its accident record – typically low speed manoeuvring – by more than 60% by using data to improve its incident investigation and better manage drivers.

Meanwhile, Jaama's online electronic driver entitlement checking service, which seamlessly links with the DVLA's database to validate individual's driving licences, ensures vehicles are assigned to employees holding the correct driving qualifications.

Proactive notifications highlight when employees' driver licence categories require renewal, while regular reports highlighting individuals' licence points and any convictions for drink-driving or dangerous driving are scheduled as frequently as monthly to comply with FORS accreditation and Speedy's fleet insurance requirements.

Implementation of Key2 has provided Speedy with the ability to easily record, collate, analyse and access data. The information is then used to, for example, better track vehicle maintenance provision and implement targeted driver training initiatives.

It is essential that all vehicles are rigorously maintained. Speedy uses this detailed information to help shape its vehicle defleet strategies, which deliver

> "In the past 12 months Speedy has cut its accident record – typically low speed manoeuvring – by more than 60% by the use of vehicle and driver data"

savings as a result of being able to dispose of vehicles prior to an imminent service or MOT requirement. As a result, the company is meeting its compliance obligations and also using information to tightly manage expenditure.

Critically, as a Microsoft Gold Development Partner, Jaama's Key2 has been built for the Microsoft.NET framework enabling Speedy to integrate fleet information with its cross-company IT platform so the systems 'talk' to each other.

Legislative compliance is vital, and Speedy was named safe fleet of the year at the 2014 *Fleet News* Awards and 2014 *Fleet Van* (now *Commercial Fleet*) Awards, where it was also named van fleet of the year (business services), and it received that year's fleet safety award at road safety charity Brake's annual awards. Software integration means that updates by the company's HR department, such as in relation to employees' change of address, will automatically amend fleet data and, in that example, trigger driver licence amendments. Rea says: "Key2 has enabled the implementation of a single system to manage all fleet, driver and journey-related data, vital for ensuring compliance and efficient management of a fleet our size.

"The system enables bespoke reports to be scheduled, thereby delivering huge time savings with no requirement to search for information.

"Speedy's aim is to operate at the forefront of fleet best practice and be as compliant as possible. Jaama's Key2 system enables that target to be realised with fully auditable vehicle and driver records."

Jaama managing director Martin Evans says: "Compliance is critical for all fleets and through investment in fleet software businesses can drive efficiency improvements and ensure their processes are robust from an audit perspective.

"The technology also eases the burden of repetitive fleet administration tasks on employees."

CASE STUDY: Perth and Kinross Council

PERTH & KINROSS COUNCIL

Perth and Kinross Council was the first local authority in Scotland to introduce Jaama's industry-leading Key2 asset management software and, seven years later, the technology remains at the heart of the fleet and mechanical equipment operation.

The Perth-based Council uses Key2 vehicle fleet management to manage 540 vehicles – 120 cars, 90 commercial vehicles subject to Operator Licence regulations and 330 sub 3.5-tonne commercial vehicles – and more than 1,000 pieces of plant and equipment. It also utilises the Key2 accident management module.

Additionally, Key2 Workshop Management is deployed across the Council's 14 different vehicle and asset operating centres giving control of the authority's workshops and in depth performance monitoring across all service, maintenance and repair work undertaken.

Replacing an outdated software system that was supported by assorted spreadsheets, Key2 has delivered a wealth of administrative, compliance and reporting benefits to the extent that, says fleet manager Bill Morton: "We believe we have the best system available."

As a result, nearby local authorities Stirling Council and Falkirk Council followed the lead of Perth and Kinross and introduced Key2 to manage their fleet vehicles and other mechanical assets.

Customers' needs at heart of NWS service

Getting it 'right first time' – whatever the time – is the key to success for Nationwide Windscreen Services

NWS CORE VALUES

Putting customers first
Whatever the customer requires, Nationwide Windscreen Services will deliver. You get what you want and when you want it – whether that's same day, next day or by scheduled appointment – to keep your business running smoothly.

Keeping it simple
At NWS we communicate and build confidence with the customer to support, assist and inform. We deliver clear invoicing, admin and simple, straightforward management information solutions – we pride ourselves on getting it 'right first time'.

Making a difference together
NWS consults with and partners customers to deliver convenient solutions to help win new business and retain customers with cost effective service delivery packages.

Ethos... Strategy... Capacity...
NWS was set up to support the fleet market. We plan for sustainable growth and deliberately work under capacity to always meet our target of same day/next day service. Business processes map all eventualities, implementation, growth and customer service. NWS centralised control will react quickly to deliver service solutions for fleets and their customers that could require special requirements, such as same day/next day, van delivery fleets and true 24-hour service. NWS has 72 centres and 552 mobile units, and is a main service provider of automotive glass products within the FN50 – contracts with Lex Autolease, Alphabet, Arnold Clark (to name a just a few) consolidate our reputation in this sector. We deliver solutions for diverse fleets within leasing – such as fleet and accident management, parcel delivery, time sensitive, utility and HGV fleets. Free fleet glass inspections support reduced costs and fulfil duty of care requirements for vehicle users and employees – leasing continues to grow and diversify, and opportunities to include more service products (including glass in PCP and salary sacrifice packages) mean the NWS service delivery advantage fits perfectly for fleets.

ADAS

NWS was the first in the industry to invest and equip centres with ADAS recalibration systems. Ten sites have been equipped, and 30 are planned by the end of 2016. NWS manages the re-calibration – either dynamic, at an NWS static site or through a dealer – keeping driver inconvenience to a minimum.

Training and quality

NWS is supported by its highly trained, professional team of technicians who have a wealth of specialised knowledge and experience. They are fully qualified to NVQ 2 and 3, and this year NWS is rolling out a competency based re-evaluation process to ensure technicians are fully up to date.

This will ensure that our technician skill set remains at the expected high level of Standards-delivering quality. That expertise, combined with the use of only top quality materials, distinguishes NWS from other national glass replacement providers. We source from the leading glass stockist in the UK, with 20 regional sites, twice-daily deliveries and 24-hour emergency cover. We also carry own branch stock.

'Right first time' policy

We understand customers' current and future requirements, hold regular review meetings with NWS supply partners, demonstrate proven accurate glass part identification and use canopy vans. The reduction in vehicle downtime results in increased driver satisfaction

What our customers say...

NWS won the majority share of Lex Autolease from January 1 2015 on a three-year contract – with an estimated 14,000 jobs per year.

LA have committed to some of their largest clients to keep their vans, HGVs and cars ready for use at all times – and, after trialling NWS among their more sensitive customers, selected NWS as a supplier to fulfil their promises.

In emergency cases NWS has completed work on behalf of LA within four hours of the initial call, and so far this year there have been no service delivery issues.

"Delivering outstanding customer service is at the heart of Lex Autolease's customer offering and we recognise the importance of choosing the right suppliers to support us in this. Efficient, customer-centric suppliers, able to match our pace, ambition and the technical requirement of today's vehicles are key to our success. Nationwide Windscreen Services' proven track record of excellent service delivery against our testing SLAs, together with their proactive and collaborative approach to meeting customer requirements and account management, provided an excellent backdrop to our rigorous supplier tender and we were pleased to make the award to NWS for their service on a three-year contract."

