News: LEASING PROVIDERS UPBEAT ABOUT SAL/SAC CHANGES

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'WE KNOW OUR BUSINESS THE BEST'

Simon Watts and Sean Woodvine underline the benefits of managing their fleet in-house

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Salary sacrifice providers remain upbeat after autumn statement

Fleets have just five months to adapt to new sal/sac and cash-or-car rules

By Gareth Roberts

Salary sacrifice providers are bullish about the industry's future despite sweeping changes announced in the autumn statement.

Employers and employees will no longer be able to enjoy the tax and national insurance (NI) savings salary sacrifice and cash-or-car company car schemes offer from April 2017, unless the vehicle emits 75g/km of CO_2 or less. So-called ULEVs (ultra-low emission vehicles) will continue to qualify, while any existing employer-provided car schemes made before April 2017 will be protected until April 2021.

However, the Treasury says the emission level for exempt ULEVs may be updated in future, to be "consistent with any changes to the treatment of these vehicles within the car benefit charge".

The changes, which also include other products and services obtained via salary sacrifice, are expected to raise an additional £1.05 billion for the Exchequer, based on an £85 million uplift in 2017/18; £235m a year for the following three tax years, and an extra £260m in 2021/22.

The Finance Bill, published on Monday (December 5), gave further details about the Government plans. It confirmed that the changes will apply to arrangements where the employee forgoes cash in exchange for a BIK, including salary sacrifice arrangements, flexible benefit packages with a cash alternative and BIKs where there is an option to take a cash allowance instead.

The Government says it will tax whichever is the greater amount; the BIK value of the car or the cash allowance sum offered.

The calculation will move away from BIK based on list price/CO_2/fuel type to a comparison of BIK versus cash allowance value, with the greater of the two chargeable to income tax and NIC.

For example, a driver who was offered a cash sum of £5,400 (£450 per month), but decided to opt instead for a Volkswagen Golf, with emissions of 109g/km, would have to stump up an additional £86 a year if a 20% taxpayer, or £173 if in the 40% bracket. The employer would also pay Class 1A National Insurance (NI) on the higher amount, equating to an additional £59 in tax.

Alastair Kendrick, tax director at MacIntyre Hudson, told *Fleet News:* "We are disappointed that HM Revenue & Customs (HMRC) has not taken account of our representations on this point. This proposal will create a lot of work for employers while not creating any significant tax revenue."

The Government says it will set out reporting requirements in forthcoming legislation and guidance.

Deloitte claims as many as 500,000 company car drivers could be hit with the changes – around 50% of the 970,000 employees identified by HMRC as paying BIK tax on a car (*Fleet News:* September 18).

"Salary sacrifice for cars will continue to deliver for employees"

Tim Buchan, Zenith

But exact numbers are hard to establish – the BVRLA estimates between 80,000 to 100,000 company cars are sourced through traditional salary sacrifice schemes, while FN50 figures from the UK's top 50 leasing companies suggest a salary sacrifice fleet closer to 60,000 units.

Deloitte, in turn, estimates that up to half of the remaining company car drivers – some 360,000-450,000 employees – have a cash allowance option.

Despite the changes, the country's biggest salary sacrifice provider, Tusker, believes it still remains an attractive route to a company car for both employers and employees.

It currently manages 310 salary sacrifice schemes and more than 20,000 drivers, and, with discussions ongoing with a further 200 organisations interested in launching a scheme, it believes its ambitious growth targets of 50% year-on-year are still achievable.

"We had four prospects ring us on the Wednesday afternoon immediately after the autumn statement and say 'we want to launch a scheme as quickly as possible'," said Tusker CEO David Hosking.

Research carried out by the provider over the past 18 months suggests that a scheme's tax efficiency is not among the top five reasons for selecting a car.

Hosking continued: "There is no doubt that tax advantages were a big enabler for us in getting people into a scheme, but that's been going down for the past six or seven years and it is set to go down significantly more as BIK rates go up over the next four years."

The average NI saving per employer was £25 per month per vehicle five or six years ago, according to Tusker; this year it is £8.

"Next year that goes down again, because of BIK rates, so employers aren't doing it for tax savings," said Hosking.

Despite the changing tax picture, new research carried out by ID Insight Consulting suggests that if the perceived value of salary sacrifice is eroded, due to a hardening of the tax regime, employees would be more likely to dismiss them going forward.

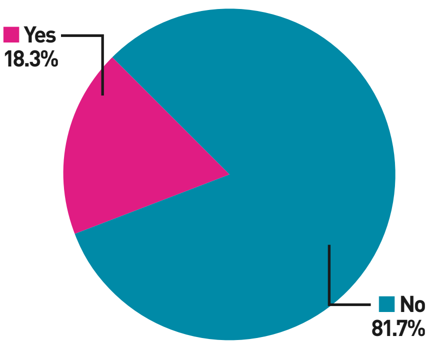
More than three-quarters of drivers also said that they would be more likely to choose cash if BIK tax on cars was to be increased to match income tax on the cash alternative.

Industry trade body, the British Vehicle Rental and Leasing Association (BVRLA), said the partial reprieve for ULEVs was a 'dangerous compromise'.

Gerry Keaney, chief executive of the BVRLA, said: "These tax changes could deter many employees from choosing a modern, safer, cleaner, company-provided vehicle and see them opt for an older, dirtier and more dangerous alternative.

"The average company car is well under two years old and emits less than 120g/km CO_2. The average privately-owned car is around eight years old and emits more than 150g/km CO_2."

A GOOD AUTUMN STATEMENT FOR THE FLEET INDUSTRY?



Cash or car? Companies specialising in salary sacrifice schemes predict choosing a car will remain popular

Analysis of around 5,000 cars which Tusker has delivered via salary sacrifice so far this year shows that 46% of drivers would not have been affected by the Government's changes, because they either opted for a ULEV or because the drivers are already paying more in BIK than they are saving in tax.

Of the 54% that are left, 26% will have an average increase of only £2.44 per month and a further 25% will face an average increase of £7.44 per month. Just 11% of its drivers, said Tusker, would face a 'significant increase' of between £20-45 per month.

A high proportion (42%) of the cars supplied via salary sacrifice by Fleet Evolution already falls into the ULEV bracket.

Andrew Leech, managing director at Fleet Evolution, said: "We have seen a steady rise in ULEV orders since the latest plug-in hybrids were launched. With the likely decrease again in ULEV company car tax from 2019 and the increasing amount of product, we see this percentage as increasing significantly.

"However, employee education really is the key as they still have outdated views of what a ULEV is and the limitations."

Tim Buchan, Zenith CEO, was similarly confident about the future prospects of salary sacrifice after the Chancellor's partial reprieve.

"We are confident that with this mature tax structure in place, the market will continue to grow," he said. "The Government's stamp of approval provides a significant opportunity for us to introduce this benefit to new employee populations.

"Salary sacrifice for cars will continue to deliver for employees due to its convenience, ease of use, no credit checks or upfront payments and the value for money it provides for drivers."

In fact, Hosking argues that the forthcoming changes to Vehicle Excise Duty (VED) and the Insurance Premium Tax (IPT) rise from 10% to 12% from June 1, 2017, announced in the autumn statement, will have a far bigger cost impact to fleets than the changes to flexible benefits.

"All the insurance experts I've spoken to are expecting IPT to go up to 20% over the next few years," he said.

Fleets also face new company car tax bandings from 2020/21, with new ULEV bands determined by the number of zero-emission miles the vehicle can travel.

■ **Turn to page 7 for more on new company car tax bands.**

"Complex method for anyone providing a cash alternative"

"The Government sees company car drivers as a cash cow"

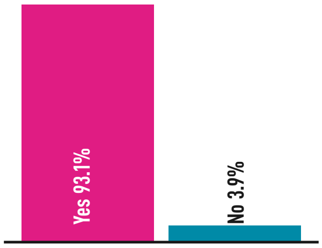
"An EV driver could pay 16% BIK in one year and 2% the next"

Source: fleetnews.co.uk

FLEET FACTS AND FIGURES

OPINION POLL

Do you think car parking spaces are too small for today's cars?



FleetNews view:
The average parking space is just 4.8 metres long and 2.4m wide, however, popular SUVs can measure in at 5m-plus, and nearly 2m wide. It means many car parking spaces are too small to cope with today's vehicles leading to an increase in parking prangs. Research from Accident Exchange suggests a 35% increase since 2014, with an average repair bill equating to £2,050. Our view is that parking providers should consider changing vehicle dimensions, while fleets can mandate reversing sensors to protect against prangs.

This week's poll: What will be the biggest challenge facing fleets in 2017?
fleetnews.co.uk/polls

MOST COMMENTED ONLINE

Former BVRLA chairman John Leigh passes away

fleetnews.co.uk/news

UK AVERAGE FUEL PRICES

Diesel (ppl) 115.62 ↓
Unleaded (ppl) 113.80 ↓

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

To check a car's electric range, visit: fleetnews.co.uk/zeroemissionmiles www

Holding back BIK reductions until 2020 is dubbed as 'just ludicrous'

ULEV market could suffer before new benefit-in-kind bands are introduced

By Gareth Roberts

New benefit-in-kind (BIK) rates, which will see the tax paid by employers and employees fall dramatically for the cleanest cars from 2020, have been labelled "ludicrous".

The BIK rate for a pure EV currently stands at 7% for 2016/17, rising to 9% in 2017/18, 13% in 2018/19 and 16% in 2019/20.

However, changes announced in the autumn statement and confirmed in this week's Finance Bill show that in 2020/21 the BIK rate falls from 16% to just 2%.

It means a Nissan Leaf company car driver in 2019/20 would pay £991 in BIK as a 20% tax payer, but the following year would see that fall to £123.90.

Employers would also gain, with Class 1A NICs (national insurance contributions) recording a similarly dramatic fall, from £684 in 2019/20 to £85 in 2020/21.

"It's just ludicrous," said David Hosking, CEO of Tusker, the leasing company. "If you really want to encourage the take-up of zero emission cars do it in April (2017)."

The changes will see 15 new BIK bandings introduced, of which 11 will be for ULEVs. From 2020, the appropriate percentages for zero emission cars will drop from 16% to 2%, while there will be five new bands for cars with CO_2 emissions between 1g/km and 50g/km based on the zero emission miles capability of the vehicle.

The new bands and BIK percentage rates are: 14% for a car with less than 30 zero emission miles capability, 12% for 30 to 39 miles, 8% for 40 to 69 miles, 5% for 70 to 129 miles, and 2% for greater than 130 miles.

It means a Mitsubishi Outlander PHEV, with a zero emission miles capability of 32 miles, would pay 12% BIK in 2020/21.

However, with new vehicle emissions tests introduced from next year, hybrid vehicles could see the number of zero emission miles they currently achieve fall due to the tougher regime.

The Government is also introducing nine new bands in the 51-94g/km range in 5g/km steps, with a company car with CO_2 emissions of 51-54g/km attracting 15% BIK, increasing by one percentage point per band up to 23% for a car with emissions of 90-94g/km.

All existing bands above 95g/km will be retained up to a maximum of 37% as well as the 3% diesel supplement. The 'appropriate percentage' will be raised by one percentage point on all bands above 90g/km in comparison to 2019-20 rates.

Despite the much more beneficial tax rates for ultra-low emission vehicles (ULEVs), Treasury documents suggest that the new regime will raise an additional £25 million for the Exchequer in 2020/21 and a further £5m in 2021/22.

The British Vehicle Rental and Leasing Association (BVRLA) believes the new bandings will create a much greater incentive for employers and employees to choose the cleanest electric and hybrid cars.

However, BVRLA chief executive Gerry Keaney said: "These decisions are pragmatic, cost-conscious ones and we are concerned they may be deferred until the incentives come into effect.

"The ULEV market could suffer in the meantime as company car tax costs rise significantly between now and 2019. We will continue to push the Government to introduce green incentives that work now rather than later."

Mike Moore, tax director at Deloitte, was also concerned that the new company car tax regime did not include an incentive for how hybrids are used on the road.

"HMRC publishing advisory mileage rates for hybrids in conjunction with the new measures would help in ensuring drivers use the car in the optimal environmentally friendly way," he said.

The Government's desire to further drive the adoption of plug-in vehicles was reflected elsewhere in the autumn statement.

Chancellor Philip Hammond also announced the Government would invest a further £390m by 2020-21 to support ULEVs, renewable fuels, and connected and autonomous vehicles (CAVs).

This includes £80m for ULEV charging infrastructure, £150m in support for low emission buses and taxis and £20m for the development of alternative aviation and heavy goods vehicle fuels.

The Government will also offer 100% first-year allowances to companies investing in charge-points for electric vehicles up to the end of March 2019.

PLANNED CO_2 BANDINGS FOR LOW EMISSION CARS (2020/21)

Car	Appropriate percentage
Car with CO_2 emissions figure of 0	2%
Car with CO_2 emissions figure of 1 - 50	
Car with electric range figure of 130 miles or more	2%
Car with electric range figure of 70 - 129	5%
Car with electric range figure of 40 - 69	8%
Car with electric range figure of 30 - 39	12%
Car with electric range figure of less than 30	14%
Car with CO_2 emissions figure of 51 - 54	15%
Car with CO_2 emissions figure of 55 - 59	16%
Car with CO_2 emissions figure of 60 - 64	17%
Car with CO_2 emissions figure of 65 - 69	18%
Car with CO_2 emissions figure of 70 - 74	19%

"We will continue to push the Government to introduce green incentives that work now rather than later"

Gerry Keaney, BVRLA

Ignorance no excuse for failing the morning-after alcohol test

Month-long police operation will target drink- and drug-driving over Christmas

By Gareth Roberts

Driver education is key if fleets are to remove the risk of employees being over the drink-drive limit the morning after the night before.

Around 5,500 people fail breath tests between 6am and midday every year. But many more drivers will go undetected; unaware that the level of alcohol in their blood is above the legal limit.

Sarah Sillars, chief executive of road charity IAM RoadSmart, said: "Through the work we do with offenders, the most common feedback we receive is 'I simply didn't realise', particularly when it comes to the risk of still being over the limit the next day. This clearly demonstrates the need for education, especially for high-risk groups."

In general, alcohol is removed from the blood at the rate of about one unit an hour. But this varies from person to person. It can depend on an individual's size and gender, how much food they have eaten, the state of their liver, and their metabolism (how quickly or slowly their body turns food into energy), says campaign group Drinkaware.

The strength of different drinks can also vary greatly. Some ales for example are 3.5%, but stronger continental lagers can be 5% ABV, or even 6%, while a white wine can vary from around 8% to 15%.

Sillars continued: "Our advice is always make it none for the road this Christmas, but if you're going to have a drink, know your limits."

"Police forces across the country will be dedicating resources to prevent drink- and drug-driving"

Chief constable Suzette Davenport

The Government launched its Think! Christmas drink-drive campaign last Wednesday (December 1), to coincide with a month-long police operation targeting drink- and drug-drivers.

The Think! campaign is specifically targeting young men this year, as figures show they account for almost two-thirds of drink drivers killed on UK roads (www.fleetnews.co.uk: December 1).

Road safety minister Andrew Jones said: "Deaths from drink driving have fallen significantly over the past 30 years, but it is still responsible for the deaths of five people every week. This Christmas we are specifically targeting the biggest perpetrators of this devastating crime – young men – but our message to everyone remains the same: don't drink and drive."

Research carried out for the Department for Transport (DfT) found 20% of young men have had two or more drinks before driving and an additional 11% said they have considered it, with a third of adults telling researchers they felt it wouldn't impact on their driving.

However, research from the National Institute for Health and Care Excellence (NICE) shows a second drink doubles a driver's chances of being involved in a fatality.

Police forces across the country will be using intelligence-led tactics and local knowledge of hotspots to detect people who are driving under the influence of drugs or alcohol during their month-long campaign.

It follows on from a similar operation in the summer when 45,267 motorists were breathalysed, with 4,539 (10%) testing positive, refused to provide or failed. There were also 2,588 drug screening device tests administered, 1,028 of which (39.7%) were positive.

During the same Christmas campaign last year, there were 1,888 drug screening tests administered and more detections than ever previously recorded – almost half of people screened tested positive.

Police forces also administered 110,226 breath tests nationally, of which 5,543 were positive, failed or refused.

The National Police Chief's Council lead for roads policing, chief constable Suzette Davenport, said: "Police forces across the country will be dedicating resources to prevent drink- and drug-driving and catch offenders.

"Don't drive under the influence of drink or drugs. Even a very small amount of drugs or alcohol can affect your ability to drive safely. Don't let your friends and family pay the price."

In England and Wales, the alcohol limit for drivers is 80 milligrammes of alcohol per 100 millilitres of blood, 35 microgrammes per 100 millilitres of breath or 107 milligrammes per 100 millilitres of urine. In most other European countries, the limit is less, usually 50 milligrammes per 100 millilitres of blood.

The alcohol limit for drivers in Scotland differs. In December 2014, the limit was reduced to 50 milligrammes of alcohol in every 100 millilitres of blood. The breath alcohol equivalent reduced to 22 micrograms of alcohol per 100 millilitres of breath.

The alcohol limit in England and Wales is 35 microgrammes per 100 millilitres of breath

Minister wants to exert control over autonomous progression

Experts say fully autonomous vehicles on UK roads are still a long way off

By Tom Seymour

The Department for Transport (DfT) is working on a code of practice and regulatory framework for autonomous vehicles in the UK.

Transport minister John Hayes told the House of Lords Science and Technology Committee that the implementation of autonomous and connected vehicles should not be left to the manufacturers that develop them.

Hayes said: "We have to try to establish a regulatory framework to allow us to take advantage of the opportunities they have to offer, while not assuming that those who develop the technology will be motivated in the first instances by virtue."

Hayes said the success of autonomous vehicles would require the Government to think laterally. Their introduction was "not a straightforward matter" and would have a knock-on effect across employment, urban planning, the concept of vehicle ownership, accessibility and safety.

The DfT code of practice will set out recommendations for how automated vehicles will be tested in the UK. It has already injected £19 million into automated projects in Milton Keynes, Coventry, Bristol and Greenwich.

The Government also has a £100m Intelligent Mobility Fund to aid similar projects. The autumn statement recently earmarked £23 billion to be spent on transport innovation and infrastructure over the next five years, including £2bn per year by 2020 for research and development funding.

Hayes said the Government is keen to support real-world vehicle tests to look at on-the-road experience and how automated technology will fit into an existing driving landscape.

The DfT has also started a three-year project around behavioural change and public engagement which was commissioned in February this year. The first report on this will be available in the new year.

The committee meeting was also attended by leading academics in human behaviour and autonomous vehicles. Natasha Merat, professor in human factors of Transport Systems, Institute for Transport Studies (ITS), University of Leeds, said experts in her field don't expect fully autonomous vehicles to be in use in the UK until at least 2075.

FIVE LEVELS OF VEHICLE AUTOMATION

LEVEL 1 Driver assistance: Equipment like electronic stability control or pre-charged brakes. The driver is in complete and sole control of the primary vehicle controls – brake, steering, throttle, and motive power – at all times.

LEVEL 2 Partial automation: This level involves automation of at least two primary control functions designed to work in unison to relieve the driver of control of those functions. Examples include adaptive cruise control in combination with automatic lane keeping.

LEVEL 3 Conditional automation: Automated system can undertake all aspects of the driving task in specific-use cases but the human driver will intervene outside those. Hands off the wheel temporarily but eyes on the road at all times.

LEVEL 4 High automation: The vehicle is designed to perform all safety-critical driving functions and monitor roadway conditions for an entire trip. Drivers will still provide a destination, but are only responsible outside of specific-use cases. Eyes and hands off during this time.

LEVEL 5 Full Automation: This indicates the automated driving system can handle and interpret any aspect of driving under all roadway and environmental conditions to the same level as a human. Eyes and hands off at all times.

Will we need to maintain driving skills when full automation arrives?

There are five levels of autonomy the industry refers to (see panel). Level 2 technology is already available in vehicles in the UK and Merat said there is a desire for manufacturers to move to level 3, but some OEMs have told her they want to skip straight to level 4.

Merat said: "I must stress that it is very much about prototypes and testing on a small scale. We are at least five years away from being able to sit in these [level 3 and 4] cars as a car buyer.

"Some of my colleagues are talking about 2075 before we will realistically have access to level 5 vehicles on the road."

Merat said the sensor and camera technology is "not there".

She continued: "Manufacturers are researching how long will it take for the driver to take back control in an emergency. It's a massive challenge."

Andy Graham, White Willow director and ITS UK consultant, said due to the majority of accidents involving human error it was likely automated vehicles will have a positive effect in the future. However, he said there is a lack of research on how vehicles will hand back control to drivers in the event of an emergency and how often that situation would occur.

Sarah Sharples, professor of human factors, faculty of engineering, Nottingham University, said one of the most important things to understand is how increasing levels of autonomy in the driving task will affect being able to respond to an emergency situation and maintaining vigilance.

"Work is being done on how we develop display to help drivers maintain situational awareness," she said. Sharples also urged caution around the unintended consequences of introducing automation into the driving task, and added: "If we are introducing automation do we lose the capability to maintain driving skills?"

She suggested passing a driving test would still be mandatory in the future and that it would have to include elements around automation.

■ How will autonomous cars make moral decisions? Experts have their say in a new report – go to fleetnews.co.uk/driverless-cars for more.

"We have to try to establish a regulatory framework sufficient to allow us to take advantage of the opportunities"

John Hayes, DfT

More clean air zones expected after Defra is told to think again

Air quality plan must be published by next April and adopted by the end of July

By Gareth Roberts

More cities could be forced to restrict the movement of the most polluting vehicles in new air quality plans being redrafted by the Government.

The Department for Environment, Food and Rural Affairs (Defra) was ordered to rethink its approach for the second time in 18 months last month (November) – after the High Court deemed its emissions modelling 'too optimistic'.

The ruling followed a legal challenge by the environmental law firm Client Earth which claimed Defra had taken 'minimum' steps in order to comply with the EU directive on nitrogen dioxide emissions (NOx).

The judge, Justice Garnham, suggested it was "remarkable" that the Government had based its revised plan around emissions modelling which did not take into account emerging data for real-world testing of Euro 6 vehicles.

A Cabinet briefing document dated October 2015 shows that the Government was aware of the research into Euro 6 emissions before the plan was published but, instead, chose to base its assumptions around what was fast becoming out-dated data.


Taxis, buses and HGVs may pay charges in clean air zones

Garnham said if Defra had built its 2020 emissions forecast on "higher, more realistic, assumptions", then the number of clean air zones it would have needed to set up would have increased "substantially".

Defra's original air quality plan mandated clean air zones for five cities outside of London – Birmingham, Derby, Leeds, Nottingham and Southampton. Proposals for an ultra-low emission zone in London are decided by the mayor's office and the Greater London Authority (GLA).

The Government's plan gave councils powers to introduce charges for HGVs, buses and taxis where there is a clearly defined problem. Leeds and Birmingham's clean air zones also included charges for vans.

Catriona Henderson, deputy head of the Government's joint air quality unit, said they were "considering all the options".

But, she told delegates at the recent Fleet Hero Conference, organised by the Energy Saving Trust, that there was "a good chance that the new air quality plan will involve clean air zones for more cities".

Defra has until April 24, 2017, in which to produce a draft Air Quality Plan, which will then go out for consultation. It must be adopted by July 31, 2017.

Find out how the pledge can help you improve fleet safety, visit: ***fleetnews.co.uk/pledge*** www

Companies praised for helping to apply the road safety Brake

Fleets help campaign reach almost half a million people during road safety week

By Gareth Roberts

Brake has paid tribute to employers that chose to 'make the pledge' during Road Safety Week, to observe the Six 'S's and be slow, sober, secure, silent, sharp and sustainable.

Almost 1,000 organisations, including fleet operators, leasing companies and suppliers, registered to take part in the campaign, organised by the road safety charity.

Ellie Pearson, professional engagement manager at Brake, told *Fleet News* that through their planned activities, they had reached a combined total of almost 500,000 people.

She said: "Road Safety Week is a really great opportunity for organisations to help raise awareness of road safety, not only in their own organisation, but also in the communities in which they operate, and with their wider network of customers and contacts."

The Brake Pledge is one of the charity's flagship campaigns to raise awareness of the dangers faced on the roads, which is why it was chosen as the theme for this year's Road Safety Week.

"We're delighted to see that so many organisations have really embraced the pledge and got involved in such creative ways throughout the week," said Pearson.

Northumbria Police's Op Dragoon team supported the initiative by educating employees at one of the region's top businesses.

The team, whose remit is enforcement, engagement and education, regularly visits schools, colleges and local military bases to give road safety demonstrations. But, during Road Safety Week, it instead descended on EDF Energy in Sunderland to talk about road safety with its 1,600 employees.

PC Jami Blythe, education officer in Op Dragoon, said: "Education is a key element of Op Dragoon. We have worked hard to develop this strand over the past two years and working in partnership with EDF Energy is an exciting opportunity to make links with industry.

"By showing employees the shocking results of collisions and car accidents we can promote the importance of road safety and make the North East roads a safer place for everyone."

They were joined at the company by North East Ambulance Service, Northumberland Fire and Rescue and Tyne and Wear Fire and Rescue.

Road Safety Week saw emergency services combining to increase awareness in schools and businesses in the North-East

Andrew Lister, health, safety and environment coordinator at EDF Energy, said: "Road safety is becoming an increasingly important topic to educate our staff about.

"We hope that the week of activities will help our team think about things like tyre pressure and the importance of regular checks on their vehicles, as well as safe driving."

The company, which is one of the region's biggest employers, also encourages its employees to become spokespeople, spreading positive messages about safety to their families and the community.

Many companies, such as Telogis and Warner Goodman LLP, chose to raise road safety awareness in communities by displaying giant Road Safety Week banners at local schools, while Contract Hire and Leasing worked with local primary school children to design a safe car.

O'Donovan Waste Disposal took its trucks into local primary schools to talk to children about road safety. "It's vital that we educate children about road safety," said managing director Jacqueline O'Donovan.

"We are keen to ensure we are making the best choices to help further protect vulnerable road users – and this includes an education process for the younger generation."

Skanska and Licence Bureau visited local secondary schools to raise awareness among older children about the importance of road safety.

Other companies, including Siemens and Arval, chose to raise awareness among their own employees and customers by running road safety days to spread the message of the pledge. Arval's Tracey Fuller also travelled the country visiting customers, including Abbvie and Vodafone, delivering road safety messages as part of her pledge presentations.

Pearson said many companies, including Woods Coaches, TSP Projects, Thompsons Solicitors, Driver Hire Nationwide, and Simpson Millar LLP, also used Brake's Pledge selfie boards to raise awareness among employees about the importance of staying safe on the roads.

"Thank you to everyone who took part this year," said Pearson. "We look forward to working with you all again on Road Safety Week 2017."

"Road Safety Week is a really great opportunity for organisations to help raise awareness of road safety"

Ellie Pearson, Brake

Official fuel economy figures for the BMW 3 Series range, inc. PHEV: Urban 27.2–61.4 mpg (10.4–4.6 l/100 km). Extra Urban 46.3–85.6

mpg (6.1 – 3.3 l/100 km). Combined 36.7 – 148.7 mpg (7.7 – 1.9 l/100 km). CO_2 166 – 44 g/km. Figures may vary depending on driving style and conditions.

THE BIG PICTURE

By Stephen Briers, editor, *Fleet News*

More than 350 people and companies responded to the Government consultation on salary sacrifice and cash allowance; a central argument was that sal/sac encourages the uptake of low emission cars, so cars should be removed from the proposals.

Well, the Government listened and reacted – just not quite in the way we'd hoped. By opting to remove ultra-low emission cars from the proposed rules, MPs can say they are indeed helping to encourage uptake of hybrids and electric vehicles.

"Employees could be paying different sums for identical cars. How is this fair?"

Just one issue: very few salary sacrifice cars are ULEVs (sub 75g/km), and the proportion could become smaller should the threshold fall to 50g/km as is expected.

One look at the FN50 tells the story. Most sub-75g/km cars are hybrids and electrics, but few of these account for the estimated 49,000 sal/sac cars run by the biggest leasing companies. Tusker, which has the most sal/sac cars at around 16,630, reports just 1,630 hybrid or electric cars – around 10%.

Of course, it was ULEVs that would have been hit hardest by the proposals with tax rises of £40-50 a month for basic rate taxpayers; employees choosing diesel cars with emissions of around 100g/km could face a more palatable £10 monthly tax rise.

When viewed from the cash perspective, the proposal is a mess. Two employees at the same company could be paying different sums for identical cars if one has a cash option and the other (as an essential user) does not. How is that fair?

Cash is a flexible benefit – it's the employee's choice to take it and pay income tax on the total or take the car and pay income tax on the taxable benefit, which could be lower. Why does HMRC claim it needs to create a level playing field when the rules of engagement are clear to all?

YOUR LETTERS

CAR PARKS

Narrow parking spaces is widespread problem

EDITOR'S PICK

Bianca Castafiore said:
Having read, 'Cars are getting too big for Britain's parking spaces' (fleetnews.co.uk, Nov 11), is it only now that people are waking up to the fact that the car park spaces are still based around a typical early '70s Ford Escort?

Look at models of car over the past 35 years - such as Ford, Vauxhall, VW and the like – each new model is bigger than the previous one. I've had Mondeos over the past 15 or so years and now have an Audi A6. These are company cars, but I treat them as my own, so yes, I am one of these people who park over the lines where possible, because over the years I've had my share of dings on the doors due to inconsiderate people parking next to me and opening doors.

I don't go to supermarkets before 8pm either, because I can then avoid the 4x4 drivers, usually with a child seat. I must point out though, that my wife despairs at the fact that I park so far away from the shops just to be able to do this. (My name isn't really Bianca by the way, I'm a bloke.)

Much as I would like to, I have never parked in a disabled space nor a child space other than when our son was small. Parking spaces should be made larger, and although I don't think I should be made to, I would be prepared to pay a premium such that the car is parked in a safer area to avoid the close proximity of thoughtless others who like to use the side of my car as a door stop.

Add to the above the fact that the current styling of cars is to have smooth sides without any rubber protection strips. Citroën has a car on the market that has a huge rubber pad on the sides, which although functional makes the car look like it's covered in crocodile skin...

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

Adam Morrison wrote:
The problem with small parking spaces is exacerbated by the number of people who feel it acceptable to abandon their vehicles across multiple spaces in car parks leaving spaces even smaller or completely unusable. Add this to those who park as close as possible to another vehicle in a car park so drivers and passengers can't get into their own vehicles and the problem is multiplied.

USING MOBILES WHILE DRIVING

Drive-by photo-taking vans will curb callers

Bob the Engineer wrote:
Having read, 'Fear of mobile phone usage while driving increases in minds of UK drivers' (fleetnews.co.uk, Nov 25), it needs a new type of police van with a camera that can look into vehicles as they pass then pull them over up the road. It would make a bigger impact on safety than the speed traps at often pointless locations (easy money spots). Those who use their phone at the wheel are often perpetual offenders who need a sharp lesson to change behaviour. My favourite 'sting' is the truck cab used by the West Midlands Police with an HGV-qualified officer driving. It lets them sneak up alongside and see/film what the trucker is doing in the cab... more of this please.

EV UPTAKE

Electric option not really viable for need drivers

Rob Chisholm said:
Having read, 'Companies urged to forget LPG letdown and get behind EV uptake' (fleetnews.co.uk, Nov 28), it's all very well targeting the fleet sector; however for a large majority of need drivers there is simply no real choice available.

Renault Zoes and Nissan Leafs are fine for the commuters who drive to the office, park up and then go home. The same goes for the CEO and directors in their shiny new Teslas. But for the people out there who are expected to put in the miles in their Passats, Mondeos and A4s there is still little, practical choice available to them. And yet these are the people who are being hit the hardest of all, BIK-wise.

The Government (in the shape of the Treasury) are the ones who control the policies, and yet public transport, which is what would really help to drive down emissions and what the Government can have direct control over, is still light years behind it becoming a viable alternative.

The manufacturers are hardly blame-free in this either. They had been promising the hydrogen alternative for years – many of us believed this was the future. Either they have also been believing their own publicity too much, haven't pursued this avenue strongly enough, or they haven't been as influential with governments as they should have been.

Until we can produce enough eco-electricity to power all of these EVs then it is also nothing more than a window-dressing for purely political purposes.

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Burning question:
Who is your sports personality of the year?
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FLEET OPINION

AUTUMN STATEMENT (1)

It's not all about salary sacrifice

By Tony Greenidge

The autumn statement has once again proved why 2016 will be remembered as a year where political outcomes were almost impossible to predict. The full impact of the chancellor's announcement around salary sacrifice will not become clear until the definition of ULEVs is clarified and worked through.

The cost of offering non-ULEV vehicles on a salary sacrifice scheme will increase but this will need to be considered against the employers' initial and on-going motivation for offering it. Looking at the bigger picture there are additional dangers lurking in the form of three major changes, to take effect over the next 18 months, that may have slipped under many fleet decision-makers' radar.

First is the introduction of new VED rates in April. Today a vehicle emitting less than 75g/km CO_2 (the current ULEV benchmark) is exempt from VED but, based on a four-year lease, this will increase to a minimum of £430 if delivered post April 2017. If the vehicle has a £40,000+ list price a surcharge is applied increasing costs by a further £930, creating a rental increase approaching £30pm over 48 months.

September 2017 sees the introduction of new worldwide harmonised light vehicles test procedure (WLTP) as the standard emissions test for cars. Emissions analysts expect the new testing regime will reduce the current 30% gap between claimed and real mpg by about half. This will impact those fleets that have not already built some contingency into the way they currently account for fuel within their wholelife cost-based choice lists.

To cap things off there is a major change to the lease rental restriction, effective from April 2018. All vehicles will be impacted by the CO_2 ceiling reducing from 130g/km to 110g/km and, despite falling CO_2 levels, this is still likely to have a significant impact.

Salary sacrifice is grabbing the headlines but these three changes will impact the whole corporate fleet sector. Decision-makers need not panic, but should take this opportunity to think pragmatically about how they might reduce costs as there remains a number of innovative and simple ways to achieve this with minimal risk.

"Three major changes may have slipped under many fleet decision-makers' radar"

Tony Greenidge
sales and marketing director at Fleet Operations

Lauren Pamma
head of consultancy at Lex Autolease

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

AUTUMN STATEMENT (2)

New bands will need explanation

By Lauren Pamma

There was a lot to take on board for fleet decision-makers in this year's autumn statement.

The announcement with the greatest impact was the chancellor confirming changes to the tax treatment of salary sacrifice and cash-for-car schemes. This means for vehicles delivered after April 2017, with the exception of ultra-low emission vehicles (ULEVs) with CO_2 emissions of 75g/km or less, the tax and employer National Insurance advantages of salary sacrifice schemes will be removed.

We welcome the decision to protect employees with vehicles delivered before April 6, 2017, until April 2021, with the fine detail of how HM Revenue & Customs (HMRC) proposes to treat the value of benefits in cash-for-car scenarios published on Monday (December 5).

It is likely to mean an extra payroll administration burden.

The Insurance Premium Tax increase from 10% to 12% from June 2017 will also impact on salary sacrifice arrangements.

New lower tax bands for the lowest emitting ULEVs from April 2020 have been introduced with new 'charging range' criteria for the lowest emitting cars. Though good news, this may mean more confusion for employees.

The changes see 15 new bands, including 11 for ULEVs and zero emission vehicles, as well as new bands for emissions between 1-50g/km, dependent on what range a car can travel in electric mode on a single charge.

As more information becomes available from HMRC, our recommendation for organisations is to review their existing salary sacrifice and cash-for-car schemes and evaluate the impact of the changes, while considering switching to a more ULEV-orientated policy. It is also important the changes are communicated to employees to allow informed choices.

Finally, the continued freeze on fuel duty is welcome, as is the increased investment in transport infrastructure, particularly the £80 million towards charging infrastructure for ULEVs and an additional £40m for plug-in grants.

We would hope to see this investment translated into more charging points on the roadside in urban residential areas, and rapid chargers at service stations and other pathway locations to enable longer journeys.

"Important the changes are communicated to employees to allow informed choices"

ASK NIGEL

In our regular feature, Nigel Trotman, *Fleet News* Hall of Fame member and two-time *Fleet News* Award winner, gives advice on your fleet challenges and queries.

FLEET MANAGER'S ROLE

Q In the past few years I have adopted almost all of the best practices that are promoted by *Fleet News* and industry bodies on my 300 vehicle, mixed fleet with great success. However, what else should I be thinking about – are there other areas that I might be missing where I can make things even better?

A One of the things I have learned over my years in fleet is that you have never finished the job. This is in part because of the constant changes in the legislative landscape – Government thinking is rarely long-term – and partly the continued focus on product development by manufacturers and service providers. Of course, developments in your own business also contribute to the continuing challenge of change. I am sure that you are well aware of all this, and are prepared to act appropriately. Your question suggests you are looking for something more.

Today I believe there are greater opportunities than ever to look at widening the scope of your own role beyond those areas that comprise 'traditional' fleet.

When I was a fleet manager, it always puzzled me that some areas that were fundamental to the fleet – such as accident management/insurance and fuel reimbursement were not regarded as part of the fleet responsibility. Often this was a result of company politics or for historical reasons and had not changed in years. I sought to understand the costs and arrangements in place and to include these in the fleet area – with mixed success, as it happens.

However, it is a sound principle to follow – if there is a cost or service that impacts on company vehicles and drivers, then investigate the cost and options which might improve the situation – even if you have not been given the responsibility. Of course, you need to be careful not to tread on too many toes when doing so!