Liam Gavin CAE MIMI, Purchasing & SMR Supplier Network Manager, Lex Autolease

"Due to the issues with service levels with our prior preferred partner, it was important to seek alternative providers to restore the confidence of our customers for outstanding and ongoing glass repairs and replacement. NWS were extremely efficient in being able to meet all our requirements within a very short timescale and provide excellent and consistent service levels. Over the last 18 months they have consistently delivered an efficient and reliable service to our customers, resulting in NWS becoming our preferred partner for all our glass requirements. They are also extremely nice people to deal with."

Chris Mitchinson, Director CLM Fleet Management Limited

Customer journey

Each NWS branch operates a bespoke and centrally controlled job-tracking IT platform (Autoglaze IT), monitored to agreed SLAs in call taking, customer communication, job tracking and job completions. All confirmed jobs into NWS are allocated to the postcode nominated NWS branch and monitored through to completion using hand-held terminals – the constant communication with the customer throughout the process ensures their ultimate satisfaction.

Telephony

- True 24/7 centralised call handling
- Investment in a leading edge telephony system
- Rich functionality such as on-board call recording
- A suite of reporting options for customer feedback
- Active call management for supervisors
- Ability to easily accommodate growth

The total package

- Prompt service – genuine 24/7
- Centralised control on job, processes, invoicing and admin
- Controlled competitive pricing
- Quality products and workmanship
- Cost saving solutions – fleet checks
- Repair-before-replace policy (BSAU242a)
- Extensive web-based reporting suite
- Driver satisfaction

NWS sales and marketing team
Tel: 01509 410752   Email: admin@natwin.co.uk
Website: natwin.co.uk

NATIONWIDE WINDSCREEN SERVICES

Tristar: award-winning s the road with VisionTrack

Chauffeur firm uses cutting edge cameras to improve safety and driver behaviour

Founded in 1978, Tristar pioneered airline door-to-door chauffeuring alongside companies such as Virgin Atlantic. Today, more than 30 years since its first journey, it has grown to become one of the world's leading ground transport providers that consistently delivers a highly reliable, first class service.

In June 2016, Tristar Worldwide won the fleet safety technology trophy at the 60th anniversary RoSPA Awards, along with two Gold awards for health and safety and fleet safety. Passenger safety is at the heart of everything it does, which includes continually researching the latest technology as it develops to see how it can be applied to its fleet.

PIONEERING FLEET TECHNOLOGY

One highly successful initiative has involved working with VisionTrack, utilising its specialist knowledge of in-vehicle CCTV and installing its recently launched, cutting-edge VT1000 cameras.

Janusz Kozlowski, fleet manager at Tristar, commented: "Responsibility for minimising road risk begins with our Group CEO, board of directors, and our dedicated Fleet Management team. Their commitment to raising road safety standards is reflected in our continual investment in comprehensive training schemes and innovative fleet technology, including installing over 130 VT1000s in our UK fleet.

We invest a lot of time, money and effort into training our chauffeurs to be safer on the road. But for now we are focusing on some of the technology we employ to enhance our chauffeur, passenger and other road users' safety."

With a 170 pillar-to-pillar wide angle lens, the VT1000 camera records high-quality footage in 1080p and has a built-in GPS receiver to ensure vehicle location and speed accuracy. This helps fleets mitigate the risk of insurance fraud and monitor vehicles to improve driving standards and operational efficiency. It also benefits from a security-led design, whereby a key is needed to access the memory card and the recording angle is locked in place, negating any concerns around footage being compromised.

As soon as the vehicle is switched on, VisionTrack's forward-facing in-car cameras spring into action – all vehicles on Tristar's UK fleet are fitted with them. These cameras track the chauffeur's location, speed, acceleration and braking force. The footage they provide gives the business a phenomenal insight into behaviours on the road, plus the ability to use high definition video to identify and enhance training using real life examples.

"The cameras provide an unbiased view of any situation and enhance safety by helping us discover potential issues around driving standards," says Kozlowski. "Our Fleet Management Team is alerted and can quickly address any such concerns through tailored training sessions for chauffeurs.

"We're dedicated to providing an outstanding travel experience for each of our clients, combining exceptional reliability, a high level of safety maintained throughout the world, sophisticated technology and 24/7 support teams to ensure our clients receive a first-class service that offers excellent value for money.

"We want our clients to love travelling with us, but we also want our people to love working for us and that includes ensuring their safety – something the VT1000 cameras have helped us maintain."

The VT1000 camera in a nutshell

- **Full 1080p HD video.**
- **Super-wide pillar-to-pillar viewing angle.**
- **Fully lockable case.**
- **Flexible recording modes.**
- **Enables driver grading.**
- **Built-in GPS for location and speed data.**
- **Telematics integration.**
- **Complete with industrial memory card.**
- **Google Maps, Google Earth and Google Street View integration.**
- **Designed for fleet use.**

safety on

"As well as encouraging good driver behaviour, it is important that every fleet has the opportunity to utilise vehicle cameras that provide irrefutable evidence in the event of an incident"

Simon Marsh, VisionTrack

Simon Marsh, VisionTrack's managing director, says: "As well as encouraging good driver behaviour, it is important that every fleet has the opportunity to utilise vehicle cameras that provide irrefutable evidence in the event of an incident, especially where fault is being disputed by a third party. The VT1000 device is perfect for businesses like Tristar. It requires minimal investment, opening up cutting-edge technology and high definition footage to fleets of any size."

Speaking of the VT1000's security features, Marsh says: "Many vehicle cameras used by fleets were originally made for individual car users and, as fleet adoption of these devices has boomed, some camera companies have added locking cases as a security afterthought.

"These cases do not always provide adequate protection against users accessing the format button and deleting footage that a fleet operator may need to see. This is where the VT1000 differs – developed with integrated locking case and lockable recording angle so fleet managers like Janusz can have peace of mind. Plus, it comes with alarm outputs so it can be integrated into third party telematics and is made for fleet use."

RESULTS THAT SPEAK VOLUMES

'We've been using the VT1000s since February 2016 and have seen a remarkable difference in the quality of footage available," commented Janusz. "We're very pleased with the cameras and how they are working for us, helping us to maintain our high standards and achieve our goals as a business."

Tristar's high service standards are driven by their personnel, from reservations agents to those on the road, in every global hub.

For more information, please contact Simon Marsh, VisionTrack's managing director.
Email: info@visiontrack.com Call: 01246 225 745
Website: visiontrack.com

VISIONTRACK

Analysis is the key to optimal fleet funding

Ongoing funding analysis is recommended to ensure the most cost-effective solution for your drivers

Fleet funding is changing and adapting to the profile, usage and driver requirements of each individual business. As a result, we are seeing a rise in fleets adopting flexible solutions for different employee populations, marking a significant shift from the established approach to funding.

Traditionally it would have been typical for leasing companies to see the majority of their customer portfolio have one funding type for cars and another for LCVs with no flexibility in between. This is no longer the case, with fleets adopting a flexible approach that focuses on the usage and needs of the driver rather than the vehicle type.