As we heard at the ACFO Seminar at Fleet Management Live, there is a growing awareness in businesses that in the near future what will matter is the Total Cost of Mobility rather than Total Cost of Ownership, as businesses try to understand all the costs of moving their staff around. This provides a great context for anyone to say to their business: "What are we doing to capture and control those other mobility costs – parking, public transport, taxis, and the like as well as fuel?" At that seminar, we also heard a concrete example of the excellent work in this area being done by Ricoh, and I would recommend you find out more about this. I think this could provide you with some really good pointers to both areas to consider and the ways to approach them.

"Investigate the cost and options which might improve the situation – even if you have not been given the responsibility"

In my view, the time has never been better for fleet managers to look to widen the reach of their operations within the business to embrace all business mobility, and you clearly have an appetite for this – I wish you success and look forward to hearing you tell us about it at a future seminar!

■ **The next Ask Nigel will be in the January 19 issue**

Nigel Trotman has more than 25 years' experience in the fleet industry.

As fleet manager at Whitbread, he scooped two *Fleet News* awards – fleet manager of the year (large fleets) and UK fleet of the year – before making the switch to consultancy at major leasing companies Lex Autolease and Alphabet. He entered the *Fleet News* Hall of Fame in 2013.

He is secretary of ACFO Midlands and is an ICFM board member.

Do you have a fleet challenge you would like Nigel to answer?
Visit fleetnews.co.uk/asknigel or email fleetnews@bauermedia.co.uk

'NO THIRD PARTY COULD OPERATE TO OUR LEVEL'

Managing the fleet in-house is important in a company where the chief executive likes his staff to be hands-on, trained and knowledgeable, reports *Matt de Prez*

The role of a fleet manager is set for the biggest shake up in 20 years, according to ICFM, the sector's education and qualifications body, as the worlds of travel, payment and fleet rapidly collide.

Decision-makers need to prepare for electric vehicles, driverless cars, smart payments and multi-modal transport while nurturing the next generation. This is where professional training can help.

Sean Woodvine, assistant fleet manager at Rydon, has just completed the ICFM certificate in fleet management for just that reason.

He says: "I wanted to further myself and develop my knowledge. I was seeing a wider remit in fleet and also there were areas, such as finance and procurement, that I wasn't involved in but thought I should know about because one day I might be.

"The course was very beneficial. Aside from the piece of paper saying I'm now qualified, it was really helpful to speak to similarly-minded professionals. Fleet is a niche industry and if you don't put yourself out there and talk to your peers you'll never improve."

It took eight months for Woodvine to complete the course, which consists of one two-day training session and two three-day sessions plus a number of assignments that were based on Rydon's fleet.

"The staff at the ICFM are really knowledgeable in all aspects of fleet, they have a wealth of experience and have awareness of all current and historical events," he says.

"They bring in experts to help lead the sessions which keeps it fresh and interesting.

"You come away with an assignment and that gives you the opportunity to make changes in your own business. A lot of it is looking at what you're doing and trying to think cleverly about it.

"The assignments helped to identify shortfalls in our current fleet policies which we were then able to address and update. These included improving our PCN (Penalty Charge Notice) procedure to reduce the administrative burden and cost, formalising our new employee process and outlining their responsibilities as a company car/allowance driver.

"The law and finance parts formed much of what I wanted to get out of the course because that's where I considered my biggest knowledge gaps to be."

His hard work and commitment to developing his fleet led to Woodvine receiving the Peter Moxon Award for the Training Achiever of the Year, at the 24th annual ICFM conference early in November.

Woodvine is part of a three-man team looking after 550 vehicles for the property construction, development, maintenance and management business.

His boss Simon Watts is a fleet manager with more than 18 years' experience in fleet. Watts will undertake the ICFM diploma in fleet management next year, the institute's top qualification, having seen the value that extra training has brought to the team.

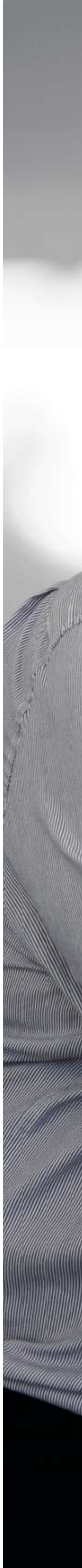
"For an independent to say 'well done' means his (Woodvine's) confidence has grown dramatically," Watts says. "He wants to take on more and more and we are developing him so his skills base gets much wider which means I don't have to do as much."

The business is also committed to putting its motor claims coordinator Dean Smith through the introductory course – which Woodvine completed four years ago.

"Dean understands what he has to do, but perhaps he doesn't understand what insurers are trying to achieve or the pressures on the body shops. The introductory course will build his knowledge and give him a greater understanding of other people's issues," says Watts.

An extensive knowledge of fleet is crucial for Watts and his team as they manage the entire fleet operation in-house.

He says: "We know our staff



Watts (left) is keen for Woodvine to improve his skills base and take on more responsibility

FACTFILE

Fleet manager Simon Watts
Assistant fleet manager Sean Woodvine
Fleet size 550 (200 cars, 150 vans, 200 grey fleet)
Funding method Outright purchase
Replacement cycle Cars – three years/60k; vans – five years

the best, we know how the business would like to operate and I don't think a third party could do that to the level we do. We take the call if something goes wrong any time day or night. Ultimately we are a service provider to our own business; our staff are our customers as well as our colleagues."

Watts joined Rydon 18 years ago as a fleet administrator and took over management of it nine years ago.

"We handle everything – procurement, disposal, fuel provision, mileage capture, P11D (reporting) and telematics," he says.

"The three of us will manage all of that. We are positioned within the HR department and I report to the HR director, so we are close to the top. We've got a voice that's heard at a very high level which is important as the fleet is the second biggest cost after salaries."

With a background in vehicle maintenance, Woodvine joined the team seven years ago and looks after the maintenance requirements of the fleet.

"When I was recruiting I needed somebody who had that workshop experience, understood the oily bits and knew how long a job should take," Watts explains.

Woodvine trained with BMW on a light vehicle maintenance and repair apprenticeship before moving into fleet.

"The leasing companies will have a whole team of people with Sean's experience and that's what we are trying to duplicate. I guess we are almost a mini leasing business for our own staff," says Watts.

Adding to the fleet team's responsibilities is the business's outright purchase model.

Watts explains: "We've proposed leasing in the past but the chief executive has some very strong views against it. He likes to control what he does and he employs people with the knowledge to operate that way.

"We've got a good understanding of the new and used vehicle market, and we do everything else in between – it's cradle to grave in that respect.

"I've worked in the motor trade since I was 19, so 30 years. About 12 of that was in a dealership and dealing in car hire.

"Historically we have always run a nearly new fleet, buying predominantly from auction. But we couldn't always get the vehicles we wanted and hire companies started running cars for longer so we moved to buying new cars, with support from dealers and manufacturers, in 2008.

"We haven't changed from there, we moved to a wholelife cost model at the same time. We throw all the costs into the equation, employer's national insurance along with the running costs associated with that vehicle."

> *"We are a service provider to our own business; our staff are our customers as well as our colleagues"*
>
> *Simon Watts, Rydon*

The fleet is predominantly user-chooser and offers plenty of choice to drivers. Cars are divided into 10 bands, with caps for CO_2 (ranging from 95g/km in the lowest band to 130g/km for the highest) and insurance applied to each.

Trade-ups are also allowed and around 45% of drivers take advantage but Watts says more drivers are tending to trade down as people are looking to save money.

"Some drivers have a very clear idea of what they want, even down to the final spec. Others haven't got a clue and perhaps you have to ask a series of lifestyle questions and balance it against their appetite for paying tax," said Watts.

"It's also down to the manufacturers if they want to support their product with an attractive price that fits within our bandings.

"The Nissan Qashqai has been a very popular model but there is no other population of any particular car. It's good for us to have variety because if one model takes a residual slump we don't have a car park full of them."

He has seen a shift away from brand loyalty though and believes drivers are moving from the premium badges and looking for mainstream vehicles with a higher specification.

"We are pretty open, drivers can choose three-door, coupe or convertibles. We might flag it with the manager to check if it's suit-

OLDER GREY FLEET CARS 'MAKE US WINCE'

For Simon Watts the biggest change in his fleet is the cash allowance takers. At Rydon, 200 people take cash over a car with the alternative offered in seven of the 10 grades (three are job need).

Watts explains: "Lately more people are opting for the allowance, especially new starters. Within the car fleet we lose as many as we gain.

"We have less control of the allowance driver. I view it as a company car, we just fund it differently – the difference is I can't make the driver change his tyres.

"I think the vehicles tend to be older too and CO_2 is much higher, plus you have to question whether the maintenance is to our high standard.

"I'd prefer to have them all in company cars, it would be a lot easier to manage. Clearly some are using it to their advantage and are driving cars that are much better than the rates we are paying, but others are at the opposite end of the scale.

"We don't scrimp on maintenance, our job is to build buildings. If our site manager doesn't turn up to open the site, we lose a day's productivity.

"If a driver has an engine failure or even a clutch go, the costs could be into the thousands but in a company car they have a safety net that ensures we will keep that car on the road.

"Some of the personal leasing deals are very attractive and drivers are running much more expensive cars than they could get through our scheme and benefitting from the extra income by not having a car. If they are running a nice, clean, modern, safe car, they aren't a problem for us; it's the ones that are using older cars that make us wince."

Watts and Woodvine (front) form two-thirds of the team handling fleet at Rydon

able in case they have a need for taking clients out, but other than that it's not an issue," Watts adds.

Cars are re-allocated where possible if still in life and the business runs a three-year or 60,000-mile replacement policy as this tends to ensure cars stay within warranty while on fleet. It also operates a pool car fleet for new starters, and uses rental for top-ups where necessary.

The 200-strong car fleet has achieved an average CO_2 of 100g/km and Watts says that tax is becoming high on the agenda for his drivers – two drivers have opted for the Mitsubishi Outlander PHEV for that reason.

Watts would like more plug-in vehicles on the fleet but considerations need to be made over how many miles drivers do.

"If somebody lives further away than the electric range and doesn't have access to a charger then their fuel costs will end up being higher than in a conventional car – there is still a lot of work to be done," he says.

"We've considered switching our London office to a fleet of [pure] electric pool cars, the cost savings can be dramatic, but we have the issues of taking people out of cars.

"There's no denying we've all got to go electric if we want to stay in our company cars, but I think there is still a fear of the unknown."

The fleet also includes 150 vans and with those the focus is very much about them being fit for purpose. The team looks heavily at the cost, but while there might be something with better emissions, sometimes they will opt for a model with a larger payload.

Watts says: "We have Ford Transit, Vauxhall Combo and Vivaro, and Volkswagen Caddy models – unlike our car fleet it's very vanilla in that respect."

Vans are run on a five-year replacement cycle but they tend to do a lower mileage. Generally the van fleet is used for managing repairs for social housing and healthcare.

The company has a Renault Kangoo ZE van, which was added to the fleet when the company took part in the Energy Saving Trust's Plugged-in Fleets initiative. However, issues with charging times and locations have prevented more electric vans joining the fleet.

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

Bill Holmes says involvement in the Entrepreneur of the Year contest has been a real eye-opener

RADIUS LINES UP A LEADING ROLE IN GLOBAL TELEMATICS

It started with a single fuel card transaction, but ended up a billion pound business. Bill Holmes tells *Gareth Roberts* how technology is transforming his service to fleets

Twenty-six years after UK Fuels recorded its first transaction at a truckstop in Birmingham, technology has transformed the fuel bunkering business into a multi-national fleet services provider.

Today, UK Fuels is a division of Radius Payment Solutions, which has more than 1.5 million active fuel cards across Europe and Asia.

It also tracks in excess of 35,000 vehicles across five continents, employs more than 750 staff in 13 countries and turned over £1.87 billion in the last financial year.

Company founder and Radius CEO Bill Holmes puts the company's rapid rise down to its focus on innovation. "We're constantly trying to push the boundaries," he says, while demonstrating the latest version of its web-based portal, Velocity, on a 70-inch-plus touchscreen at the company's headquarters in Crewe. "We're making our existing products better and bringing new, more innovative ones to market. Technology and innovation, and how we interact with customers, is a massive focus for us."

To help deliver this, Radius opened a new technology centre in the heart of Manchester's new business and innovation district in May.

"We're transitioning from being a fuel card business to being a technology company"

Bill Holmes, Radius Payment Solutions

The office became an additional hub for its development team, who are responsible for building and developing its fleet technology, as well as its web and smartphone app-enabled software.

"We're transitioning from being a fuel card business to being a technology company," says Holmes.

That journey began with the launch of its web-based platform, Velocity, five years ago. Continuously developing both the content and usability of this system is seen as critical to the future of Radius.

It already has more than 30,000 regular users, which is growing monthly as customers convert to using it for their normal administrative weekly requirements such as card ordering and invoice collection.

The system offers features such as real-time transactional text alerts, integrated fuel and MasterCard management reporting and a drag and drop function for customised cost reports.

"We've got to be better than our competitors and do things differently," says Holmes. "Velocity is allowing us to differentiate ourselves from our competitors and it's allowed us to win new business both in the UK and abroad."

The company already has an established footprint in the European market, with offices in several countries, including France, Germany, Ireland, Italy and Spain. But, Holmes is keen to grow the business further, both in the UK and internationally.

"We've just started in Asia, in Singapore," he says. "We're about to start in Malaysia and then we're going to the US in early 2017."

He continues: "We want Velocity to be a shopfront for us, where our products are available. It's about servicing customers."

A central philosophy behind the way it develops the system is one of continual improvement, driven around a monthly release cycle.

"We've new app updates being released every three to four months and with Velocity we've got a five-week release cycle," says Holmes. "That means every five weeks we're updating Velocity with new features or improving functionality."

Radius has been strengthening its in-house software development team during the past 12 months to allow it to maximise the additional functionality it can achieve each cycle. The aim is to give customers the best service possible to help them manage their businesses efficiently and effectively.

However, Holmes has also found inspiration for product development from a new generation of entrepreneurs. For the past two years, he has been a judge for the Entrepreneur of the Year competition run by professional services firm EY (Ernst & Young). As a former winner he was asked by EY to get involved.

Holmes says it gives him a privileged position to see how technology is being used and developed. "It's been a real eye-opener," he admits. "I've been in business for 27 years and when we got going there was no internet, but these new businesses are embracing technology like nobody else. It's really influenced my thinking and what we need to do next."

The launch of Kinesis, an in-house telematics product, demonstrates the company's commitment to technology. It has also further enhanced the functionality of Velocity, enabling the business to target car, van and HGV fleets with a new product that fully integrates fuel card and telematics data.

Typically, fleet operators will receive separate data feeds from their telematics system and fuel card provider. But by channelling information from its telematics device into Velocity, with an existing fuel management account, the company can now provide a clear picture of fuel spend and vehicle activity in one streamlined, real-time solution.

Radius offers a range of fuel cards from major oil companies, as well as its own Fleetone card, through its UK Fuels arm.

Holmes says: "Telematics is a massive opportunity and it sits perfectly with fuel."

Fleet managers can monitor their vehicles on any web-enabled device. It offers customers: a live map highlighting vehicle and driver locations; journey history over a self-selected time period; and driver performance through four reports – speeding, harsh acceleration, harsh braking and idling – with drivers receiving an individual score against each criteria which is then amalgamated into an overall driver score. Vehicle performance, which sees fuel transaction data fed into the system to deliver mpg information, is also provided.

The web-based functionality was developed in-house, while the hardware was provided by telematics specialist Matrix.

Kinesis is contract-free, with no disconnect charge. The standard charge is £12.50 a month per vehicle plus a one-off £50 charge to buy the telematics unit or a £3 a month per vehicle rental fee.

The majority of fleets self-install the telematics unit, which plugs into a vehicle's on-board diagnostic port. Alternatively, the company arranges for an engineer to fit the unit at a cost of approximately £50 dependent on the number of vehicles to be equipped.

Simon Williams has been appointed to lead the telematics development

FACTFILE

Company Radius Payment Solutions
Chief executive officer Bill Holmes
Headquarters Crewe
Active fuel cards 1.5m
Vehicles tracked 35,000-plus
Turnover £1.87bn (2015/16)
Operating profit £38.8m (2015/16)

£1.87bn
turnover in 2015/16

35,000+
tracked vehicles

Earlier this year, Holmes told *Fleet News* he wanted to have "tens of thousands of telematics units in vehicles within the next two-to-three years".

A few months later and he has already achieved that milestone, thanks in part to the acquisition of another telematics business.

Radius bought telematics provider Trackyou in October, in a deal that added more than 20,000 vehicles to its rapidly growing tracking business, giving an overall tracked fleet in excess of 35,000 units.

Holmes says: "It was an opportunity to grow the business, but they are also specialists in the public sector and with bigger fleets."

Trackyou has more than 15 years of experience in providing telematics tracking solutions and also offers some hardware features that could help Radius bring new developments like engine fault reporting to the Velocity platform.

"Radius has acquired an exciting technology company with an outstanding track record of research and development in telematics," says Holmes.

"We feel our brands and systems align really well and by acquiring Trackyou, we're confident we can offer one of the best range of telematics solutions on the market."

That confidence in the market was demonstrated with the appointment of Simon Williams as managing director of telematics last month (November).

He will oversee the expansion of the Radius telematics business including the Kinesis brand into new markets.

Jones joined Radius after spending the past three years building and running a successful telematics business, Corcra, and a further 15 years working in the telecommunications industry.

His work in the sector has led to him winning three of Vodafone's Partner of the Year Awards, which recognise suppliers for their excellence in customer service and success in bringing in new customers.

Jones says what drew him to Radius was its "dynamic leadership team" and the "energy and vision" of Holmes.

"Within three to five years we aim to be a global leader in telematics," he says. "We have exciting plans for growth, which include new product development and strategic acquisitions and I'm eager to get started."

Holmes believes Jones's experience will help the business through its next phase of growth both nationally and internationally.

"It's exciting for our telematics business to have someone of his calibre on board and we're confident his work will contribute to the continued growth and success of the business," he says.

Kinesis fully integrates fuel card and telematics data

BALANCING THE RISK

Fleets can reduce their costs by opting for self-insurance ahead of comprehensive cover. But who does it suit and what are the benefits and drawbacks? *Ben Rooth* reports

Every car has to be insured: it's one of the certainties of running a fleet, like road tax. However, the price of premiums has risen in recent years while the recent 0.5% rise in the insurance premium tax to 10% has increased this cost burden further.

This will hit the companies which take out fully comprehensive cover the hardest, but for some – and particularly the larger fleets – self-insurance could be a viable way to save money.

The term 'self-insurance' can often be misunderstood and mistaken for the scheme which involves placing a £500,000 bond with the Government (see panel, page 30).

Instead, self-insurance can also mean taking out a third-party insurance policy so the fleet takes the risk of any collision damage to its own vehicles.

"Virtually no business on the planet actually completely self-insures – the risks of having to pay a multi-million pound loss are too great for almost any commercial enterprise to bear," says Peter Blanc, group chief executive of insurance broker Aston Scott Group.

"The term 'self-insurance' should really be called 'risk sharing' as that is a more accurate description of the arrangement," Blanc adds.

Paul Holmes, managing director of consultancy Fleet Managers Friend (FMF), agrees.

"Self-insurance is another risk management tool, in which a calculated amount of money is set aside by the organisation itself to compensate for the potential future loss," Holmes says.

"It is possible for any insurable risk, meaning a risk that is predictable and measurable enough to be able to estimate the amount that needs to be set aside to pay for future uncertain losses.

"This methodology requires a well-defined set of what is covered and how claims can be made and paid."

Typically, fleets take a straightforward approach to insurance, says Blanc. They pay a premium for fully comprehensive cover and the insurer takes on nearly all of the risk – a fleet needs only to worry about paying the excess of typically £250 to £500 in the event of an at-fault collision.

The insurer picks up the rest of the bill both for repairing a fleet's vehicle and also for any other vehicle or property involved in the collision, collectively called 'third parties'.

Crucially, the insurer also pays for any third-party injury claims which are the most expensive part of motor insurance.

"As a company's fleet gets larger it becomes increasingly logical to increase the excess that it bears and eventually to only insure for losses that it causes to third parties: the maths around this is simple," says Blanc.

"Third-party risks make up approximately 60% of the premium; own damage makes up approximately 10% and the remaining 30% is typically the costs incurred by its insurer and its insurance broker – covering reinsurance costs, administrative costs, broker's commission, insurer's profit margin and Government levies, among other things.

"So if your annual premium per vehicle is, say, £2,000 – for a typical commercial vehicle fleet – it can be seen that the cost of insuring your own damage risks is approximately £200.

"If your vehicles are worth, say, £20,000 each then you know that if you have more than 100 vehicles you would need to be writing off one vehicle per 100 vehicles insured to be better off.

"In other words, if your past track record shows that you only write off a vehicle once every three years and you run a decent-sized fleet then you can do the maths and work out that you would be better off putting the money to one side and paying for your own write-offs.

"You don't have to pay the excess, you save on insurance premium tax (IPT), which is now a whopping 10%, and if you do suffer a loss you can choose exactly how you replace your vehicle.

"This, in its simplest form, is a type of self-insurance – you simply calculate the risks of losses happening, establish how much premium you are paying to insure against that risk and, if you believe the costs to you of paying your own losses will be lower than the cost of insuring against those losses, then you simply decide not insure against those risks."

Ian Kemp, product director for commercial motor at insurance company RSA, says that one of the reasons why self-insurance is better suited to larger fleets is because there are "so many different factors" that have to be borne in mind when administering policies in-house.

"Fleets considering a self-insured retention arrangement need an awareness of insurance, claims handling and risk controls required," he adds.

"Therefore this approach is more suited to larger companies that have the

"Third-party risks make up approximately 60% of the premium; own damage makes up approximately 10%"

Peter Blanc, Aston Scott Group

"It's written into colleagues' contracts that they need to let us know as soon as practically possible of a collision occurring"
Jan Kozlowski, Tristar Worldwide Chauffeur Services

£500,000
size of a bond with the Government

10%
insurance premium tax (IPT)

resources and knowledge to manage their claims exposures and funding."

In the long run, self-insurance will probably be cheaper as fleets are saving insurance premium tax, broker's commission, insurer's expenses and profit, adds Blanc.

"If they undertake a risk improvement programme and their claims experience improves, they receive the financial benefit immediately rather than waiting for their insurer to reflect the improvement over time in lower premiums," he says.

"If they put the money saved to one side, they can build up an insurance fighting fund that may enable them to deploy the savings in further risk improvement techniques: we're encouraging fleet owners to consider autonomous braking systems."

Tristar Worldwide Chauffeur Services, which self-insures its fleet of 470 leased and owned Mercedes-Benz vehicles, does adopt technology to minimise the number of collisions it has.

"Over the past few years, we've invested in vehicles fitted with advanced driver assistance systems – from lane departure warning systems to automated braking systems and blind spot monitors – to further drive down at-fault collisions," says Jan Kozlowski, fleet manager at Tristar.

The company had insured its vehicles with comprehensive cover, but in 2002 rising premiums led it to look at other insurance options. It now has a third-party policy in place with a major insurer.

"When we subsequently moved to self-insurance, we decided it was very important to share information about what we were doing and why we were doing it with colleagues," says Kozlowski.

"This has made them far more conscious of risk, which has brought benefits in terms of improving safety and reducing the number of collisions we have."

Tristar also works with an accident management company to resolve any at-fault collisions. "In addition, it's written into colleagues' contracts that they need to let us know as soon as practically possible of a collision occurring and we've developed an app that enables them to do this," says Kozlowski.

"This app conveys information about what's happened straight to our call centre and our insurers or accident management company are immediately notified so they can begin managing the resolution process without delay."

In short, fleets that self-insure need to ensure that all drivers are focused on the cost of collisions, preventing them and – in the event that they do occur – reporting them quickly and

IMPLICATIONS OF GOING IT ALONE ON INSURANCE

An option available to the largest companies is to self-insure entirely on their own without involving insurance companies.

According to the Motor Vehicles (Third Party Risks Deposits) Regulations 1992, a business can place a £500,000 bond with the Government which is subsequently used to pay third-party claims in the event of an at-fault collision.

Those fleets that choose to go down this route meet all Road Traffic Act (RTA) 1988 insurance requirements but still need to pay for repairs to their own vehicles.

Roger Ball, QBE director of motor UK and Ireland, says: "This bond is effectively a surety required to relieve a company from its obligations to obtain cover with an insurer to fulfil RTA requirements.

"They will still need to manage the costs of their liabilities with third parties.

"The purpose of this bond is to provide security if the company cannot meet its legal obligations or if it ceases to operate but still has outstanding claims.

"This will only be an option for very large firms and in my experience is very rare.

"It would only be attractive in a market where it is not possible to obtain competitive terms, the company is cash rich and when the opportunity cost of foregoing £500,000 in terms of lost investment returns is minimal."

PROS AND CONS

Pros:
- **Potential for immediate cost savings which brings improved cashflow.**
- **Additional savings in the event of a better than expected loss history.**
- **Isolation from the insurance market cycle.**
- **Incentive for improved fleet risk management culture.**

Cons:
- **Can be more expensive than limiting exposure by transferring risk to an insurer.**
- **Systems need to be put in place to settle and monitor claims and negotiate with third party insurers.**
- **Increased admin burden and impact on management time, costs and resources.**
- **Potentially difficult to get 'conventional' insurance again after being removed from the insurance market cycle.**

efficiently so that the third party claims can be handled appropriately.

Roger Ball, director of motor at specialist commercial insurer QBE, says: "I do think that self-insuring sharpens fleets' attention when it comes to risk management – although this is far from the only reason why those fleets do this.

"But fleets that place a strong emphasis on risk management are more than likely to be the ones that actively consider implementing self-insurance.

"We have noticed an increase in the number of queries from fleets looking to implement self-insurance recently, although the numbers involved are still relatively small in the context of the numbers of conventionally insured fleets."

Another advantage of self-insurance is that if a collision does occur, then it is up to the fleet to decide how to repair vehicles and what to replace them with, says Blanc.

"Most companies have seen that bodyshops tend to charge 'insurance rates' and if you're a cash buyer you can sometimes get very different rates – as a self-insured customer you benefit from these savings," he adds.

However, self-insurance also has its downsides. It will undoubtedly mean an increased admin burden for the fleet manager, and just because a fleet has never had a vehicle written off, it doesn't mean that company won't have several write-offs in a year which would leave it significantly out of pocket.

"Consequently, the fleet still needs to ensure adequate funding to cover the maximum amount of losses anticipated and needs to recognise that they may incur potentially increased claims costs," says Kemp.

Blanc adds: "Once you've gone self-insured it's sometimes tricky to persuade insurers to take you back on a fully insured basis as they can be left 'blind' to the losses that you've suffered.

"Insurers use a market standard claims experience system and that's how they decide how much to charge – if you've been self-insured for any part of your risk then that information has to come from you and insurers can be untrusting about the numbers."

CASE STUDY: THE SALVATION ARMY

An increase in costs following the introduction of insurance premium tax (IPT) 20 years ago provided the impetus for the Salvation Army to self-insure its fleet.

Despite regularly reviewing all other options, Peter Bonney, fleet controller for the Salvation Army, says self-insurance consistently proves to be the most cost-efficient way of providing cover for its fleet of 800 cars and 200 commercial vehicles.

Having a third-party insurance policy in place with a major insurance company and an additional agreement with an accident management company provides "greater control" over what happens to damaged vehicles to get them back on the road as swiftly as possible, he adds.

"We have a safe driving culture but still experience a significant number of at-fault and no known third party collisions over the course of a year," says Bonney.

"While it's difficult to put a precise figure on the savings we make annually by insuring cars in this way, we check regularly through a broker to ensure that this is the most cost-effective option.

"To my mind, we're simply not paying for a large number of fully-comprehensive policy components we don't need."

One of the main benefits of self-insurance is that fleets retain control of what happens to vehicles in the event of a major collision, adds Bonney.

"Being in control of repairs allows us to decide if severely damaged vehicles should be repaired or written off, a route we prefer to take when the financials permit," he says.

"When a vehicle is being repaired we always take a courtesy car rather than hire, this is a great incentive to the repairer to get our job done quickly and our drivers want to get back in their own cars without delay.

"The only real downside to self-insurance arises when there's a need to book a colleague this courtesy car.

"Many courtesy car providers want to see evidence of comprehensive insurance which results in us having to send them proof of indemnification stating clearly that we'll cover their vehicle up to its current market value."

Low electric car uptake stalls CO_2 reductions

Emissions figures show only a 1g/km CO_2 improvement on last year although fleets forecast big reductions during 2017

NEED TO KNOW

- Three sectors report a small increase in emissions
- 24 companies provided data for the first time
- Hybrids and electric van numbers rise year-on-year

By John Charles

The reduction in average carbon dioxide (CO_2) emissions across Fleet200 organisations has slowed in 2016 despite government policy driving employers to play their part in improving air quality.

What's more, with Whitehall and many local authorities focusing on introducing measures to cut air pollution from vehicles, only around a fifth of 96 Fleet200 companies said 'green' issues were among the 'biggest challenges' they face.

That figure included a number linking environmental measures to the driving down of fuel bills, while only a very few fleet decision-makers highlighted issues around introducing alternative fuel cars and vans.

Average company car CO_2 emissions across Fleet200 organisations have fallen to 116g/km, just 1g/km down on 2015's figure and a fall of only 5g/km over the past two years.

Surprisingly, average company car CO_2 emissions have risen over the past 12 months in three sectors: 122g/km heavy industries/mining/engineering/others (2015: 121g/km); 116g/km transport/communications/distribution (2015: 114g/km) and 117g/km wholesale/retail/food/medical (2015: 115g/km). Last year CO_2 emissions fell in nine of the 10 sectors analysed and were static in the other sector.

The quirk could be due to changes in the make-up of the Fleet200 as organisations enter or exit the listing. This year 24 companies provided data for the first time (*Fleet News:* October 13, 2016).

3,738
hybrid vehicles in Fleet200 up from 3,051 last year

1,115
company cars in the Allianz fleet reporting an average CO_2 of 94g/km

The single largest year-on-year reduction in CO_2 emissions was in the government/public sector/education/health segment, which saw average emissions fall to 102g/km (2015: 110g/km) - the lowest sector average. It was followed by the insurance/accountancy/banking/finance/other segment with average CO_2 emissions dropping to 115g/km (2015: 120g/km).

Fleet200 organisations generally expect average CO_2 emissions to continue to fall dropping to 113g/km by the end of 2016.

Average CO_2 emissions across the Fleet200 are broadly in line with the figure provided by contract hire and leasing companies for this year's FN50 report at 117g/km. The figure for average emissions of new cars delivered by those organisations in 2016 was 113g/km.

The best-performing Fleet200 organisation in terms of average CO_2 emissions is insurer Allianz, which reported a figure of 94g/km across its fleet of 1,115 company cars. It was followed by Hampshire County Council with average emissions of 95g/km; a further fall from 2015's 97g/km when it was the only fleet to report a sub-100g/km figure.

Two other Fleet200 employers also dropped below the average 100g/km barrier – Kelly Communications and EDF Energy – each reporting 99g/km figures with the latter forecasting that the average could reduce further with more plug-in vehicles joining the fleet.

Membership of the 'sub-100g/km club' is expected to increase before the end of the year with ISS anticipating average company

CO_2 CAR EMISSIONS

Sector	Average CO_2 emissions 2016	Average CO_2 emissions 2015	Expected average CO_2 emissions by end of 2016	Expected average CO_2 emissions by end of 2015
Architecture/construction/building	115	117	112	113
Bluelight/NHS Trusts	128	124	124	125
Business Services	115	117	113	114
Government/public sector/education/health	102	110	100	108
Heavy industries/mining/engineering/other industries	122	121	119	118
Insurance/accountancy/banking/finance/other	115	120	112	116
IT/software/leisure/media	113	116	109	112
Transport/communications/distribution	116	114	113	109
Utilities/energy/water/forestry/fishing	114	116	109	111
Wholesale/retail/food/medical	117	115	115	114
Total	**116**	**117**	**113**	**114**

AVERAGE NUMBER OF ALTERNATIVE FUEL VEHICLES BY INDUSTRY SECTOR

Sector	Hybrid vehicles	Hybrid cars	Hybrid vans	Electric vehicles	Electric cars	Electric vans
Architecture/construction/building	41.87	38.27	3.60	4.00	2.33	1.79
Bluelight/NHS Trusts	3.92	3.77	0.15	5.62	3.62	2.17
Business services	10.93	11.71	0.00	3.73	0.23	4.08
Government/public sector/education/health	22.50	22.33	2.40	7.90	1.70	6.20
Heavy industries/mining/engineering/other industries	26.22	26.22	0.00	1.44	0.56	1.00
Insurance/accountancy/banking/finance/other	33.00	33.00	0.00	4.90	4.80	0.20
IT/software/leisure/media	21.08	21.00	0.11	0.92	0.91	0.13
Transport/communications/distribution	29.63	33.14	0.67	2.63	0.14	2.67
Utilities/energy/water/forestry/fishing	65.50	69.60	0.25	10.81	2.47	8.50
Wholesale/retail/food/medical	21.93	23.50	0.00	2.80	0.46	3.00
Total	**28.53**	**29.14**	**0.83**	**4.56**	**1.71**	**3.43**

car CO_2 emissions will reduce from 102g/km to 99g/km, Clancy Docwra down from 110g/km to 99g/km and *Fleet News* publisher Bauer Media down from 104/g/km to 98g/km. Additionally, Ricoh expects to hit the 100g/km this year with emissions reducing from an average 110g/km.

Allianz Insurance company cars are split between a sole supply Ford 'employee fleet' and a 'manager fleet' offering a choice of models from five manufacturers.

Abigail Swartz, non-IT procurement manager, at Allianz Insurance, one of the largest general insurers in the UK, said: "The employee fleet is made up of 846 Ford cars. Of these 486 are the benchmark vehicles, Focus diesel estate 1.5 TDCi 120 Zetec Navigation five-door (99g/km) and Mondeo diesel hatchback 1.5 TDCi ECOnetic Zetec five-door [nav] (94g/km).

"There are a further 308 vehicles with CO_2 of 100-110g/km, and the majority of these cars are due to be replaced over the next year.

"Employees can trade up or down to six other Ford models, including the Ford Mondeo saloon 2.0 Hybrid. The employee Fleet CO_2 is capped at 129g/km, which is for the Ford Galaxy. This model is on the list for large families being a seven-seat vehicle.

"The employee fleet will be re-tendered in 2017 and our focus will be on CO_2 reduction and vehicle safety features, to support our safety management programme. The manager fleet includes hybrids and electric vehicles. Electric charging points have been installed at the company's Guildford head office and Birmingham office."

After the government/public sector/education/health sector (average 102g/km), the next best performing sector was IT/software/leisure/media (113g/km) followed by utilities/energy/water/forestry/fishing (114g/km).

That top three best performing sector trend is expected to be maintained by the end of 2016 with each forecasting further falls in average CO_2 emissions: government/public sector/education/health dropping to a sector average of 100g/km and IT/software/leisure/media and utilities/energy/water/forestry/fishing each falling to 109g/km.

The number of hybrid and electric vehicles on the fleets of Fleet200 organisations, not surprisingly, continues to increase.

This year Fleet200 members reported a total of 3,738 hybrid vehicles – 3,643 hybrid cars and 95 hybrid vans – up from 3,051 last year and 2,179 in 2014. However, the 22.5% increase in the past 12 months was significantly down on the 40% increase reported last year.

Further analysis reveals that the number of hybrid company cars operated by Fleet200 companies has increased 21% over the past 12 months from 3,051 units with the number of hybrid vans more than doubling from 40.

Surprisingly, Fleet200 data shows a fall in the number of electric company cars being operated – reducing from 302 last year to 210 this. However, the total of electric vehicles operated by Fleet200 employers has accelerated from 489 in 2015 to 598 this year – up 22.2% due to the number of electric vans now being operated more than doubling to 388 units (2015: 187).

Only 37 fleets across the Fleet200 reported operating electric cars with the highest number (30) being run by insurer Aviva. It was followed by Police Scotland (25) and Amey (20).

Somewhat surprisingly, power companies reported operating very few electric company cars: Centrica only 14, Scottish Power eight, National Grid six, EDF Energy five and E.ON none.

The low number of electric cars operated by Fleet200 organisations is unusual given that figures from the Society of Motor Manufacturers and Traders (SMMT) suggest that fleet registrations accounted for almost 75% of zero emission model registrations in the first half of 2016.

Transport Minister John Hayes said earlier this year: "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 electric vehicles offer, as well as helping to protect the environment."

A total of 41 employers among the Fleet200 operate electric vans led by Centrica with 113, Leeds City Council with 41, Serco and Sodexo with 30 each, the Scottish Ambulance Service with 20, ISS with 12, Fife Council with 11 and Carillion and E.ON with 10 each.

However, with the Government aiming for nearly all cars and vans on the UK's roads to be zero emission by 2050 Fleet200 data suggests that ministers have much work to do in convincing major businesses that zero emission cars and vans are viable alternatives to petrol and diesel power.

Nevertheless, perhaps the recent announcement by the Government of £7.5 million being earmarked to fund workplace electric vehicle charging points could be a turning point in raising demand for zero emission company cars and vans.

Gerry Keaney, chief executive of the British Vehicle Rental and Leasing Association (BVRLA), said: "The ability to charge at work is a massive incentive for many people looking to 'go ultra-low'. Businesses will only be able to continue this growth with fiscal support from the Government. Workplace charging is a very positive step."

However, he added: "There is a lot more that policymakers can do. We need them to narrow the CO_2 gaps between tax bands at the lower end of the company car tax scale and make a bigger commitment to in-life incentives for users of plug-in EVs. Employers also need more clarity on how they should treat business travel reimbursements for electric mileage."