This means that fleets are maximising cost savings by adopting a variety of solutions – often including a mixture of contract hire, contract purchase, outright purchase, employee car ownership and salary sacrifice, otherwise known as blended funding. This flexible approach to funding has mainly been driven by the appetite of the fleet industry to develop and adopt sophisticated technology used to break down the true cost of running a fleet over the entire life of the vehicle.

Using modelling software, leasing companies can work with fleets to carry out a comprehensive review of each and every vehicle at the point of order. This review takes into account a range of variables including tax profiles, mileages, payment profiles, type of vehicle, fuel type, emissions, the vehicle cost, the internal rate of return and current vehicle purchasing performance. Once all the analysis has been completed the most efficient funding method can then be identified. Increasingly we are seeing a blended solution being the best value option for fleets.

The longevity of each of the funding methods involved in the blend depends on a variety of factors and the smartest choice for fleets will change depending on fluctuations such as tax changes, mileage preferences and car choices. Blended funding supports the idea of change with one of its greatest benefits being that once it is in place it allows easier flexibility of movement between funding types in the future.

As a leasing provider we have found that although great savings are initially made by switching the funding method, there can be a danger within the industry of implementing the solution and then leaving it to run over an extended period of time without review.

It is crucial for fleets to work with their leasing provider to continually evolve their funding solution. By monitoring the scheme on an ongoing basis, fleets can drive down costs by introducing new blends as and when requirements change, not just when their contract is up for tender or renewal. As well as making sure that fleets are consistently funding

their vehicles using the most cost-effective method, ongoing analysis will ensure that funding type is adapted to regular changes in legislation and tax and the increased availability of lower emission vehicles suitable for company car drivers.

By taking this approach and continuing to improve efficiencies throughout the entire life-cycle of a fleet, new initiatives can be implemented that drive continuous improvement and ensure that fleets are flexible, agile and always one step ahead. This not only benefits customers but, through salary sacrifice, also often gives the drivers variation of travel choice that suits their own circumstances and mileage profiles.

CASE STUDY: 1

Move from outright purchase to outsourcing fleet management through contract hire

A company has a fleet of 610 cars and 280 LCVs funded through outright purchase. Zenith completed a full review of funding to identify potential cost savings through moving to a fully outsourced contract hire solution.

RESULTS: The review found that moving both the car and LCV fleets to contract hire would create significant savings for the customer. Efficiencies were also identified through reviewing manufacturer terms, outsourcing maintenance, aligning cash cost to car cost, introducing a salary sacrifice scheme and outsourcing leasing administration.

In total all these recommendations combined led to annual savings of £889,350.

CASE STUDY: 2

Move from contract hire to blended funding

A company has a fleet of 520 cars and 891 LCVs. Zenith carried out a comprehensive review of all fleet areas, including a competitor review, to ensure that any recommendations were in line with the industry. Following a full funding analysis, a blended funding approach was taken – with some cars being funded by contract hire and some by employee car ownership. LCV funding was reviewed and savings were identified by changing from contract hire to contract purchase and contracting over a longer term and at a higher mileage. Additional savings were identified by moving a population of perk drivers on to salary sacrifice.

RESULTS: The changes resulted in annual savings of £902,191.

CASE STUDY: 3

A full review of fleet funding provides year on year savings

A fleet with 379 company cars funded through contract hire (245 with private fuel benefit) and some employees who take a cash allowance. Zenith carried out a consultancy review to establish if contract hire was the best funding solution in comparison with outright purchase, employee car ownership and a blended funding arrangement. Zenith also considered other costs such as fuel reimbursement, manufacturers and introducing a salary sacrifice scheme.

RESULTS: A full review of the fleet funding found that a blend of contract hire and employee car ownership would ensure the most economical funding method for the customer, while keeping the cost to employees neutral. Other changes to policy were suggested, such as using whole-life cost methodology, increasing the mileage cap to 120,000, bulk purchasing vehicles at certain grades, introducing a salary sacrifice scheme, gradually removing private fuel benefit and enforcing a no-motorway fuel purchase policy. Combined, this led to year-on-year savings of £352,224 in year one, rising to £1,287,789 by year four.

FleetNews AWARDS 2016

Sponsored by Zenith Intelligent Vehicle Solutions

"As the UK's leading independent leasing, fleet management and vehicle outsourcing business we help many customers implement initiatives that improve the cost efficiency of their fleet. Balfour Beatty's winning cost-saving initiative is a great example of how fleet can be included as part of a wider business initiative to drive continual improvement. The success of the 'Build to Last' programme shows that having a clear focus and specific goals enables employees to feel empowered to make a change in all areas of the business, including fleet. We want to send huge congratulations to the whole Balfour Beatty team for this very well deserved award.

"We were proud to sponsor the Cost Saving Initiative Award at this years' *Fleet News* Awards for the second year running as it promotes the great work that is done by businesses and fleet providers to improve efficiency and drive innovation."

Ian Hughes, commercial director at Zenith

BALFOUR BEATTY PLANT AND FLEET SERVICES

'It gave us licence to get under the skin of our operations'

Balfour Beatty is renowned for its innovative approach and came up trumps again with its Build To Last programme

By John Charles

Innovation is key to long-term business success and companies that fail to change and adapt put future growth aspirations at risk and perhaps, ultimately, fall into long-term decline.

International infrastructure group Balfour Beatty began its transformation programme Build to Last in February last year, anchored by four main goals: to be lean, expert, trusted and safe.

Chief executive Leo Quinn, who was appointed in January 2015, challenged each of Balfour Beatty's business units to develop their own Build to Last programme. For Balfour Beatty Plant and Fleet Services that meant an agenda to drive change focused around fleet efficiency innovation.

Such an approach was not a leap into the dark for Balfour Beatty Plant and Fleet Services as it has a history of constantly introducing new initiatives – many of them award-winning such as Permit to Drive, which secured the *Fleet News* Awards 2015 Safe Fleet of the Year accolade.

However, as fleet director Carl Hanson explains: "The Build to Last programme gave us licence to get further under the skin of our day-to-day operations and really drive improvements and efficiencies across the fleet."

Balfour Beatty Plant and Fleet Services identified four key pillars to form its own Build to Last initiative: procurement, fuel management, fleet efficiency and reporting.

In 2015 financial savings totalling 6% of the total fleet costs (including overheads, fuel, vehicles and technology) were identified across the four business areas in terms of fleet operations.

Throughout the year, Balfour Beatty Plant and Fleet Services 'kept score' and updated the business monthly on progress.

Savings and improvements have continued in 2016 with the Build to Last programme further evolving and Hanson explaining: "Change is constant so we are continually reviewing and adapting the business to meet our customers' requirements. That means more innovation and greater use of technology to deliver further significant savings."

He continues: "The Build to Last transformation programme demonstrates involvement and buy-in across the organisation from the group chief executive through to individual drivers working on our operations every day. The results yielded to date highlight direct, significant cost savings as well as unlocking many other benefits to the business."