"We need them [policymakers] to narrow the CO_2 gaps between tax bands at the lower end of the company car tax scale and make a bigger commitment to in-life incentives for users of plug-in electric vehicles"

Gerry Keaney, BVRLA

41

employers in Fleet200 operate electric vans

Phoenix rises after 700 Daisy Group cars are added to fleet

Acquisitions result in growth for several fleets, including Trinity Mirror and Bauer, and opens door to Fleet200's smallest operator, Thales, with 70 cars

NEED TO KNOW

- **Computer Science Corporation has halved its cars**
- **Total category fleet size is 30,842 – a modest 2.2% rise**
- **Just under two in five cars are regarded as perks**

By Matt de Prez

Acquisitions have been the driving force behind movement in the IT/software/leisure/media category this year. Cloud computing specialist Phoenix has risen to eighth place following its acquisition by Daisy Group, which has added 700 cars to the fleet.

The company is expected to be re-branded under the Daisy name as a result of the acquisition, so this may be the last time it appears in the Fleet200 as Phoenix.

Trinity Mirror, the company behind the *Daily Mirror, Sunday Mirror* and *Sunday People* newspapers, acquired another Fleet200 company, Local World, last year.

The £220 million buy-out has led to the Trinity Mirror fleet gaining 400 vehicles from Local World, including 40 vans – a first for the previously car-only business.

Bauer Media Group, owner of *Fleet News,* also gained extra cars through the acquisition of Midlands-based commercial radio group Orion Media, which operates the Free Radio and Gem radio brands. A modest increase of 48 cars brings its total fleet size to 398 cars.

Elsewhere in the table fleet sizes have remained fairly static, in fact the top seven have all retained their positions.

IT services provider IBM stayed in second place by a whisker, despite gaining 200 cars (4,005 total) since the 2015 report, and BSkyB added an extra 200 vans bringing its total fleet size to 4,000.

"Unfortunately, ECO has a very tarnished history by the way it was introduced to the market as the panacea to all ills"

Keith Cook, Computacenter

At the bottom of the table the most dramatic shift is from Computer Science Corporation which halved its car fleet, although the previous data was from 2014 so this drop is attributed to a two-year period.

There are also two newcomers to the table, taking 19th and 20th place: Inspired Gaming (19th), provider of computerised gambling machines, with a fleet size of 254 vehicles (156 cars and 98 vans) and Thales (20th), electronics provider to the aerospace, defence and transport sectors, with 70 cars.

Total fleet size for this category is up slightly to 30,842 – a rise of 665 vehicles or 2.2%. It's the smallest fleet increase in the Fleet200 but is significant when you consider only three categories reported gains with the other seven reducing.

Just over a quarter (27%) of vehicles are vans yet it's a bit of a mix because businesses like BSkyB and Virgin Media have a large proportion of installation and service vans (3,200 and 2,700 respectively). Others, such as the BBC, have none. In fact there are four fleets that have no vans and a further two that have just five each.

Average car CO_2 emissions are among the lowest in the Fleet200 for the IT/software/leisure/media category at 113g/km, improving on the 116g/km average for 2015. They are predicted by fleets to fall to 109g/km by the end of the year.

The largest reduction came from Ricoh which, despite maintaining the same fleet size (840 cars and 30 vans), reported an average CO_2 figure of 110g/km, a drop of 19g/km over last year. It expects this to fall further, to 100g/km, by the end of the year.

Similarly, rival printer manufacturer Xerox managed a

BSkyB has large proportion of service and installation vans – some 3,200

TOP 10 IT/SOFTWARE/LEISURE/MEDIA

	Fleet200 Ranking	Organisation	Cars/LCV fleet total	Cars	Vans/ LCV	Job-need car to perk user ratio	CO_2 avg (cars)	No of car brands on fleet	No of van brands on fleet
1	25	Siemens	4,500	3,300	1,200	65:35	n/a	30	5
2	29	IBM	4,005	4,000	5	10:90	n/a	2	2
3	=30	Sky	4,000	800	3,200	75:25	n/a	10	1
4	=36	Virgin Media	3,600	900	2,700	100:0	n/a	n/a	n/a
5	=55	Fujitsu	2,450	2,200	250	30:70	115	13	2
6	102	Johnston Press	1,460	1,350	110	80:20	n/a	6	3
7	=115	Computacenter	1,300	1,200	100	60:40	112	16	1
8	119	Phoenix	1,284	1,200	84	100:0	109	3	2
9	125	Trinity Mirror	1,240	1,200	40	83:17	109	10	4
10	=134	BBC	1,100	1,100	0	n/a	n/a	n/a	n/a

double-digit assault on its fleet emissions, dropping from an average of 119g/km to 109g/km with the same number of vehicles (720 cars and 20 vans).

Not all fleets recorded the same performance. IT services provider Telent reported cars CO_2 figures up 20g/km on last year. However, it predicts car emissions will fall to 120g/km by the end of the year.

Siemens was championed for its CO_2 reduction last year (128g/km to 122g/km) but was unable to provide an average for this year's survey. Nonetheless the company reported an increase of 120 hybrids over the 40 it had in 2015.

Elsewhere in the category the take-up of alternative fuel vehicles has been low with an average of just 21 per fleet.

This is despite 39% of cars in the category being perk rather than business need, suggesting employees are still reluctant to take advantage of the tax benefits associated with hybrid and electric vehicles.

It's clear that company cars still play an important part in the recruitment and retention aspect of these businesses, especially in the IT industry where offices are more commonly located outside of London.

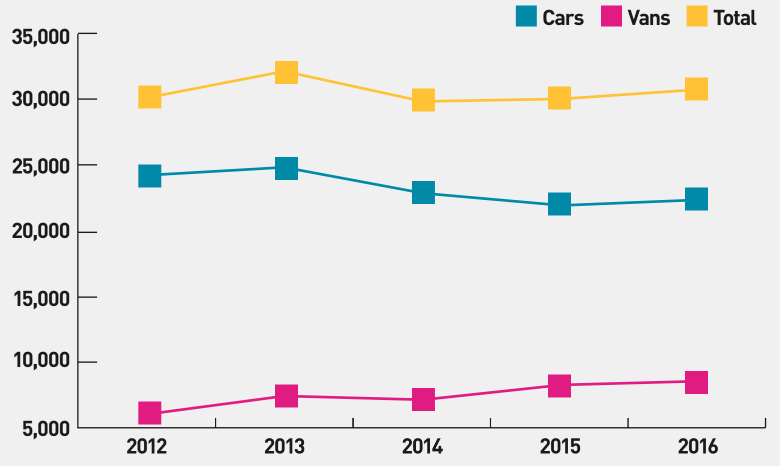
Only one sector in the Fleet200 has a higher percentage of perk vehicles, insurance/accounting/banking/finance.

Cash allowances are popular in this category with 6,365 employees opting for cash in lieu of a car.

6,365
employees in category prefer cash to a car

£0.5m+
Computacenter savings by choosing ECO schemes

TOP 20 FIVE-YEAR SECTOR TRACKER



The gap between cars and vans remains large but operators in the category expect to increase the number of LCVs on fleet next year

Contract hire company cars and salary sacrifice are the most common funding methods among the fleets which responded, but employee car ownership schemes (ECOs) are also becoming more popular with 11% of cars in this category now being funding through one.

Dan Rees, associate director at Deloitte, told delegates at a recent Fleet200 event that ECOs will grow in popularity due to the tax benefits they offer some fleets.

Computacenter is one business which has embraced the funding method, saving it more than half-a-million pounds so far and Keith Cook, Computacenter deputy financial controller, believes savings will be even greater next year.

He told *Fleet News*: "For every contract we run we ask 'what is the cost going to be in contract hire? What is the cost in ECO? Which is the cheapest contract to have?'

"Unfortunately, it [ECO] has a very tarnished history by the way it was introduced to the market as the panacea to all ills and delivering millions of pounds of savings."

Unlike traditional company car schemes, with an ECO the employee legally owns the vehicle. Because of this, neither employee nor employer is subject to any company car tax or national insurance contributions (NICs) on the benefit.

Because employees legally own the vehicle, a company may benefit from the tax-efficient nature of business mileage reimbursement on privately-owned vehicles, as well as making company car tax and NIC savings.

For companies which have a large field-based workforce with high business mileage, the savings under an ECO scheme can be sizeable.

Cook added: "It will not deliver millions of pounds of savings; it will not be right for all fleets; but, for a fleet like ours, and particularly with the blended architecture, putting people in the right product absolutely saves us a significant amount of money and helps us to be competitive in the marketplace.

"I don't subscribe to the view that it [ECO] is overly complex. It is complex, but it can be articulated to people in a way that they understand."

Currently, 54% of Computacenter drivers are in ECO and 46% are in contract hire. The fleet size remains unchanged this year at 1,300 (1,200 cars and 100 vans).

Just over one-in-four (42%) fleets were united in their belief that fuel cost will rise next year and three fleets managers stated explicitly that costs will be a challenge in 2017, with particular reference to emissions charging in cities.

Van numbers are also predicted to rise in line with the entire Fleet200 sample as 38% of fleets in the IT/software/leisure/media category expect to run more vans in 2017, compared with 35% of the Fleet200.

Royal Mail has joined a voluntary carbon reduction scheme as part of its commitment to managing its carbon impact

Optimism is high as half of fleets expect budget to grow

One-third of operators in transport/communications/distribution plan to increase fleet size next year as buying online shows no sign of let-up

NEED TO KNOW

- **Average fleet size experiences slight dip to 5,649 vehicles**
- **43% expect to spend on telematics next year**
- **29% expect to spend more on daily rental next year**

By Sarah Tooze

Fleet operators in the transport/communications/distribution category are the most optimistic of the Fleet200 sectors about their fleet budget with 50% believing it will increase over the next 12 months.

This is just a few percentage points higher than architecture/construction/building (47% of fleet operators in that sector expect an increase) but 19 percentage points higher than the next most confident sector (IT/software/leisure/media).

The average fleet size in the transport/communications/distribution sector has dipped slightly from 5,737 vehicles last year to 5,649 this. But this appears to be a temporary blip as 33% of respondents in this sector are planning to increase their fleet over the next 12 months, along with an increase in spending on daily rental (29% of respondents in this sector), risk management (21%) and telematics (43%) .

BT Group, whose total car and van fleet size has reduced by just less than 1,000 vehicles (from 32,300 to 31,301)– all cars due to changing its company car scheme which saw orders postponed until the more attractive offering was introduced – is in the middle of a vehicle replacement programme for 25% of its van fleet. A number of other major fleet operators in the sector are refreshing their fleets since the survey was conducted.

Private hire company Addison Lee, which is fifth in the table, recently announced a £17 million investment in new cars as it renews 12% of its fleet of more than 5,000 vehicles.

This follows a £3.2m investment in 100 Mercedes-Benz E-Class saloons in May to meet a 15% rise in executive car bookings.

The latest investment, which will see 550 Ford Galaxy models join the fleet, is part of Addison Lee's growth strategy, which also involves the roll-out of its mobile app and several international acquisitions and partnerships.

"It is crucial that we continue to explore new ways to improve our fuel efficiency and reduce our impact on the environment given we cover every single part of the UK"

Paul Gatti, Royal Mail

Earlier this year it acquired chauffeur firm Tristar worldwide to give the company an international footprint (Tristar has global revenues of £50m and headquarters on three continents). The move added around 400 vehicles to the Addison Lee fleet.

Fleet sizes in the transport/communications/distribution category can also fluctuate as the sector is prone to seasonal demand, with delivery fleets traditionally upping their fleet numbers ahead of an increase in online orders on 'Black Friday' and the run-up to Christmas.

Last year, parcel volumes totalled 1.065 billion (up 15.7% on 2014), driven largely by the 260m parcels dispatched during November and December, according to IMRG (Interactive Media in Retail Group). A similar rise is forecast this year.

Same day delivery firm CitySprint, which is seventh in the table with 2,800 vehicles, announced in October that it would be taking on more than 200 couriers in the run-up to the festive season.

Delivery and private hire firms often use self-employed drivers (CitySprint has 3,500 self-employed couriers) but whether this approach will continue remains to be seen.

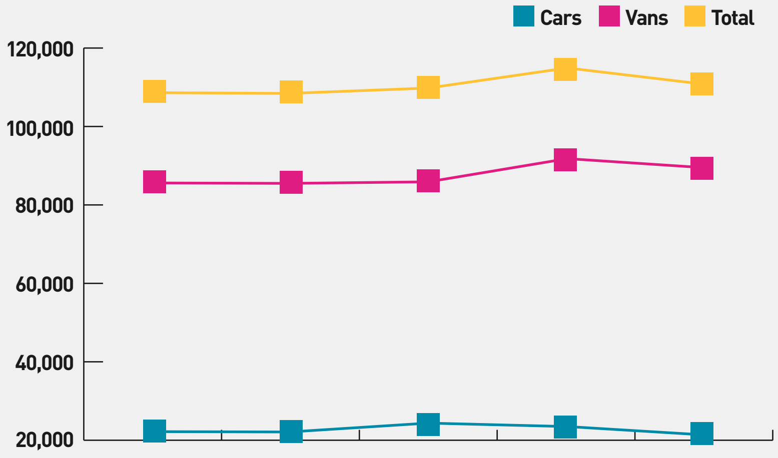
In July, Uber drivers won the right to be classed as workers rather than self-employed; the London Employment Tribunal determined the ride-hailing firm had acted unlawfully by not providing drivers with basic workers' right such as holiday pay, a guaranteed minimum wage and an entitlement to breaks.

Four bicycle couriers have also mounted a challenge against CitySprint, Addison Lee, Excel and eCourier to get employed workers' rights with the support of their union, the Independent Workers Union of Great Britain.

At the time of going to press the tribunal involving CitySprint and Maggie Dewhurst, who has made deliveries for the firm for more than two years, had been heard but the firm was still awaiting the result.

A number of fleet operators in this sector highlighted legislation or compliance as their biggest challenge, with some focused on the central Ultra Low Emission Zone

TOP 20 FIVE-YEAR SECTOR TRACKER



This sector is dominated by vans which consistently outnumber cars by a factor of more than four to one.

(ULEZ), which the Mayor of London Sadiq Khan is proposing to introduce a year early (2019 instead of 2020).

He has also launched a consultation seeking fleet views on expanding the scheme to the North and South Circular in 2019 or later and implementing an early £10 emissions surcharge – dubbed the T-charge – on the most polluting vehicles entering central London from next year.

The planned ULEZ has promoted fleet managers in the transport/communications/distribution sector that operate in London to investigate alternative fuel vehicle solutions, although they are concerned the current electric vehicles (EVs) on the market do not have sufficient range for deliveries.

Some fleets are urging the Government to speed-up the installation of the EV charging network in London despite the mayor's commitment to add a further 4,500 charging points across London over the next two years, bringing the total to more than 5,000.

Addison Lee, which already operates one of the largest hybrid fleets in the Fleet200, bolstered by its acquisition of Climate Cars last year, has suggested that this would not be enough to support its fleet or other firms' charging requirements.

Other Fleet200 sectors appear more able to introduce ultra-low emission vehicles with insurance/accountancy/banking/finance/other, utilities/energy/water/forestry/fishing and architecture/construction/building all operating more hybrid vehicles, and seven sectors operating more pure EVs than the transport/communications/distribution sector.

1.065bn
parcel volumes experienced last year

£17m
investment in new cars by Addison Lee

Average CO_2 emissions for this sector are 116g/km (up from 114g/km last year) but are expected to fall 3g/km by the end of the year to 113g/km.

This is in contrast to 2015's survey when the sector's average emissions were the second lowest in the Fleet200 (behind government/public sector) and respondents were optimistic the average could fall to 109g/km by the end of 2015.

However, fleet operators are looking at other ways to lower their carbon footprint such as encouraging the use of public transport and homeworking.

Royal Mail, the largest fleet in the Fleet200, has shown its environmental commitment by joining the Logistics Carbon Reduction Scheme (LCRS) earlier this year.

The scheme, managed by the Freight Transport Association (FTA), is a voluntary initiative to record, report and reduce carbon emissions from road transport. It demonstrates the efforts of industry to cut carbon emissions and contribute to national carbon reduction targets.

All new Royal Mail heavy goods vehicles (HGVs) now meet aerodynamic specifications that can reduce fuel consumption by up to 5%. The postal operator has also invested in 300 Cartwright Cheetah Fastback Trailers and has engaged with manufacturers to select a lighter weight trailer design.

Paul Gatti, Royal Mail fleet director, said: "Joining this voluntary scheme shows Royal Mail acknowledges the carbon impact of its fleet and we are committed to managing it. It is also crucial that we continue to explore new ways to improve our fuel efficiency and reduce our impact on the environment given we cover every single part of the UK.

"Our new relationship with the LCRS gives us an opportunity to share what we are doing and, equally, learn from the best practice of other members."

Average replacement cycles for transport/communications/distribution fleets are broadly the same as last year with cars now replaced at four years on average (up from three years, 10 months) and vans still replaced at five years.

Cars and vans in this sector do more miles than any other in the Fleet200 before being replaced, with an average of 97,333 miles for cars and 111,818 miles for vans.

This year there has been a rise in the number of fleets in this sector contract hiring their cars and vans.

The majority (59%) of cars are funded this way (up from 53%) last year, while on the van side 31% are now contract hired (up from 24% last year), with businesses recognising the potential it has to free up cash and provide a fixed monthly cost, which aids budgeting. Although contract hire is becoming more popular, outright purchase is still the favoured van funding method at 41% (down from 47%).

TOP 10 TRANSPORT/COMMUNICATIONS/DISTRIBUTION

	Fleet200 Ranking	Organisation	Cars/LCV fleet total	Cars	Vans/LCV	Job-need car to perk user ratio	CO2 avg (cars)	No of car brands on fleet	No of van brands on fleet
1	1	Royal Mail Group	38,000	2,000	36,000	30:70	n/a	30	6
2	2	BT Group	31,301	4,232	27,069	30:70	n/a	14	5
3	=7	Network Rail	7,500	1,500	6,000	95:5	109	6	8
4	16	APC Overnight	5,500	500	5,000	60:40	n/a	6	2
5	18	Addison Lee	5,300	5,000	300	100:0	149	3	3
6	27	Geopost (DPD)	4,350	350	4,000	100:0	120	19	2
7	=46	CitySprint	2,800	0	2,800	100:0	n/a	n/a	16
8	48	DHL Supply Chain	2,600	2,100	500	50:50	n/a	n/a	3
9	59	Vodafone	2,400	1,950	450	n/a	n/a	n/a	n/a
10	67	UPS Limited	2,180	250	1,930	85:15	n/a	4	1

How partners help you

RISK MANAGEMENT

Q What sort of return on investment (ROI) can a fleet expect from a risk management programme?

A Our experience is that many fleets adopt a risk management programme for compliance purposes, not business ROI. If fleets do take a long-term, more strategic view, as opposed to a tactical 'tick the box' approach, real benefits can be gained either in a reduction in accidents per million miles, fuel consumption or fleet running costs.