Fleet News: What did you focus on to achieve savings across the four target areas?

Carl Hanson: The principal aims were to obtain reductions in fleet and fuel spend through vehicle standardisation and effective supply chain management. As well as operating fuel efficient vehicles, we wanted to deliver fuel savings at a driver level by changing driver behaviour and maximising deals available through our fuel card supply partner. Additionally, targeted 'deep dives' at contract/depot level have improved vehicle utilisation, fuel efficiency and driver behaviour, while sophisticated dashboard-style reporting enables trend analysis and the ability to monitor and maintain improvements.

FN: How did you convince business divisions that the new approach was the right approach?

CH: We had to show operating units how they could be lean and efficient with the resources they used day to day such as vehicles, fuel and drivers by managing changes to attitudes and behaviours. We worked with business unit leaders and took them on a journey of change to gain their approval, enabling Plant and Fleet Services to support their teams at individual contract/depot level, delivering lasting efficiency and sustainability. That required unit business leaders to recognise that by investing the time up front to improve fleet performance, they would see quick wins and medium to long-term improvements – and financial savings – across their respective fleet operations.

FN: What specific actions did you take to deliver savings in the four target areas?

CH: They were many and varied. In terms of procurement, following the 2014 decision to outsource the supply and management of Balfour Beatty's car and van fleet to Lex Autolease (HGV vehicle purchasing and management

"We worked with business unit leaders to be lean and efficient and took them on a journey of change to gain their approval"

Carl Hanson, Balfour Beatty Plant and Fleet Services

Carl Hanson, fleet director, Balfour Beatty Plant and Fleet Services (right), is presented with the award by Ian Hughes, commerical director, Zenith

remained in-house] we identified further savings by standardising our commercial fleet and rationalising our supplier base. We have reduced the fleet mix to nine standard light commercial vehicle types and 14 specifications and a revised vehicle standard with greater consistency to improve utilisation, enabling vans to be moved across units to meet individual contract demands. We moved away from individual operating units having their own 'favourite' vans and specifications. In terms of the car choice we review, with Lex, vehicle price and CO_2 emission levels four times a year so as new models are launched we continually drive down fleet emissions and improve fuel efficiency.

FN: What action have you taken to reduce fuel costs?
CH: Key to fuel management improvements has been the rollout of 6,500 new discount diesel fuel cards, along with educational packs to encourage more effective usage. As part of the programme we recruited a fuel card co-ordinator to support the targeted fuel spend behaviour improvements across all cards and introduce the new policy. Previously, there were individuals across different parts of the business involved in the fuel card process with differing management approaches. Drivers are supported through a number of communication channels including a mobile app and fuel station mapping. Monthly reports highlight improvements and identify lost opportunities for savings to continually drive further fleet efficiency and greater vehicle utilisation.

FN: And safety?
CH: Our fleet efficiency drive has also complemented our long-established focus on road safety. We established a project team to review existing data and conduct strategic 'deep dives' into the fleet operations relating to individual depots and contracts to drive changes where we could identify savings. One contract example saw the removal of three vehicles, drivers re-assigned to more suitable vehicles and, due to the use of telematics, a 75% reduction in speeding instances, an 84% cut in engine idling and a 45% mpg improvements with spin-off CO_2 improvements to help meet Balfour Beatty's environmental improvement targets. A further initiative saw a concerted focus on the efficient use and management of short-term hire vehicles. Additionally, in-house speed awareness courses were introduced, reducing speeding instances by 54% over a 14-week period in one division as well as improved mpg.

FN: How do you ensure that the momentum created by Build to Last is maintained?
CH: Weekly KPI reports are produced so business units can track progress and see future opportunities for savings and weekly conference calls are hosted to discuss the outcomes and actions required. On-going reporting following the initial transformation stage is critical to ensure that improvements and efficiencies are maintained over time and become the norm. Management information packs are generated monthly and sent to senior stakeholders in each business unit. They are designed to grab the attention of senior management and allow them to identify positive or negative trends in their fleet and act accordingly.

FN: What are the long-term benefits of Build to Last in addition to financial savings?
CH: Plant and Fleet Services has forged much stronger relationships with operational teams, through increased dialogue and a greater appreciation of the importance that a more efficient fleet can provide. By going the extra mile for our colleagues we are achieving much deeper mutual and durable relationships which are built to last.

FN: What does winning a *Fleet News* Award mean to you personally and the business?
CH: I was very proud to win an industry award for the work we have done. It is a thank-you to everyone who has been involved in delivering the savings and improvements.

FACTFILE

Organisation Balfour Beatty Plant and Fleet Services
Fleet director Carl Hanson
Headquarters Derby
Fleet size 3,000 cars, 2,500 light commercial vehicles and 1,000 heavy commercial vehicles

Judges' comments

"A comprehensive initiative that extends across all of the business, Balfour Beatty Plant and Fleet's support of the Balfour Beatty Group's Build to Last programme shows forward-thinking and is supported by clear evidence of performance improvements and ongoing tracking. Well measured and monitored, it has been driven from the top with investment that yields results, both now and for the long-term."

HYUNDAI IONIQ

Two alternative fuel models that aim to put Hyundai ahead of the game

NEED TO KNOW

- Launch of first two versions of alternative fuel trio
- Hybrid offers CO_2 from 79g/km; price from £19,995
- EV from £28,995 before plug-in car grant

By Simon Harris

It's unlikely that anyone procuring cars now doubts the ability of Hyundai (and Kia) to compete with some of the biggest manufacturers on the world stage.

Last year the company introduced the first mass-production hydrogen fuel cell car to the UK, the ix35 FCV, and soon it will be leapfrogging a number of big players by offering an affordable hybrid, electric car and plug-in hybrid. The latter will arrive in 2017, but the EV and Hybrid will be available in the autumn, with orders now being taken.

The unique proposition for these three alternative fuel powertrains is that they are each contained within a common body architecture.

The Hyundai Ioniq is a lower-medium hatchback, not dissimilar in design to the now discontinued Vauxhall Ampera. However, the Ioniq offers seating for five adults and a pretty generous luggage compartment.

At launch the Ioniq will be able to do the same jobs as either the Nissan Leaf or Toyota Prius, and within a few months will offer an alternative to the Prius Plug-in.

For the Hybrid the entry-level SE, priced at £19,995 on the road, comes with 15-inch alloy wheels (essential for the lowest 79g/km rating), DAB with Bluetooth, cruise control, rear parking sensors with rear-view camera, autonomous emergency braking and lane-keeping assistance.

The Premium grade is priced £1,800 higher and adds keyless entry and push-button start, heated front seats and steering wheel, bi-xenon headlamps, LED rear lights, LCD instrument display sat-nav with TomTom Live services, and upgraded audio with Android Auto and Apple CarPlay compatibility.

The range-topping Premium SE, at a further £1,800, adds a ventilation function to the front seats, heated outer rear seats, electrically adjustable driver's seat, blind spot monitoring, rear cross traffic alert and front parking assistance. Optional 17-inch alloys are available. CO_2 emissions are pushed to 92g/km and fuel economy on the combined cycle is cut to to 72.4mpg (83.1mpg on standard wheels).