We encourage organisations to 'measure what you want to manage' so the programmes can be seen to have a direct benefit to the bottom line.

TELEMATICS

Q How can telematics help to cut the cost of accidents and insurance?

A As part of the ProFleet2 Premium package, the Fleet Risk Index allows fleets to identify where they can reduce risk by improving driver behaviour. Highlighting harsh acceleration/braking, excessive speed, and so on, can identify areas to reduce risk. By benchmarking performance within the fleet, customers can see how they can improve their risk management and cut the number of accidents that occur.

It is likely fleets equipped with telematics will be able to negotiate cheaper premiums.

REMARKETING

Q How can fleets calculate which sale will achieve the highest sales price?

A Fleets should work with their remarketing supplier to discover the best sale times and locations for their stock, based on the performance of the supplier and any benchmarking in place.

A growing number of channels are now used by fleets with model mix, age and mileage the key factors in which route is best used.

However, every vehicle will have a true market price and, unless demand is high and available stock is low, a vehicle's value is out of the hands of sellers.

OUTSOURCING

Q How should a fleet decide which services are best to outsource?

A Time and cost saving benefits can be realised by outsourcing. Companies must determine the levels of resource and expertise they have in-house to manage the key fleet areas of procurement, operation and admin. If fleet is core to the business, it may make sense for ownership of key areas to remain in-house. Where this is not the case, a specialist external resource will often be better placed, have greater expertise, resources, systems and processes to efficiently handle all or some of the fleet services.

FLEET MANAGEMENT LIVE BEST PRACTICE SESSIONS

Worst times – and places – to be a young working driver

An AA DriveTech road safety report analysed 40,000 crashes on UK roads over the past five years, involving those driving for work aged under 30.

It found that the young working car driver is 127% more likely than other working drivers to be involved in an incident between 6-9am, while the young van or professional vehicle driver sees their risk increase from midnight to 9am.

The study also identified rural roads as more of a risk for young working drivers.

David Richards, head of marketing at AA DriveTech, said: "There is something about rural roads, with more open spaces and opportunities to overtake that increases the danger for young drivers."

Accidents for young drivers were 161% more likely to be related to nervousness than a typical working driver.

The truly 'smart' technology many fleets cannot do without

Telematics is fast becoming the 'must have' technology for the fleet industry, according to ALD Automotive.

Research from the leasing company shows that almost nine out of 10 fleets with 500-plus employees have introduced telematics.

Rhys Harrhy, telematics product manager at ALD Automotive, said: "It will become a fundamental part of fleet management over the next few years."

Telematics can help tackle four of the biggest issues facing fleets: cost control, risk management, carbon reduction and fleet productivity.

"We ought to know how our assets are being used, especially when they cost so much," said Harrhy.

"Telematics isn't the be all and end all, but I think it's the one solution that stands out."

Factors that combine to produce the 'perfect storm' for car remarketing

Fleet managers and leasing companies are facing a "perfect storm" and may need to change the way they remarket cars to maximise residual values, according to Martin Potter, remarketing director at Aston Barclay.

"We've got an increase in the total used car volume, we've got an increase in personal contract purchase product that will generate a lot more 'late and low' mileage cars and we've got an increase in that fleet profile, putting pressure on the cars you are trying to remarket," he said.

One way to counter the rise could be 'upstreaming', where the car is sold before it reaches the end of its lease, potentially to the driver or a family member, the open market or a dealer.

'Dangerous' to overlook internal expertise in favour of outsourcing

Fleets often see outsourcing as a 'utopia'. But if internal expertise is not retained it can be "quite dangerous", says Ross Jackson, chief executive officer of Fleet Operations.

"By all means, seek external advice that says 'this what you should do and this is why you should do it', but in a business you need to make decisions about your business, your people, your investment strategy, and what it needs to retain and attract the right people," Jackson said.

He cited an example where a business had "outsourced to the nth degree" and no one in the company understood how the fleet operated. "We had to re-teach that organisation how to manage fleet," he said.

If fleet is core to your business "think hard" about the impact of outsourcing.

Over the course of this year, our eight partners have provided insight, advice and case studies. Here, we summarise the best

SOFTWARE

jaama fleet, leasing and rental software specialists

Q What is the most efficient way for a fleet to track the compliance of its vehicles?

A It is critical to have a holistic view of driver and vehicle risk. The most effective way to track compliance is by utilising fleet management software that manages by exception and proactively analyses fleet data. That might include vehicle service and MOT requirements so downtime can be planned.

The system should provide a comprehensive data audit trail including, for vans, a record of daily 'walk-around checks', and for cars and vans, SMR and vehicle documentation.

Managers should be clear about data gathered and what to do with it

Effective use of data is key to helping fleets meet demands for greater productivity and compliance at a lower cost, according to Richard Evans, head of business development at Jaama.

The number of sources fleet managers can gain data from has increased significantly over the past 10 years, and this has added another dimension to the challenge of management.

"It is important to be methodical in your approach, be clear on the objectives for collecting it and, more importantly, be clear on what are you going to do with the data when you have it," said Evans. "Collecting data and not doing anything with it can be as bad, or potentially worse, than not collecting it in the first place."

WINDSCREENS

NATIONWIDE WINDSCREEN SERVICES

Q What issues do new driver assistance safety technologies, such as lane assist and autonomous braking, present for replacement window glass?

A ADAS (advanced driver assistance systems) is used for ensuring new and future technologies can be recalibrated after a windscreen is replaced. Windscreens will no longer be a piece of glass protecting occupants from the elements and offering structural support for the vehicle. Safety systems are being developed, with driver aids, to help avoid collisions and reduce accidents. NWS has a flexible model to cope.

Windscreen replacements require extra care so safety devices continue to work

Fleets should ensure advanced driver safety assistance system (ADAS) sensors are recalibrated after repairs to make sure they work correctly, said Steve Greenway, senior partnership manager at Nationwide Windscreen Services (NWS).

All new cars are being equipped with some form of ADAS, such as autonomous emergency braking, lane keep assist and adaptive cruise control. Many rely on sensors mounted behind windscreens.

Their accuracy can be affected by repairs, such as windscreen replacement and wheel alignment. If sensors are not calibrated correctly, you might get a warning light on the dash, but the most common symptom is incorrect function and deactivation of the ADAS system.

SAFETY

VISIONTRACK.com

Q What type of insurance premium reduction can a fleet expect after investing in forward-facing cameras?

A Forward-facing cameras will reduce the risk of a potential incident so a saving can be expected, but the amount will vary. Broker Insurance Factory recently provided cover to one fleet with 60-65 vehicles for £61,000, instead of £80,000, after it introduced such technology.

Live high definition video not only enables the review of any incidents instantly and defends against false driving allegations, but it also gives insurers FNOL (first notification of loss).

Combined approach to managing driver risk in the real world

Managing risk is a major issue for fleets because a vehicle involved in a crash affects the entire business due to associated losses and legal implications, plus possible reputational damage.

Melvyn Hodgetts, risk and safety consultant at Visiontrack, believes fleets can benefit from using a combined video-telematics system to manage risk.

"Changing driver culture is about looking at the way things are done. Camera technology puts you in the cab," he said.

Not only can vehicles be tracked for speed, location and driving style but clips can be recorded and instantly uploaded for a fleet operator to view at any time.

According to Hodgetts, video gives fleets total transparency.

FUNDING

Zenith intelligent vehicle solutions

Q How common is it for fleets to use different funding mechanisms for different types of vehicle?

A Historically fleets have used one funding method for all vehicle types or occasionally a different one for LCVs. This is no longer the case as customers understand that the key to maximising cost savings lies in utilising a variety of funding methods.

We are seeing a shift towards the funding method being defined by vehicle need rather than vehicle type. One of the most common blended funding solutions encompasses contract hire and employee car ownership.

Cutting CO_2 emissions will help reduce impact of tax changes

Reducing CO_2 emissions is an effective way of minimising the impact of forthcoming tax changes, according to Claire Evans, head of fleet consultancy at Zenith.

She said: "If reducing CO_2 caps is an option, that would help reduce higher costs. Find out the impact of the changes and look at what vehicles are available on your policy. You need to understand when those changes are coming so you can plan for them."

Key questions include:

- How many car options currently on fleet are between 110g/km and 130g/km?
- What policy changes will encourage drivers to take lower CO_2 cars?
- Do ultra low emissions vehicles fit into the car policy and how do they compare to the current options?

FLEETS INFORMED

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RISK MANAGEMENT

By David Richards, head of marketing at AA DriveTech

Each year in September, the Department for Transport (DfT) publishes the official statistics for road casualties so we've just seen the final 2015 figures.

While the total number of people killed on British roads has nearly halved over the past decade, more than 1,700 people still lost their lives on the roads last year.

Of these, just in excess of 1,000 were drivers, of which 84 were identified as driving for work at the time of their crash. Further research shows a fifth of these drivers were aged under 30.

This is a stark reminder that driver risk and driver safety still needs to be at the top of every fleet manager's agenda.

Having a robust and focused occupational road risk programme, covering every employee who drives for work, whether they drive a company-owned vehicle, or even their own, is key.

This year, with the dramatic expansion of home delivery services, the duty of care responsibilities that employers face have broadened beyond the traditional four-wheel environment towards two wheels as motorcycles, mopeds, scooters and even bicycles are used more and more for work purposes.

Likewise, duty of care has increased from just inside the vehicle to cover outside as well, especially with home deliveries. Walking with a delivery to an unfamiliar address is potentially an area of risk, so drivers need to be trained to understand techniques – such as dynamic risk assessments – that can lower their risk of harm.

AA DriveTech provides the knowledge, experience and solutions to lower risk and enhance driver safety including assessments, driver coaching as well as permit-to-drive and specialist training.

> "Duty of care has increased from just inside the vehicle to cover outside as well"

AA DriveTech

FLEETS INFORMED

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TELEMATICS

By Rhys Harrhy, telematics specialist ALD Automtive

Telematics has already transformed the fleet sector in recent years, as shown by our Fleets Informed articles, but its value to the industry is set to increase radically over 2017 and beyond.

As the challenges faced by fleets continue to mount, vehicle telemetry will continue to provide an essential solution.

Reduction of risk, cost, CO_2 and improving fleet efficiency will continue to be a driving force for businesses running vehicles – with growing recognition of the many ways that telemetry can help. Expansion of usage-based insurance into the fleet sector and data sharing will accelerate this further.

And the race among carmakers to develop the ultimate connected car – and, subsequently, fully autonomous vehicle – will provide businesses with the optimum opportunity to gather real-time information about both the driver and the vehicle, enhancing their fleet visibility significantly.

That's not to say there won't be challenges. Fleets will need to face the issues posed by multiple technology service providers and data sources to stop them drowning in a sea of data.

Technologies such as ALD's innovative new ProFleet telematics solution, which launches at the end of this year, will provide a crucial lifeline. There will also be the issue of working with carmakers to ensure driver data is shared – again this will be a core tenet of the new ProFleet platform.

But above all it's an endlessly exciting time as telematics evolves further still to connect up everything fleets and drivers need. Keep watching this space.

> "There will also be the issue of working with carmakers to ensure driver data is shared"

ALD Automotive

FLEETS INFORMED

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REMARKETING

By Martin Potter, Aston Barclay group operations director

Recognition of performance has led Mercedes-Benz to increase its remarketing volume to Aston Barclay by now including the newly refurbished Westbury auction centre in its 2017 sales programme.

Our Chelmsford centre will also receive increased volume with additional sales, while Prees Heath retains its regular programme that has proved extremely popular with buyers nationwide.

This has also enabled us as a top-three vehicle remarketing group to provide a true national sales programme for the German manufacturer.

Aston Barclay's investment in IT and digital services and nationwide infrastructure has enhanced our end-to-end remarketing service, allowing us to comfortably handle increased Mercedes-Benz volume generated by the brand's recent success, with up to 200 vehicles going under the hammer in each sale.

We are all delighted the prestigious brand of Mercedes-Benz has increased its sales across our group for 2017; in return Aston Barclay will work closely with this company not only to deliver excellent sale results, but look to explore further opportunities to enhance sales and alternative remarketing routes.

We are currently expanding our business in the IT and digital arena and with further funding are looking at acquisitions that will provide Mercedes-Benz and other customers with their specific needs for high volume remarketing in the years ahead.

As one of the UK's top-three remarketing suppliers, we at Aston Barclay recognise the important role we play for many of the UK's largest fleet, leasing, OEMs and dealer groups for remarketing competitiveness and the benefits this delivers to our customers.

> "Mercedes-Benz has increased its remarketing volume to Aston Barclay"

FLEETS INFORMED

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OUTSOURCING

By Richard Hipkiss, operations director at Fleet Operations

Fleet Operations' sponsorship of Fleets Informed has coincided with an evolving procurement landscape. And, while some industry trends can be viewed in a positive light, others call for closer scrutiny.

Increasingly restrictive procurement key performance indicators (KPIs) set by finance departments, I'd suggest, fall into the latter category. These KPIs, how they are defined and how procurement professionals are subsequently rewarded, can prove counterproductive and can even risk damaging the business bottom line.

By taking a restrictive approach to how 'savings' can be classified by procurement professionals, companies may find themselves hindering smart decision-making.

It is not uncommon, for example, for time-consuming year-on-year vehicle lease negotiations to take place in a bid to achieve 'new' savings in each financial year. The same annual saving may be achieved over a three-year contract, written upfront, but inefficient working practices are instead being promoted by the restrictive manner in which 'savings' must be delivered.

In a similar vein, savings of up to £10,000 in termination fees may be demonstrated by reallocating an employee's vehicle to another member of staff when they leave the company. A corporate decision not to classify reallocation of vehicles as a saving however, may instead promote the termination of all such vehicles at cost, wiping thousands off the company's bottom line.

By sponsoring Fleets Informed we have looked to promote best practice in the field of fleet procurement and outsourcing. This ultimately calls for wider stakeholder conversations, joined-up thinking and more prudent strategising to ensure business decisions are taken for the greater corporate good. By doing so, business will help protect their financial futures in what is a challenging and uncertain economic climate.

> "Companies may find themselves hindering smart decision-making"

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COMPLIANCE

By Martin Evans, Jaama managing director

Reducing the administration burden for fleet decision-makers is critical to enable them to make clear strategic decisions in full knowledge of the facts.

One of Jaama's major focuses during 2016 has been the development and introduction of a range of modules within the company's multi-award-winning Key2 Vehicle Management software designed to do exactly that while simultaneously allowing an increased focus on key issues such as legislative compliance, risk management and best value procurement.

The move to digitalisation by the Driver and Vehicle Licensing Agency (DVLA) has enabled Jaama to launch its new V5 Suppression module, which is in addition to already established electronic Vehicle Excise Duty renewal and driver licence validation.

The V5 Suppression module is optional within Key2. It enables fleets, contract hire and leasing companies and daily rental businesses that have elected V5 suppression to import en masse all details of those vehicles directly into Key2 and therefore have that information available to view at the click of a button.

Furthermore, Jaama has worked in partnership with commercial vehicle fleets using Key2 to enable them to successfully comply with the Fleet Operator Recognition Scheme, a best practice accreditation to which Jaama is an associate member thus further reinforcing its commitment to raising standards in the fleet industry.

For example, Jaama has recently enhanced its Workshop touchscreen module within Key2 to enable customers to use it for regular vehicle inspections by drivers.

Key2's web-based functionality ensures it is straightforward to deploy over multiple sites and locally uploaded documents can be viewed centrally thus allowing managers to spend less time on routine administration and put a greater focus on strategy.

■ **For further information: website – www.jaama.com; email – enquiries@Jaama.co.uk; telephone – 0844 8484 333.**

> "Allowing managers to spend less time on routine administration and put a greater focus on strategy"

jaama
fleet, leasing and rental software specialists

FLEETS INFORMED
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SAFETY

By Simon Marsh, VisionTrack managing director

As 2016 comes to a close, it's fair to say that telematics cameras have made their mark this year. The technology has entered a new era where scalability is now possible, meaning fleets of any size or type can invest without the worry of exorbitant expenditure as they grow.

Conquering data volumes and costs has been core to their advancement and is a key reason why mass deployment is now possible.

Since launching the VT2000 at the start of the year, at the same time as we joined *Fleet News'* Fleets Informed programme, VisionTrack's team has been busy spreading the message that a combined camera-telematics approach is vital for fleets, giving a fuller picture of driver behaviours and affording a better understanding of incidents to limit future occurrences.

In addition to launching exciting new products next year, VisionTrack now aims to continue educating partners and the wider fleet market through platforms, like Fleets Informed, which are invaluable in relaying the positive aspects of cameras and telematics.

It is essential that all fleets are aware of the different types of technologies available to benefit their businesses, and just as importantly, create safer drivers. We all have a responsibility to drive safely and this message needs to start with fleets.

While it is easy to stay with the same provider, the question to be asked is: does your current telematics or camera system provide what you need?

Regular assessment of existing technology against emerging products may reveal a better solution. Fleets that stay ahead of the game are the ones who are likely to see the best performance, improved safety and reduced downtime in 2017.

> "Busy spreading the message that a combined camera-telematics approach is vital for fleets"

VISIONTRACK.com

FLEETS INFORMED
Brought to you by FleetNews

WINDSCREENS

By Steve Greenway, NWS senior partnership manager

NWS has continued to see its market share increase and expand its presence in the Fleet Sector throughout 2016.

Confidence from the UK's fleets in NWS has continued to grow throughout 2016 because we have continued to produce outstanding service levels, which has maintained our reputation and commitment to provide the best service in the UK.

NWS has invested heavily by installing into its fitting centres ADAS recalibration systems meaning vehicles are returned to specification post windscreen replacement, including the recalibration where necessary of vehicle driver assistance cameras meaning a fleet driver is less inconvenienced and their vehicle downtime is kept to the absolute minimum.

The benefits of using NWS are clear. We offer full nationwide coverage from mobile units and fitting centres, a 24/7 operation, quality products with fully trained staff on competency-based fitting techniques including on the latest vehicle technologies.

NWS plans further investment, integrating more ADAS recalibration systems into the our fitting centre network, ensuring we are fully prepared to deliver outstanding service to today's modern vehicles nationwide both now and in the future.

NWS leads the field in raising the awareness of fleets of these latest technologies. We have sponsored the Fleets Informed programme this year. We have also participated at the Fleet Management Live event, utilising the 'best practise' sessions to highlight the need for ADAS recalibrations as well as our market leading service delivery. These underpin that NWS is at the very forefront of the automotive glazing industry and will fully manage the replacement from start to completion.

■ **For enquiries please contact 01509 410752 or email: admin@natwin.co.uk**

> "NWS leads the field in raising the awareness of fleets to these latest technologies"

NATIONWIDE WINDSCREEN SERVICES

FLEETS INFORMED
Brought to you by FleetNews

FUNDING

By Ian Hughes, Zenith commercial cirector

We have covered a variety of topics throughout our Fleets Informed programme this year, ranging from picking the right funding method for your fleet right through to the importance of carrying out regular analysis to ensure you continue to use the most cost-efficient methods.