The Hybrid's interior: stylish but less sophisticated than the Electric

The Electric has a maximum range of 174 miles

HYUNDAI IONIQ ELECTRIC PREMIUM SE

COSTS

P11D price	£30,740
BIK tax band (2016/17)	7%
Annual BIK tax (20%)	£430
Class 1A NIC	£297
Annual VED	£0
RV (4yr/80K)	n/a
Fuel cost (ppm)	n/a
Range	174 miles
Running cost (4yr/80K)	n/a

SPEC

Power (hp)/torque (lb-ft)	120/218
CO_2 emissions (g/km)	0
Top speed (mph)	103
0-62mph (sec)	9.9 (sport mode)
Battery capacity	28kWh

KEY RIVAL

Nissan Leaf 30kWh Tekna	
P11D price:	£32,825
BIK tax band (2016/17)	7%
Annual BIK tax (20%)	£460
Class 1A NIC	£317
Annual VED	£0
RV (4yr/80k)	£5,217/17%
Fuel cost (ppm)	3.72
Range	155 miles
Running cost (4yr/80k)	74.56ppm

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

The Ioniq Electric Premium, the entry-level grade for the EV, starts at £28,995 (before the plug-in car grant is applied). Its features reflect the Hybrid Premium, but add rain-sensing wipers, 16-inch alloy wheels and intelligent cruise control. All Ioniq models come with Hyundai's five-year/unlimited mileage warranty, with a separate eight-year/125,000-mile warranty on the high-voltage battery.

Hyundai Ioniq Hybrid: on the road

We've become used to hybrid models during the last 16 years and they now hold few surprises.

Cars such as the Toyota Prius have been chosen as more tax-efficient alternatives to diesels, as well as a more practical vehicle for urban use.

The Ioniq Hybrid does all that we expect a modern hybrid to do. At low speeds it runs only on the electric motor provided there is sufficient charge left in the lithium ion battery.

Its 1.6-litre petrol engine runs on the more efficient 'Atkinson cycle', like Toyota hybrids, and it also matches the thermal efficiency of the latest Prius.

Unlike many hybrids to date, the Ioniq comes with a dual-clutch transmission, offering the convenience and smoothness of an automatic without some of the noise issues associated with CVT systems, where initial rpm under acceleration is high.

Hyundai Ioniq Electric: on the road

Perhaps we shouldn't really be comparing the electric version of the Ioniq with the Hybrid, but the interior has a slightly more sophisticated feel, almost entirely created by the absence of a gearstick (park, drive and neutral are selected via buttons) and foot-operated parking brake.

The Electric is distinguished externally with a covered grille (it doesn't have an internal combustion engine to cool), copper styling elements rather than blue, and a slightly different design within the rear light cluster.

The pleasure of running a car in silence at high speed is here, and the maximum range of 174 miles is not to be sniffed at. It should guarantee more than 100 miles of high-speed running, and as Ecotricity recently announced a £5 fee for a top-up charge at a public charging point, those extra miles over other similar priced EVs could prove valuable.

HYUNDAI IONIQ HYBRID PREMIUM

COSTS

P11D price	£21,740
BIK tax band (2016/17)	15%
Annual BIK tax (20%)	£652
Class 1A NIC	£450
Annual VED	£0
RV (4yr/80K)	n/a
Fuel cost (ppm)	n/a
AFR (ppm)	13
Running cost (4yr/80K)	n/a

SPEC

Power (hp)/torque (lb-ft)	141/195
CO_2 emissions (g/km)	79
Top speed (mph)	115
0-62mph (sec)	10.8
Fuel efficiency (mpg)	83.1

KEY RIVAL

Toyota Auris 1.8h Icon Nav	
P11D price:	£22,090
BIK tax band (2016/17)	15%
Annual BIK tax (20%)	£663
Class 1A NIC	£457
Annual VED	£0
RV (4yr/80k)	£5,225/24%
Fuel cost (ppm)	6.48
AFR (ppm)	13
Running cost (4yr/80k)	30.72ppm

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

THINKING CAP

By Martin Ward, manufacturer relationships manager

cap hpi

Monday/Tuesday To Gateshead for the UK press launch of the Kia Niro, which is an SUV and a hybrid too. It is powered by a 1.6-litre petrol engine with 104bhp; coupled to this is an electric motor, and combined they produce 139bhp. There is loads of room both in cabin and boot, and four models are available: 1, 2, 3 and First Edition.

We drove a First Edition on a variety of roads, and it achieved 51.5mpg. It has a range of around three miles on pure electric, but when you decelerate the EV power takes over. On acceleration, petrol power starts and it transfers between electric and petrol automatically, with CO_2 ranging from 88g/km to 101g/km, depending on the size of tyre. This car will attract fleet buyers (prices range from £21,295 to £26,995) if it can get on to user-chooser lists.

"The systems are easy and intuitive – after just a few minutes you feel at home"

Thursday/Friday Back 'up North' again to Darlington – twice in a few days, which is unusual, and this time for the press launch of the new Renault Megane hatch.

We drove the diesel version first, and took it out on different types of roads and conditions. It is quiet and smooth, and a pleasure to drive. The systems are easy and intuitive, and after just a few minutes of playing with them, you feel at home.

We then got into a £25,500 Megane GT 205hp – a very quick hot-hatch that even has 'Launch-Control'. It does have four-wheel steer, low speeds and motorway speeds; although they all work, we couldn't really work out why it had them.

The new Megane looks great; the bold front and rear lights are fantastic, and make it stand out in a crowd. Well done to the designers and engineers: I bet they took some getting past the bean-counters as they won't be cheap, but they're worth every penny – sorry, Euro – spent on them.

The 'Thor's Hammer' headlights and XC90 grilles now feature on the V40

1.6 D2 120 MOMENTUM NAV PLUS

VOLVO V40

Packed with features, this is a classy option – but the interior is showing its age

NEED TO KNOW

- **XC90 features making their way into other models**
- **CO_2 emissions down to 89g/km**
- **Excellent comfort in the front; less in the rear**

By Andrew Ryan

Volvo is a brand on the up. Last year it sold 43,432 cars in the UK – its highest total for 21 years – with 28,556 of these going into the fleet sector. At the head of its renaissance has been the well-received XC90 which, among many honours, was named best large SUV in the 2016 *Fleet News* Awards.

Unsurprisingly, aspects of the seven-seater are now filtering into its other models. This has seen several styling features – including the 'Thor's Hammer' LED headlights and new grilles – making their way on to the revised V40.

The hatchback range's trim levels also now reflect those available on the XC90, with Volvo saying this simplifies its line-up. The ES trim is now removed, while SE and SE Lux have been replaced with Momentum and Inscription. R-Design, R-Design Pro, Cross Country and Cross Country Pro have been retained.

The Momentum grade is the entry point to the range, but standard equipment still includes LED headlights, dual-zone climate control, digital radio, Bluetooth music streaming, hands-free phone system and hill start assist. Standard safety equipment (the V40 has a five-star Euro NCAP safety rating) includes City Safety (with automatic emergency braking), pedestrian airbag, driver's knee airbag, side impact protection system airbags and inflatable curtain airbags.