Although we know there is no typical fleet, we hope we have helped you find the best solution for your business by giving you the advice you need to save money, reduce administration and allow for wider economic tax and legislation changes.

Funding remains in the spotlight this year, with new lease accounting standards planned plus changes to vehicle excise duty and company car tax. The chancellor's autumn statement also spoke of changes to salary sacrifice car schemes and how ultra-low emission vehicles will progress.

All these legislation changes make for a testing environment but the fleet industry has faced these challenges before and Zenith is confident we will do so again.

For businesses, it is more important than ever that you work closely with your leasing company, listen to their expert advice and harness their flexibility. In doing so you will be able to adapt quickly to the changing environment and put measures in place to protect your fleet.

It has been fantastic to be involved in the Fleets Informed programme this year. We have enjoyed bringing our advice to life and illustrating how our innovative approach to funding has led to cost-effective results for our customers.

■ **For more information about Zenith go to zenith.co.uk, email fleet@zenith.co.uk or call 0344 848 9327.**

> "All these legislation changes make for a testing environment"

Zenith
Intelligent Vehicle Solutions

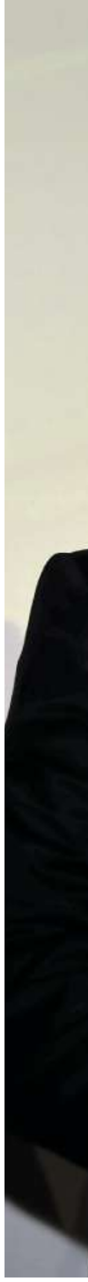
FleetNews AWARDS 2016

Sponsored by JAGUAR LAND ROVER

GROSVENOR LEASING

'People see us as a major player, a proper player'

Fleet News award has attracted positive feedback from Grosvenor's clients and its prospective clients



By Andrew Ryan

Innovation has been a key theme for Grosvenor Leasing over the past 18 months. The company, which was named the *Fleet News* leasing company of the year up to 15,000 vehicles, has developed a number of digital offerings, including an online fleet management system and a new driver services app.

"IT is something we are investing heavily in," says Shaun Barritt, group CEO of Grosvenor Leasing, which also includes fleet management provider Interactive Fleet Management (IFM). "This year we have taken on two new IT specialists to develop our online reporting capabilities and we've got a couple of guys who have a lot of experience in developing apps.

"We are starting off with basic functionality and very quickly our clients will see that develop.

"On our fleet management side, we also have an online system whereby whenever a client goes in to have their vehicle serviced, tyres or glass fitted, or hire a car etc, that is immediately automated through our system.

"As soon as that authorisation has been given, the system will automatically send out to those operators a questionnaire on service.

"It's all very well launching new initiatives, but alongside that you need to provide the ability for clients to feed back what they think.

"Sometimes it's easy to go headlong into developing products, but they may not be what people want."

Barritt says the fact the systems are created in-house gives Grosvenor the ability to develop them quickly, as well as adapt them for specific customer requirements.

"For example, if you've got an organisation that operates a pool of vans used by numerous different drivers, instead of just reporting on the vehicles, we can tailor the system to actually look at the drivers and see the vehicles they've used," he says.

"This will allow you to see if that driver is an abusive one as you can drill down into the information to find out what they are all about. It gives you a little bit more information rather than that simplistic view."

Barritt adds: "The beauty of it is that we can make amends and as it's our system, we don't charge it out to our clients, they don't need a licence.

"We are not a software house, we are creating support for our fleet management operations."

Fleet News: Your risk fleet has grown by 217 vehicles to 8,282 in the past 12 months. Does this reflect wider market conditions?

Shaun Barritt: We've had a good year, but new business has been quite difficult and I think that is the same for all of us in the industry. The growth in our fleet hasn't been huge and that's probably the nature of us as a business. We are not looking for numbers, we are looking for good, sustainable business.

FN: Have you noticed a change in vehicle residual values?

SB: We've found that good quality used vehicles are still making strong money at auction. We are converting probably 95%-plus of all of our vehicles first time at almost 100% of CAP value. That says the used market is strong and there are people out there wanting to buy. But we are seeing that it is maybe getting a little bit tougher, but not hugely. I think it will get more difficult, but the reality is the used market has a finite size and, at the end of the day, we can't keep ploughing millions of vehicles into it, it can only sustain so much.

Next year is going to be interesting and I think values may start shifting downwards, not dramatically but that, again, is cyclical. From 2008 we've had a cycle where the fleet industry generally has done very well, so therefore we are just going to see this natural falling away a little bit. I think we need to be cautious about residual values and the sort of business that we are writing: we need that two-year business at least.

FN: How do you cater for the SME market?

SB: This year we launched our Easi-Fleet Management product which offers a fixed cost fleet management service for smaller fleets of cars and vans. We have to be competitive, we understand that, but we have to be a little bit different in the sector and have a more holistic offering.

A lot of people are now talking about the SME market which is a bit bizarre as it's always been there. As a medium-sized contract hire and fleet management

"At the moment we are putting in a new online vehicle selection quoting system to make us a little more user-friendly"

Shaun Barritt, Grosvenor Leasing

8,282

vehicles on risk fleet – a 217 rise for Grosvenor

196th

place on the *Sunday Times* Top Track 250

Shaun Barritt, group CEO, The Grosvenor Group (left), is presented with the award by Jon Wackett, fleet & business sales – general manager, Jaguar Land Rover UK

company, most of our business has been from the SME sector anyway. We don't have any one client that has any more than 8% of our total fleet so, logically, our market is the SME market.

We want to offer a little bit more so we are increasing our offering. At the moment we are putting in a new online vehicle selection quoting system to make us a little more user-friendly for our clients who require that, although most of our clients tend to talk to us about rates rather than just doing it online.

FN: What value does Interactive Fleet Management add to the Grosvenor Leasing business?

SB: The reality is IFM is there to assist us in growing the fleet without always taking the risk element as well, so it opens the business out to a broader and wider market. IFM provides us with the ability to offer clients bespoke packages. It offers customers an outsourced fleet management team to oversee all suppliers – including ourselves. It also means clients don't need to contract hire, they can own their vehicles, and we will manage their fleet for them.

If you are looking at a prospect which outright purchased, without IFM the best we could do as a contract hire company was to convert them to contract hire. The reality is not everybody wants to do that, so IFM means we can go out there, we can talk to these owned fleets and manage them.

On other occasions we can go out to potential clients who use multiple funding providers and are happy with that, or they have incumbent providers who they are not unhappy with, and we can bring in those funders who they currently use and put them on the same platform. This means that everything is always the same. One of the problems with getting quotations on contract hire is whether you are comparing apples to apples. Have they got the same end-of-hire damage waiver? Are all of the other things the same?

Effectively, what IFM is doing is saying 'if that's the way you operate your fleet, that's fine, we can accommodate that because we have a multi-bid panel we work with'. We, Grosvenor, don't sit on most of those panels. We will only sit on those if requested or if it's a Grosvenor client.

As well as winning the *Fleet News* award, Grosvenor was also this year named in the *Sunday Times* Top Track 250, which ranks Britain's private mid-market growth companies with the biggest sales, for the first time. It achieved 196th place.

Barritt says recognition from independent bodies has helped bolster the reputation of the company.

"I was probably a sceptic of these things, but the *Fleet News* award in particular has attracted a lot of positive feedback from clients and prospective clients," he says.

"Has it won us any business? I've no idea, but the reality is it is something a bit different, it's another bit of positive added value, so who knows?

"Maybe some of the wins we've had this year have been around the award, so I think it's been very positive."

He adds: "We are a medium-sized player operating in a big player's market, and this recognition helps people see us as a major player, a proper player."

FACTFILE

Organisation Grosvenor Leasing
Group CEO Shaun Barritt
Headquarters Kettering
Risk fleet 8,282 (cars: 5,907; vans: 2,375)
FN50 ranking 22

Judges' comments

"Grosvenor's ability to offer a multi-bid contract hire solution through its sister business Interactive Fleet Management made it stand out. It has developed both a fleet management system and an app in-house, enabling it to meet customer requirements. The judges praised Grosvenor's management of its sub-contractors and the long-term relationships it has developed, along with its "outstanding" customer testimonials."

EV stars come under California spotlight

Major players on show as tinsel town previews some of the leading models arriving at a showroom near you next year, reports *Simon Harris*

Several of the most important cars coming to the UK in 2017 were unveiled at the 10-day Los Angeles Auto Show held at the city's Convention Center over the Thanksgiving period in November.

Although the USA is often associated with thirsty SUVs and large pick-up trucks, the West Coast audience is more attuned to smaller, more fuel-efficient models, as well as hybrids and EVs.

And on the doorstep of the world's biggest movie studios, new small and medium crossovers, as well as models from famous British brands such as Mini and Jaguar, competed for the spotlight, aiming to become the automotive equivalent of box office successes.

MINI COUNTRYMAN

On sale: deliveries from February 2017
Pricing: from £22,465
Key fleet engine: 150PS 2.0-litre diesel (Cooper D); 224PS plug-in hybrid (Cooper S E)
CO_2 emissions: from 113g/km

The largest ever Mini will be in showrooms in 2017 as the second-generation Countryman has evolved into a compact SUV.

The new Mini Countryman is 20cm longer and 3cm wider than its predecessor, while its wheelbase has been extended by 7.5cm, promising more room for occupants, as well as more luggage space.

The new model will also debut Mini's first plug-in hybrid, which offers a low-CO_2 option with high performance using a turbocharged three-cylinder petrol engine in conjunction with an electric motor.

All conventional engines are also new to the Countryman range, with power outputs ranging from 136PS to 192PS, including 150PS and 190PS diesels, with CO_2 emissions from 113g/km.

The car will be offered in front-wheel drive of All4 four-wheel drive configurations.

Standard equipment will include satellite navigation, Bluetooth integration, cruise control, and emergency E-call, with prices for only Cooper and Cooper S petrol and diesel models announced so far.

Prices for the plug-in hybrid will be announced later in 2017, while it's likely that a Countryman One D could be launched later, using a smaller diesel engine than the Cooper and offering lower CO_2 emissions.

The plug-in hybrid will have CO_2 emissions of 49g/km, with an EV range of up to 25 miles. With a total power output of 224hp for the petrol engine and electric motor combined, it is expected to have a transaction price of more than £30,000 following the application of the plug-in car grant.

VOLKSWAGEN E-GOLF

On sale: spring 2017
Price: £33,000 (est)
Key fleet engine: 136PS electric motor
CO_2 emissions: 0g/km

A new, more powerful, e-Golf will be introduced by Volkswagen in 2017, with a maximum real-world driving range increased by around 50%.

The new e-Golf has a greater capacity battery than the current model, and will have an official maximum range of 186 miles – 68 more than the 118 miles offered now.

But Volkswagen says the new model will also offer a realistic 125 miles in everyday driving, where the current model achieves around 85 miles.

The model will be introduced as part of the 2017 revisions to the seventh-generation Golf, and power has been boosted from 114PS to 136PS, while torque is also increased from 270Nm to 290Nm.

As a result, the new e-Golf is almost a second faster over the 0-62mph sprint benchmark, at 9.6 seconds instead of 10.4.

It will come with the redesigned front and rear of the updated Golf range, and with full LED headlamps and rear lights.

The e-Golf will have a fully digital instrument display as standard, and 'gesture control' for the dashboard screen, which can change the screen with a 'swipe' gesture.

It will also have Traffic Jam Assist as an option, where the car can maintain a safe distance with the vehicle in front in stop-start traffic, with no intervention from the driver, and also remain within the lane markings on the road without the driver needing to steer.

MAZDA CX-5

On sale: late 2017
Pricing: from £24,000 (est)
Key fleet engine: 2.2 D
CO_2 emissions: from 110g/km (est)

Mazda unveiled a new, sleeker CX-5 to replace the current model in 2017 and introduced the second-generation of its Skyactiv range.

The CX-5 is Mazda's best-selling model in Europe, and the original model was the first SUV of its size to offer CO_2 emissions below 120g/km.

The new model will continue with 2.0-litre petrol and 2.2-litre diesel engines, but it's likely that CO_2 will be reduced over the current model. However, we can expect a roomier, more comfortable cabin, and a more refined experience for occupants.

It will also feature G-Vectoring Control, a system that modulates torque delivery to individual wheels based on the driver's steering input to improve the car's roadholding and responses.

It will also feature a remote power tailgate for the first time, as well as a new head-up display. Unlike the current Mazda head-up display that projects information on to a small screen in the driver's line of vision, the new display will project it directly onto the windscreen.

HONDA CR-V

On sale: 2018
Pricing: from £24,000 (est)
Key fleet engine: 1.6 i-DTEC
CO_2 emissions: from 110g/km (est)

Honda has unveiled a new CR-V for the US in 2017, which will come to Europe in 2018.

The new model, which was shown in US specification with no diesel option, will look almost identical when it arrives here.

It is likely to be offered with the 1.5-litre turbocharged petrol engine available in the new Civic, with the 1.6-litre i-DTEC diesel carried over from the current CR-V, where it is available with 120PS for front-wheel drive variants, and 160PS for those with four-wheel drive.

The CR-V will also feature six-speed manual and nine-speed automatic gearboxes, and is expected to be offered with a high level of convenience and safety features.

JEEP COMPASS

On sale: late 2017
Pricing: from £24,000 (est)
Key fleet engine: 1.6 M-jet; 2.0 M-Jet
CO_2 emissions: from 110g/km (est)

Jeep is launching a rival to the Nissan Qashqai in 2017, when the new Compass will go on sale.

Fitting between the Renegade and Cherokee in the range, the car is expected to make its European debut in Geneva in March.

Although the car in Los Angeles was fitted with a 180PS 2.4-litre petrol engine, it is expected to be fitted with class competitive 1.6-litre and 2.0-litre diesel engines for the European market.

ALFA ROMEO STELVIO

On sale: late 2017
Pricing: from £35,000 (est)
Key fleet engine: 2.0-litre diesel
CO_2 emissions: from 140g/km (est)

Alfa Romeo's first SUV was unveiled in Los Angeles, powered by the high-performance 'Cloverleaf' engine from the Giulia saloon.

The Stelvio, named after the highest mountain pass in Italy, with more than 75 bends and hairpins in 20km, will compete with the Jaguar F-Pace and Porsche Macan.

Although the Los Angeles show car uses the 510PS turbocharged V6 petrol engine, the Stelvio is also likely to be powered by a 2.0-litre diesel engine by the time it makes its European debut in 2017.

More details will be available when it appears at a European motor show in 2017.

JAGUAR I-PACE

On sale: 2018
Pricing: TBC
Key fleet engine: electric
CO_2 emissions: 0g/km

Jaguar plans to launch an electric car based on the I-Pace. The car, which has been designed as a pure EV, has twin electric motors which, combined, produce 400PS and 700Nm of torque – the latter figure equivalent to Jaguar's most powerful conventionally powered F-Type. The concept car is said to accelerate from 0-60mph in four seconds.

Smaller than the F-Pace, which went on sale in 2016, the I-Pace will seat five, and has a range of up to 300 miles.

It's clear Jaguar will be targeting these performance figures for production. However, it could also be seeking to launch a conventionally-fuelled car of this size, which would achieve greater sales volume than a pure EV.

2.0 BLUEHDI GT AUTO

PEUGEOT 3008

Will lack of four-wheel drive version adversely impact on new SUV?

NEED TO KNOW

- **SUV shape for second-generation 3008**
- **No 4WD, but enhanced traction versions available**
- **i-Cockpit digital instrument screen standard**

By Simon Harris

The second-generation Peugeot 3008 has undergone a change of identity. Its predecessor was perhaps a slightly awkward looking evolution of a five-seat MPV with a hint of SUV ruggedness.

The new 3008 is absolutely being marketed as an SUV to take advantage of the continued growth of this sector in Europe, but perhaps with one key ingredient missing that the first 3008 was able to offer. There is no four-wheel drive version.

520
litres is the minimum capacity of the boot

For full running costs, visit fleetnews.co.uk/running-costs

Four-wheel drive was only offered on the first 3008 through the company's diesel-electric hybrid system, where the electric motor powers the rear wheels and the engine drives the front wheels.

But Peugeot has talked a good game on the smaller 2008 with its 'Grip Control' enhanced traction front-wheel drive system, which also includes mud and snow tyres. This should keep the car moving in tricky terrain.

The 3008, and the soon-to-be-launched 5008 SUV, will make use of this feature and, in any case, the majority of medium SUV customers don't want four-wheel drive.

While Peugeot isn't seeking to redefine the SUV sector with this model, it has its own style, and its interior and dashboard are distinctive and look more advanced than those in rivals.

We are becoming familiar with Peugeot's repositioned elliptical steering wheel, lower than in other cars, while the instrument panel is raised. Peugeot calls this i-Cockpit. For the 3008, the instrument panel is replaced with a configurable digital screen, fitted as standard to all models.

Similar to Audi's Virtual Cockpit (a £400-plus option on those cars), it can be set to the driver's preferences, always showing vital information such as the car's speed, but can also duplicate the navigation map (when specified) and other data.

There is also a dashboard-mounted eight-inch touchscreen to access audio, climate control and other settings, with a row of switches beneath. The cabin is an ultra-clean design, lacking in clutter and has an upmarket feel.

The 3008 is available with 130PS 1.2-litre and 165PS 1.6-litre turbocharged petrol engines as well as 1.6-litre (with 100PS and 120PS variants) and 2.0-litre (with 150PS and 180PS variants) BlueHDi diesels. It's far more likely that business users will favour the diesels, although even the petrol variants offer CO_2 emissions below 130g/km.

There are four equipment grades: Active, Allure, GT Line

Business users are likely to favour the 3008's BlueHDi diesel versions

The lower, small steering wheel makes it feel more direct

"Its interior and dashboard is distinctive and looks more advanced than those in rivals"

and GT, the latter only available with the 180PS 2.0 BlueHDi and six-speed automatic transmission.

Key features of the entry-level Active include lane departure warning and autonomous emergency braking, dual-zone automatic climate control, DAB, MirrorLink and CarPlay smartphone app compatibility, 17-inch alloy wheels and automatic headlamps, wipers and auto-dimming rear-view mirror.

Allure models add lane-keeping assistance, driver attention alert, auto-dipping main beam, Peugeot Connect SOS and Assistance, rear privacy glass, front and rear parking sensors and rear-view camera, sat-nav, voice recognition and 18-inch alloys.

GT Line models come with full LED headlamps and fog lamps, an enhanced version of i-Cockpit, plus light and fragrances to create different 'interior ambiences'.

The GT has grey wood trim inserts, keyless entry and start, electric tailgate, leather trim, massaging front seats and a panoramic glass roof.

The 3008 has sharp responses, thanks in part to the small steering wheel which helps it feel more direct, and excellent body control. The car dealt with a mixed test route very well, taking variable conditions in its stride, and gave no worries on a deeply potholed gravel track.