Momentum, R-Design and Cross Country are available with 'Nav Plus': costing a further £850, it is aimed mainly at business users and features sat-nav, cruise control and rear park assist. It also adds Sensus Connect, which includes voice control, a seven-inch screen (non-Nav Plus models have a five-inch screen), connected apps and internet browser.

COSTS

P11D price	£22,800
BIK tax band (2016/17)	18%
Annual BIK tax (20%)	£821
Class 1A NIC	£566
Annual VED	£0
RV (4yr/80K)	£5,825/26%
Fuel cost (ppm)	6.07
AFR (ppm)	9
Running cost (4yr/80K)	31.03ppm

SPEC

Power (hp)/torque (lb-ft)	120
CO_2 emissions (g/km)	89
Top speed (mph)	118
0-62mph (sec)	10.5
Fuel efficiency (mpg)	83.1

KEY RIVAL

Volkswagen Golf 1.6TDI Bluemotion Disc Nav	
P11D price:	£23,070
BIK tax band (2016/17)	18%
Annual BIK tax (20%)	£831
Class 1A NIC	£573
Annual VED	£0
RV (4yr/80k)	£5,225/23%
Fuel cost (ppm)	6.14
AFR (ppm)	9
Running cost (4yr/80k)	31.36ppm

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

The centre console can be difficult to operate

Further revisions to the range have seen CO_2 emissions from the 1.6 D2 120 manual powertrain fall from 94g/km to 89g/km, putting it into the 18% benefit-in-kind tax bracket. It offers an official combined fuel economy of 83.1mpg.

First launched in 2012, the V40's exterior has been freshened up by the revisions, with the LED lights particularly striking. But the interior is starting to show its age. The quality and mix of materials, together with classy metal trim, create a premium feel, but the centre console is packed with buttons, often making it awkward to operate.

Other than this, front seat passengers are well catered for: the seats are extremely comfortable and supportive.

Rear seat passengers have less to cheer about. The seats, again, are excellent, but headroom and legroom are more restricted than in its rivals, and the boot also suffers in comparison. The D2 offers 335 litres with the rear seats in place, compared to the Volkswagen Golf's 380 litres, while the boot opening is relatively narrow and high.

But on the road, the V40's 120hp engine delivers its power smoothly, while its ride quality also impresses. Combine this with competitive running costs and, despite its restricted practicality, it provides a classy option to mainstream rivals.

Turn to page 76 for our review of the XC90 T8.

2.0TDI 180HP TITANIUM X PACK

FORD S-MAX

Ample space for seven people but can it deliver on the road too?

'Equally at home crunching motorway miles as navigating twistier B-roads'

NEED TO KNOW

- Arguably the best-looking MPV on the market
- 56.5mpg according to official figures
- Huge amount of internal storage

By Stephen Briers

Company car drivers have a wide choice when it comes to seven-seat MPVs: Ford alone offers three models – Grand C-Max, S-Max and Galaxy. Both Grand C-Max and S-Max were shortlisted for the 'best seven-seat people carrier' category at this year's *Fleet News* Awards, with the latter collecting the winner's trophy.

The judges described it as "an excellent drive which appeals to the driver's heart as well as the fleet's head".

We took the car for a week to see if it lived up to that glowing testimony, testing the 2.0-litre TDI 180hp engine with the Titanium X Pack (Titanium X is no longer an equipment level in its own right; it is now orderable as a separate pack), offering 56.5mpg and 129g/km CO2, plus running costs of 41.33ppm.

Large MPVs have to perform one function very well: accommodate seven people. And by accommodate, we mean ample seating space plus room for drinks, magazines and other paraphernalia. The S-Max performs this duty with aplomb.

All occupants have proper seats, including full padding in the rearmost two with full head restraints, and enough leg, head and – vitally – elbow space to satisfy most body sizes and shapes for lengthy journeys.


Plenty of room for driver and passengers in the S-Max

The middle seats can be slid forward and back individually to create enough legroom in the rear seats to keep adults happy, although they are probably best used by children as they are mounted close to the floor.

Admittedly, boot space is compromised with seven occupants – but those who need the extra capacity would tend to upgrade to the Galaxy. There is no lip on the boot, though, so luggage slides right in.

As a frequent five-seater and occasional seven-seater, the S-Max can't be beaten for interior space and comfort.

It has cubby holes and storage areas galore, including two cupholders between the front seats, deep door bins and a large lidded central bin that doubles as an armrest. There is also a lidded container on the top of the dash and overhead storage for sunglasses. There is under-floor storage in the middle row, as well as folding trays and decent space in the doors, and the whole car is given an airy feel thanks to the full-length panoramic glass roof.

Not so long ago, that would've sufficed for a five-star review. No longer: people carriers now have to offer a degree of driving enjoyment. Here the S-Max truly excels.

However it is loaded, the car is engaging to drive, equally at home crunching the motorway miles as it is navigating the UK's twistier B-roads. With keen responses and precise steering, its agility befits a much smaller car, with limited body roll on the bends but a padded drive on the more rutted carriageways. And at all times, the decent driving position offers an excellent view of the road ahead thanks to slim A-pillars and a wide glass area.

All this comes packaged in arguably the best looking MPV on the market, with deep side skirts, 18-inch alloys and a steeply raked windscreen which merges into a sleek roofline and swoops to a short spoiler above the boot lid.

There are a few quibbles. The automatic handbrake release is a little slow to unhitch and the interior quality could be a little better – particularly when compared to Ford's usual standards – and more ergonomically friendly.

So, the question is: did the S-Max justify the judges' fulsome praise? You bet!

THE RIVALS

- Vauxhall Zafira Tourer 2.0 CDTi 170 Elite
- BMW 2 Series Gran Tourer 220d M Sport
- Seat Alhambra 2.0 TDI 184 SE Lux

P11D PRICE

Zafira Tourer	£27,635
S-Max	£31,365
2 Series	£31,484
Alhambra	£33,695

BIK TAX AND CO_2

2 Series	24%/124g/km
S-Max	25%/129g/km
Zafira Tourer	27%/137g/km
Alhambra	27%/139g/km

FUEL COSTS

2 Series	8.49ppm/£6,792
S-Max	9.03ppm/£7,224
Zafira Tourer	9.55ppm/£7,640
Alhambra	9.58ppm/£7,664

DEPRECIATION

Zafira Tourer	27.29ppm/£21,832
S-Max	27.36ppm/£21,888
2 Series	27.89ppm/£22,312
Alhambra	31.49ppm/£25,192

SMR

Alhambra	3.50ppm/£2,800
Zafira Tourer	4.43ppm/£3,544
2 Series	4.46ppm/£3,568
S-Max	4.94ppm/£3,952

RUNNING COSTS

2 Series	40.84ppm/£32,672
Zafira Tourer	41.27ppm/£33,016
S-Max	41.33ppm/£33,064
Alhambra	44.57ppm/£35,656

VERDICT

It's a close-run thing between the S-Max and the 2 Series Gran Tourer. The latter edges it on running costs, primarily due to its better (paper) fuel figure, but the S-Max is an MPV-lover's MPV and just shades it on all-round flexibility.

Winner: Ford S-Max

Running cost: KeeResources (4yr/80k)

T8 MOMENTUM

VOLVO XC90

The new plug-in hybrid that can still deliver 407bhp

It's a big car but it's not only the fastest XC90 yet, it's also the most efficient

NEED TO KNOW

- BIK rate of just 7%, fuel economy of 134mpg
- Sport setting gives 0-60mph in 5.3 seconds
- 347 litres of boot space

By Matt de Prez

The XC90 had already made a positive impression at its launch last year but now *Fleet News* has been behind the wheel of a UK spec XC90 T8 plug-in hybrid.

By designing the car from the ground up to be a hybrid, Volvo has managed to package the battery pack and two powertrains neatly within the chassis – optimising weight distribution and passenger space.

Dubbed 'twin engine', the car functions like a normal hybrid; starting on battery and offering near-silent running until energy from the petrol engine is required. It can also operate as a full EV, giving around 27 miles to a full charge – enough for a moderate commute. The battery can be re-charged within two to six hours when plugged in.

The upshot of this for fleet drivers is a BIK rate of just 7%. So despite the list price of £60,450, a 40% tax payer will only be hit by monthly deductions of £140. It is also exempt from road tax and the congestion charge.

Volvo claims a combined fuel economy figure of 134mpg; such efficiency is impressive when you consider the 2.5-tonne SUV is a proper seven-seater with 347 litres of boot space with the individual rear seats in place.

But the XC90's party piece is found when you delve into the drive control settings and select 'sport'. Then the 2.0-litre turbo/super-charged engine joins force with the electric motor delivering 407bhp to all four wheels. The result is a 0-60 mph time of just 5.3-seconds. This makes it not only the fastest but also the most efficient XC90.

"The XC90 handles its bulk well. Despite the power reserves it's a relaxed cruiser"


A full leather interior, even at entry-level Momentum spec

In entry-level spec, the car still benefits from a full leather interior, panoramic sunroof, city safety with active cruise control and a 12.3-inch TFT screen in place of traditional dials.

All the vehicle functions are controlled through a 9-inch hi-resolution touch screen which includes connected services such as music streaming and service booking. It's a very neat set-up – although changing the radio station or temperature while driving requires surgeon-like dexterity.

The XC90 handles its bulk well on the road but despite the available power reserves of this flagship model it's certainly a relaxed cruiser at heart.

When the engine does cut in, the noise is rather intrusive for a luxury petrol car and spirited driving or charging on the move will soon see the fuel economy plummet towards the mid-30s.

In terms of rivals, the BMW X5 and the Audi Q7 offer plug-in drivetrains at this price point but both are only available with five seats. The Range Rover Sport is the only other hybrid seven-seater available but its imperious luxury coupled with strong off-road ability comes with a significant price tag.

THE RIVALS

- BMW X5 xDrive40e SE Pure Experience
- Audi Q7 Quattro 3.0TDi e-tron
- Range Rover Sport 3.0h SDV6 Hybrid

P11D PRICE

BMW X5	£54,410
Volvo XC90	£60,400
Audi Q7	£64,895
Range Rover Sport	£86,535

BIK TAX AND CO_2

Audi Q7	7%/48g/km
Volvo XC90	7%/49g/km
BMW X5	15%/77g/km
Range Rover Sport	29%/164g/km

FUEL COSTS

Audi Q7	7.29ppm/£5,832
Volvo XC90	9.20ppm/£7,360
Range Rover Sport	11.15ppm/£8,920
BMW X5	15.34ppm/£12,272

DEPRECIATION

BMW X5	44.51ppm/£35,608
Volvo XC90	49.00ppm/£39,200
Audi Q7	58.81ppm/£47,045
Range Rover Sport	68.61ppm/£54,885

SMR

Volvo XC90	6.09ppm/£4,872
BMW X5	6.54ppm/£5,232
Audi Q7	6.59ppm/£5,272
Range Rover Sport	8.68ppm/£6,944

RUNNING COSTS

Volvo XC90	64.29/£51,432
BMW X5	66.39/£53,112
Audi Q7	72.69ppm/£58,152
Range Rover Sport	88.44ppm/£70,752

VERDICT

The XC90 is the only true plug-in hybrid SUV. It offers lower running costs and more practicality than any of its rivals and can carry seven people with boot space to spare.

Winner: Volvo XC90

Running cost: KeeResources (4yr/80k)

SE DYNAMIC 1.6 TDI

SEAT LEON

Handled a beach holiday with some aplomb

The fully-laden Leon returned 56mpg on the motorway

COSTS*

P11D price	£20,340
BIK tax band	21%
Annual BIK tax (20%)	£854
Class 1A NIC	£589
Annual VED	£0 then £20
RV (4yr/80k)	£5,100/25%
Fuel cost (ppm)	7.56
AFR (ppm)	9
Running cost (4yr/80k)	29.77ppm

SPEC

Engine (cc)	1,598
Power (hp)	108
Torque (lb-ft)	184
CO_2 emissions (g/km)	106
Fuel efficiency (mpg)	67.3
Max speed (mph)	121
0-62mph (sec)	10.9
Test mpg	56
Current mileage	6,107

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

By Matt de Prez

After three months on our fleet, it's time to say goodbye to the Leon. Its final test was a colleague's family holiday, which put the boot space under scrutiny.

The Sports Tourer commands a £1,000 premium over the equivalent Leon hatch. In return, it offers 587 litres of boot space – more than a Ford Focus estate (476 litres) but less than a Volkswagen Golf estate (605 litres).

At the flick of a switch the rear seats drop, expanding the load space to 1,470 litres. Not quite on a par with rivals the Vauxhall Astra (1,630 litres) and Volkswagen Golf (1,620 litres) but accommodating nonetheless.

Also, as there is no spare wheel as standard (it's a £105 option), even more space can be found underneath the boot floor – useful, in this case, for general beach paraphernalia.

Fully laden, the Leon handled its trip to Devon admirably – returning 56mpg on the motorway. My colleague drove a similarly specced SE Ecomotive (£21,850) last year and confirmed my suspicion that the extra gear adds refinement.

With a six-speed gearbox the Ecomotive model is actually slightly faster and – on paper at least – returns better mpg (78.5 versus 67.3). Furthermore, CO_2 emissions of 94g/km compared to our car's 106g/km net a drop in benefit-in-kind tax from 21% to 18%. Alternatively, the SE Dynamic can be optioned with the excellent seven-speed DSG gearbox for £21,845, which also benefits a modest increase in mpg (68.9) and a 1g/km advantage in CO_2.

Ride and handling are not a fundamental consideration for fleets but the Leon's efforts in the corners should not go unnoticed. Where many manufacturers have dialled out driver engagement in favour of safety and refinement, the Leon has a capable chassis and delivers an enjoyable driving experience, mitigating its power deficit. Despite suffering from road and engine noise when compared with rivals, the Leon feels solid, with clear links to its Germanic underpinning.

"Where many manufacturers have dialled out driver engagement in favour of safety, the Leon delivers an enjoyable driving experience"

Volvo V60 D2 Geartronic SE Nav

No news is good news for the V60, which continues to perform well in our long term test, delivering everything you'd expect.

Generously proportioned, this car's bodywork provides spacious accommodation and is very roomy up front with a high seating position that allows good visibility.

Load capacity is less than that of rivals from Audi and BMW but compensation comes in the form of an attractive appearance and the uncluttered shape of the boot, along with a low loading height, so the car can still be a workhorse.

This entry-level version of the V60 is not the quickest from the lights but as the test mileage grows I'm impressed with every other aspect of performance from its relatively low-output motor, which produces little noise overall and feels relaxed when it reaches cruising speed.

As a result, the car feels like a limousine for much of the time and seems well-suited to motorway use with great comfort from seats that are supple as well as supportive.

The V60 is better suited to highways than byways, however. Suspension tuned to cope with heavy loads results in a choppy ride over poor surfaces, and while handling is composed, too little 'feel' of the road at the steering wheel is likely to disappoint the more sporty driver.

Maurice Glover

Mazda CX-3 1.5D SE-L NAV

A compact SUV, the Mazda CX-3 sits in a growing sector, with SUVs now the best-selling type of car in the UK.

This trend has resulted in some experts warning the increasing popularity of SUVs could result in fleets struggling to hit cost and emissions targets.

But the CX-3's compact nature means it stacks up well on paper. The claim of the 1.5D SE-L NAV, which is currently on test with *Fleet News*, is 70.6mpg, giving it emissions of 105g/km. That puts the CX-3 into a 21% benefit-in-kind tax bracket, with a P11D price of £20,940.

But real-world driving inevitably means that fuel economy figures are difficult to achieve and the CX-3 is no different. I'm currently achieving 50.1mpg compared to Mazda's claimed 70.6mpg – a 29% shortfall. Driving style will always determine fuel consumption figures, and we have seen the CX-3 achieve a much more palatable fuel economy figure of 60mpg while on test.

There are two engine choices: the 1.5-litre diesel (also found in the Mazda 3 and Mazda 6) and a 2-litre petrol (also available in the Mazda 6 and the CX-5). Both come with a choice of six-speed manual or automatic gearboxes.

Gareth Roberts

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

MATTHEW THOMPSON

CHIEF COMMERCIAL OFFICER – ZENITH

He has a penchant for history and a hatred of snakes, but Matthew Thompson, the man who helped Centrica acquire the AA, once dreamed of winning Wimbledon

The advice I would give my 18-year-old self would be to take more risks, and believe in yourself.

The three vehicles I would like in my garage are a Jaguar E type Mk3 V12, Triumph Stag and Classic Land Rover.

My hobbies and interests are my family (Amanda, four sons and a daughter), sailing, skiing, travelling, shooting, tennis, cricket and rugby (watching).

My favourite film is *The Matrix*. Amazing effects, but, more importantly, an incredibly clever concept. Let's hope it's not too prescient.

If I were made Prime Minister for the day I would abolish private schools.

The book I would recommend others read is *New Confessions* by William Boyd.

My pet hates are snakes and arrogance.

I would like to be remembered as a positive person who had time for others and made the most of life.

The most pivotal moment in my life was persuading my wife to marry me, if that's the right way of putting it.

First fleet role This is my first job in automotive. My previous roles include working in hospitality for Compass Group and finance and strategy at Centrica.

Career goals at Zenith To ensure that Zenith continues its successful history of delivering great service to its customers, and driving sustainable profitable growth.

Biggest achievement in business The successful acquisition and integration of the AA, when I was at Centrica (in 1999).

Biggest career influence My first boss, an American called Bob Luchs. He taught me the power of positive thinking, however bad things became.

Biggest mistake in business Not believing enough in an online property proposition which I had developed when at London Business School.

Leadership style Open and supportive of my team, promoting debate and argument. I believe in consensus but am decisive when required.

If I wasn't in fleet This may sound odd, but I'd have loved to have been a history teacher. Partly it's in the genes.

Childhood ambition To win a Wimbledon title; but on a less prosaic level I wanted to write popular historical novels.

"My first boss, an American called Bob Luchs, taught me the power of positive thinking, however bad things became"

Next issue: Ruth Spratt, sales director, Northgate Vehicle Hire

The Kuga ST-Line features bold exterior and interior styling

ST-Line takes its place in biggest Kuga line-up ever

Ford's new Kuga ST-Line offers sporty styling inspired by Ford Performance models – alongside powerful and efficient EcoBoost petrol and TDCi diesel engines, as well as sports-tuned driving dynamics.

The new Kuga ST-Line will feature among Ford's expanded SUV range and the most comprehensive Kuga line-up ever, including the sophisticated new Kuga and the upscale Ford Kuga Vignale, as well as the compact EcoSport and large all-new Edge.

Kuga ST-Line delivers bold exterior and interior styling including unique alloy wheels and sport seat designs and a sports chassis with tuned suspension and steering.

Powertrains will include Ford's 120PS 1.5-litre TDCi diesel engine offering 64.2mpg and up to 115g/km CO_2.

Also available will be a 2.0-litre TDCi with 150PS and either front-wheel drive or Ford Intelligent AWD, offering 60.1 mpg and 122g/km CO_2; and 180PS with Intelligent AWD homologated to 54.3mpg and 134g/km CO_2.

Ford's 1.5-litre EcoBoost petrol engine in 120PS or 150PS front-wheel drive form is expected to achieve from 45.6mpg and 143g/km CO_2; and a 182PS Intelligent AWD version from 38.2mpg and 171g/km CO_2.

In addition to the new Kuga ST-Line, customers will later this year be able to order the stylish and sophisticated new Kuga that offers technologies including Ford's SYNC3 communications and entertainment system, and a new upscale Ford Kuga Vignale will also be offered for the first time.

The new Kuga ST-Line joins the Fiesta ST-Line, Focus ST-Line and Mondeo ST-Line.

SPACE AND EFFICIENCY ARE HALLMARKS OF NEW KA+

The new Ford KA+ delivers outstanding interior space and fuel efficiency. The five-door hatchback is based on Ford's global small-car platform, offering generous space for five people, with best-in-class front headroom and rear legroom.

The Studio series features intelligent stowage with MyFord Dock in the instrument panel that enables mobile devices, such as phones and navigation systems, to be stored, mounted and charged, with the highly-specified Zetec series – featuring Ford's SYNC with Applink system – as standard.

Its new 1.2-litre Duratec petrol engine, available with 70PS and 85PS power outputs (on Zetec series), is from the same family as the 1.25-litre engine in the Fiesta, and features twin-independent variable camshaft timing technology to enhance performance and fuel efficiency, and reduce emissions. Both options achieve CO_2 emissions of 114g/km, with 56.5mpg combined.

For further information on any Ford Fleet products or services call the Ford Business Centre on 03457 23 23 23, email flinform@ford.com, or visit ford.co.uk/fordfleet

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