It has a spacious and comfortable cabin, as well as an impressive sized boot with a minimum 520-litre capacity. Whether sales will be harmed from not offering a four-wheel drive version remains to be seen, as take-up of four-wheel drive varies across the sector, remaining relatively low for a car like the Nissan Qashqai, but higher on some others. However, when chosen with Peugeot's Grip Control, the 3008 ought to cope with most drivers' light off-road requirements.

The medium SUV sector is becoming crowded, and increasingly popular with user choosers. But the 3008 stands out as an impressive all-round family car.

COSTS

P11D price	£32,940
BIK tax band (2016/17)	24%
Annual BIK tax (20%)	£1,581
Class 1A NIC	£1,091
Annual VED	£0 then £110
RV (4yr/80K)	n/a
Fuel cost (ppm)	n/a
AFR (ppm)	11
Running cost (4yr/80K)	n/a

SPEC

Power PS/torque (Nm)	180/400
CO_2 emissions (g/km)	124
Top speed (mph)	131
0-62mph (sec)	8.9
Fuel efficiency (mpg)	58.9

KEY RIVAL

Volkswagen Tiguan 2.0 TDI 190 SEL Nav 4Motion auto	
P11D price:	£32,695
BIK tax band (2016/17)	29%
Annual BIK tax (20%)	£1,896
Class 1A NIC	£1,308
Annual VED	£145
RV (4yr/80k)	£9,525/29%
Fuel cost (ppm)	10.86
AFR (ppm)	11
Running cost (4yr/80k)	45.85ppm

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

THINKING CAP

By Martin Ward, manufacturer relationships manager

cap hpi

Tuesday/Wednesday Flight to Hanover, and then driven to Wolfsburg to Volkswagen HQ for the global unveil of the 'new' Golf. The key focus points of the 2017 model are: new engines, a sharper design and a completely new generation of infotainment systems, including a new 9.2-inch screen.

This facelifted Golf has more attractive light clusters, LED tail lights, new bumpers front and rear and slightly redesigned front wings, but this is certainly an evolution and not a revolution.

A new 1.5-litre TSI Evo petrol engine with Active Cylinder Management makes its debut in the Golf. The Golf is still a popular choice with fleets, and is the standard other manufacturers follow, or try to replicate.

More than two million Golfs have been sold in the UK since its introduction, and in 2015 78,136 were sold in the UK. The interior of this Golf has been updated and has some very new and modern technology, and the dash looks great, especially with that new large screen. A Golf is a Golf and will continue to sell well, new and used.

"Golf is the standard other manufacturers follow, or try to replicate"

Thursday Some sales results for recent classic car auctions are beginning to look ridiculous – not the cars, but the prices.

A lot of buyers are from abroad. They are not only taking advantage of the number of classics available here, but also the strength of their currencies against the pound.

But the age-old question of when does an old, unwanted, cheap or scrap car turn into a classic remains. Wish I knew the answer.

There must be many fleet managers who sold cars for a minimal amount in the '70s and '80s now seeing the same cars making many thousands. So will something in your fleet right now become a future classic? Unfortunately you can't park them up for 30 years and wait to find out.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1.6 CDTI ECOFLEX DESIGN NAV 2WD

VAUXHALL MOKKA X

X marks the spot for renamed SUV and all future crossover models from Vauxhall

The Mokka X features changes to headlamp design, fog lamps and a new grille

NEED TO KNOW

- OnStar carries annual fee after 12-month trial period
- LED adaptive forward lighting comes as an option
- 1.6-litre CDTi 110PS diesel engine at every trim level

By Sarah Tooze

Vauxhall is adding an 'X' to all of its future SUV and crossover models to distinguish them, and its compact SUV, the Mokka, is first to be renamed.

The carmaker has also renamed its trim levels with the entry-level Exclusiv now called Activ, the fleet-friendly Tech Line renamed Design Nav, Limited Edition removed entirely, and SE replaced with Elite and Elite Nav.

Confusingly, Tech Line is still available on the recently refreshed Zafira Tourer and on the current Astra and Insignia.

There is a good level of standard equipment on the Mokka X. OnStar, which provides a high-speed 4G LTE mobile network, emergency response notification and stolen vehicle recovery technology, is standard across the range. However, there is an annual subscription fee of £89.50 after the 12-month trial period. Wi-Fi is free for up to three months or 3GB of data volume usage – whichever comes first.

Vauxhall has also introduced the latest generation of its IntelliLink infotainment system to the Mokka X, with two versions available: the R 4.0 IntelliLink and the Navi 900 IntelliLink. The latter is standard on Design Nav and features an eight-inch colour touchscreen sat-nav.

All IntelliLink versions are compatible with Apple CarPlay and Android Auto, enabling the driver to attach their smartphone via a USB cable and project their apps from their phone to the IntelliLink system.

Mokka X has a new streamlined dashboard, inspired by the Astra, with the new integrated touchscreen allowing buttons to be removed.

The exterior of the Mokka X features a new headlamp design, new fog lamps, a new grille design and an updated lower rear bumper.

Optional LED adaptive forward lighting, which adjusts to the driving situation and changes the lighting pattern of the headlamps, is new to the range. Vauxhall suggests LED offers around 30% more light at low level than halogen and reduces the risks of night-time driving.

There are nine different lighting modes, including a mode for rural areas (at speeds above 34mph), urban areas (for speeds under 34mph) and a parking light mode, which illuminates the area around the vehicle when driving or reversing into a parking space.

A new six-speed manual 1.6-litre CDTi 110PS diesel engine is available at every trim level. In Ecoflex guise it has a combined fuel economy figure of 72.4mpg and CO_2 emissions of 103g/km, putting it into the 20% benefit-in-kind (BIK) tax band for the current tax year.

However, Vauxhall suggests that the 1.6-litre CDTI 136PS Ecoflex, which has a combined fuel economy of 68.9mpg and CO_2 emissions of 106g/km and falls into the 21% bracket, will remain the most popular fleet model.

COSTS

P11D price	£19,860
BIK tax band (2016/17)	21%
Annual BIK tax (20%)	£834
Class 1A NIC	£576
Annual VED	£0 then £20
RV (4yr/80K)	£6,025/30%
Fuel cost (ppm)	7.82
AFR (ppm)	9
Running cost (4yr/80K)	28.80ppm

SPEC

Power (PS)/torque (Nm)	136/320
CO_2 emissions (g/km)	106
Top speed (mph)	118
0-62mph (sec)	9.3
Fuel efficiency (mpg)	68.9

KEY RIVAL

Nissan Juke 1.5dCi 110Tekna	
P11D price:	£20,355
BIK tax band (2016/17)	20%
Annual BIK tax (20%)	£814
Class 1A NIC	£562
Annual VED	£0 then £20
RV (4yr/80k)	£5,475/27%
Fuel cost (ppm)	7.63
AFR (ppm)	9
Running cost (4yr/80k)	30.10ppm

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

The new streamlined dashboard is inspired by the Astra

1.8 VVT-H EXCEL

TOYOTA C-HR

SUV with the concept car looks will have petrol and hybrid versions but no diesel

The CH-R is designed to drive 'on par with a good C-segment hatchback'

NEED TO KNOW

- **Combined fuel economy from 74.3mpg**
- **Toyota predicts 16,000 annual UK registrations**
- **Hybrid expected to account for 70% of sales**

By Andrew Ryan

The medium SUV segment is one of the fastest growing sectors in Europe. However, it is also becoming increasingly crowded.

Recent entrants include the Seat Ateca and Renault Kadjar, while the segment also features such leviathans as the Nissan Qashqai and Ford Kuga, posing the question: how can a manufacturer ensure its car stands out from its rivals?

Toyota's answer to this conundrum is its C-HR. Standing for Coupe High Rider, the new model differentiates itself through its concept car looks as well as by having no diesel option available.

Instead, fleets can choose either a 1.2-litre turbo petrol, producing 118PS and CO_2 emissions of 134g/km or the 1.8-litre hybrid, which offers 122PS, CO_2 from 86g/km and combined fuel economy from 74.3mpg.

These figures should make the hybrid attractive to fleets, which is expected to take 44% of the C-HR's 16,000 annual UK registrations. Indeed, Toyota expects the hybrid to be the powertrain of choice across all customers: it anticipates it will account for around 70% of sales.

The hybrid uses the same engine and CVT transmission as the Prius, which means the shift between electric and petrol power is seamless, making urban driving a quiet and relaxing experience.

Its ride and handling live up to the C-HR's sporty pretensions as well. Toyota has said it engineered the car to drive 'on par with a good C-segment hatchback' rather than an SUV, and that is an accurate way to describe it.

The low centre of gravity from its chassis negates the effect of the C-HR's extra height, meaning body roll is controlled, while the car remains composed over rough road surfaces.

The C-HR is not as practical or roomy as the similarly-sized Qashqai, but there is more space for occupants than its concept car looks may suggest.

Visibility from the driver's seat is generally good. However, the wide C-pillar, which houses the rear door handles, means the rear side windows are relatively small and this can make passengers feel hemmed in. The pillars also restrict rear visibility.

Otherwise the design and build of the cabin impresses. Toyota expects the C-HR to win conquest sales from premium brands and the interior reflects this quality.

There are three trim levels: Icon, Excel and Dynamic. All offer decent specification, while the 18-inch wheels which are standard on Excel and Dynamic raise CO_2 emissions to 87g/km and lowers combined fuel economy to 72.4mpg.

All C-HR models feature Toyota Safety Sense, a package of active safety systems that can alert the driver to collision risks and intervene if necessary to avoid or mitigate the consequences of a collision. These include a pre-collision system with autonomous emergency braking and pedestrian recognition, lane departure warning, traffic sign recognition and automatic high beam headlights.


The design and build of the cabin impresses

COSTS

P11D price	£26,440
BIK tax band (2016/17)	15%
Annual BIK tax (20%)	£793
Class 1A NIC	£547
Annual VED	£0
RV (4yr/80K)	£7,100/27%
Fuel cost (ppm)	7.32
AFR (ppm)	13
Running cost (4yr/80K)	35.3ppm

SPEC

Power (ps)/torque (Nm)	122/163
CO_2 emissions (g/km)	87
Top speed (mph)	105
0-62mph (sec)	11.0
Fuel efficiency (mpg)	72.4

KEY RIVAL

Nissan Qashqai 1.5 dCi 110 Tekna	
P11D price:	£26,255
BIK tax band (2016/17)	19%
Annual BIK tax (20%)	£998
Class 1A NIC	£688
Annual VED	£0
RV (4yr/80k)	£6,700/26%
Fuel cost (ppm)	7.25
AFR (ppm)	9
Running cost (4yr/80k)	35.14ppm

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

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.

The Mini Clubman Cooper D is most popular with fleets

MINI CLUBMAN

COOPER 2.0D 150

Optional equipment packs put icing on Clubman cake

COSTS

P11D price	£26,065
BIK tax band	22%
Annual BIK tax (20%)	£1,147
Class 1A NIC	£791
Annual VED	£0 then £30
RV (4yr/80k)	£7,800
Fuel cost (ppm)	8.20
AFR (ppm)	11
Running cost (ppm)	35.44

SPEC

Engine (cc)	1,995
Power (PS)	150
Torque (Nm)	330
CO_2 emissions (g/km)	113
Fuel efficiency (mpg)	65.7
Max speed (mph)	132
0-62mph (sec)	8.6
Test mpg	52.4
Current mileage	1,544

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

By Sarah Tooze

After testing the Mini five-door hatch for three months last year we're now running the brand's other key fleet model, the Clubman.

Mini has increased its dimensions so it is now pitched against the Audi A3, Mercedes-Benz A-Class and Volkswagen Golf.

An entry-level Clubman One D was launched earlier this year with CO_2 emissions of 99g/km. However, we're testing the Cooper D, which is the most popular Clubman with fleets.

CO_2 emissions on our model are 115g/km as our car has been equipped with 18-inch wheels at a cost of £670 (including VAT) rather than the standard 16-inch (109g/km) or 17-inch (113g/km).

Two equipment packs have also been added to our long-termer: the Media Pack (£950), which features an upgraded sat-nav system with a larger 8.8-inch screen, Bluetooth and Mini Connected XL (allowing the driver to connect their smartphone to get social feeds, online music, in-car apps, and driving information), and the Chili Pack (£2,785), which includes heated sports seats, LED headlights and foglights, automatic air-conditioning, and driving modes ('green', 'mid' and 'sport').

Chili is Mini's most popular equipment pack and, although pricey at first glance, it saves £1,300 compared with selecting the options individually.

In typical Mini fashion our Clubman features funky interior lighting with illuminated door bezels and an LED ring around the circular instrument, which glows different colours in response to doing things like altering the temperature or music volume – I became accustomed to this feature in the five-door hatch.

I did, however, get a surprise the first time I opened the driver's door: the Mini logo is projected onto the ground thanks to puddle lamps shining from beneath the door mirror.

The Mini's ride is much firmer than my previous long-termer, the Ford Focus, and the gear stick has proved stiff but this may loosen up with more miles on the clock.

TEST TIMELINE

Start End

FORD FOCUS 1.5 TDCI TITANIUM

Frosted windscreens and the fact that Christmas items have now been in the shops for two months mean that winter is here, but I'm feeling well prepared.

Why? Due to a slight reshuffle in our long-term fleet caused by one car returning to its manufacturer and another one arriving, I've taken the keys to our Ford Focus.

Like so many other models in the Ford range, our Titanium trim level car is fitted with a Quickclear heated windscreen, which at the press of a button rapidly thaws any ice on it.

In previous winters when I've had a car with this function, I've felt a certain level of smugness when sitting inside a warm vehicle while watching neighbours out in the cold, scraping their windscreens, so I'm sure that feeling will return.

Added to that appeal is that our test model is also fitted with heated leather seats (a £1,150 option) – another treat for my daily winter driving duties.

A further option which I'm particularly pleased to see fitted to the Focus are the blindspot indicators (£525). Now reasonably common as either standard equipment or an optional extra on many cars, I always find this technology reassuring, particularly when the weather is bad.

Elsewhere the Focus has been quick to impress. It's good to drive and its 120PS 1.5 TDCi engine provides plenty of power for everyday use. Its CO_2 emissions of 99g/km put it in the 19% BIK tax bracket which means a monthly bill of £70 for a 20% taxpayer.

It also offers a decent level of refinement and this driving experience, coupled with its comfort and safety equipment, means winter driving holds few concerns.

Andrew Ryan

AT A GLANCE – THE REST OF OUR FLEET

Renault Kadjar 1.5 DCI 110 S Nav

+ Strong mpg (55) despite cold weather
- Heated seats only with £1,250 leather pack

Vauxhall Astra 1.0 Elite Nav

+ Brake lights are now working properly
- A new warning message has appeared

Seat Ateca SE 1.6 TDi Ecomotive

+ Sharp bodywork gives kerbside appeal
- CO_2 values less competitive than rivals

Jaguar XE Portfolio 2.0 i4 180PS RWD

+ Dynamic performance in sport mode
- Sat-nav takes ages to start from cold

Mazda CX-3 1.5D SE-L Nav

+ Heated seats
- Cabin takes a while to warm up

JONATHAN REYNOLDS

INFINITI HEAD OF FLEET SALES

From *Blade Runner* to half-marathon runner Jonathan Reynolds is a man of diverse interests. Treat others as you would wish to be treated yourself is one of his guiding tenets

My earliest memories associated with a car? My dad was a police traffic officer. On the rare occasion when he had time, he'd call home with whatever was the latest car on test. A white Jaguar XJ-S was a particular favourite of mine, I was only five years old and remember being super impressed when this car pulled up.

The book I would recommend if you're after something clever, funny, and slightly dark is Robert Shearman's *Everybody's Just So So Special*. A fantastic selection of short stories that keep you interested throughout.

The three cars I'd like most in my garage are a Nissan GTR, a Mk1 Mazda MX-5 and an Aston Martin DBS.

My pet hate is reality TV shows – there are way too many of them.

Away from the office, over the past several years I've gone from struggling to run for a bus to taking on half marathons. The competitiveness gets the better of me so I'm always trying to keep a balance with better race times and, as I get older, managing injuries.

A few favourite films stand out and I'm a bit of a sci-fi fan. Ridley Scott's direction is superb in *Blade Runner* which always features in my top 10.

The most pivotal moment in my life was the day I met my future wife – she knows me better than myself and is always so supportive.

I'd tell my 18-year-old self to listen! The voice of reason was there and I didn't take note half the time.

If I was Prime Minister for the day I wouldn't know where to start for just one day

I'd like to be remembered as doing the best I could with the talent I had.

First fleet role My first automotive role was selling cars back in 1993 at a Rover dealership which used to be part of the Kenning Motor Group. Fleet sales came some years later when I moved to a Vauxhall site.

Career goals at Infiniti Infiniti is a young brand in the UK and, as a relatively new product, it provides so much opportunity. I have plenty of goals but the primary focus is to support my team, and help them build brand awareness and grow sustainable fleet business.

Biggest achievement in business Before joining Infiniti I worked with Mazda UK and was part of a selected team involved in its 'Challenger Journey' which is still going today and probably will for some time as it constantly evolves and changes. The Journey started the brand on a pathway to changing culture within the business and keeping the customer at the heart of everything it does.

Biggest career influence Nobody specifically. I've worked for some great managers, and some not so great! I've learned a lot in both instances and it's certainly shaped how I interact with my team today.

Biggest mistake in business I can't think of anything specific. I'm sure I've made a few mistakes along the way, so long as you learn from them and don't do them again!

Leadership style I prefer to get the best out of people by empowering, and coaching. I've always believed that you should treat people how you would want to be treated.

If I wasn't in fleet I love motorsport, in particular F1. While I'd never make a driver, to be involved with the team management and strategy has always interested me.

Childhood ambition I remember having so many ideas, dreams and a vivid imagination when I was growing up. I think my ambitions as a kid changed nearly every day!

Next issue: Andrew Cope, non-executive director, Synergy Automotive

Driver-assistance technologies are standard in the next generation Fiesta

Fiesta shows the way on driver safety technology

The next generation Fiesta has the most sophisticated range of driver-assistance technologies and connectivity features ever in a volume small car in Europe.

The most comprehensive Fiesta range ever meets growing consumer demand for greater choice and more personalisation. Six versions will be offered: Fiesta Style and Zetec which will be shown next year, Fiesta Titanium, Fiesta ST-Line, luxurious Fiesta Vignale and Fiesta Active, which will join the line-up later in the launch period and is the first in a new line-up of Active vehicles.

Three- and five-door Fiesta variants feature revolutionary interior design with more personalisation options than ever before.

Class-leading driver-assistance features – supported by sensor technologies capable of monitoring up to 130 metres ahead – include an enhanced pedestrian detection system that for the first time can identify and prevent potential collisions at night; and the first Ford Active Park Assist system that can deliver brake interventions to prevent low-speed bumps when parking hands-free.

Fiesta is the first Ford vehicle to feature an exclusive, premium B&O PLAY sound system, and for the first time offers an openable panoramic glass roof.

The sophisticated SYNC 3 communications and entertainment system is supported by an eight-inch floating high-definition touchscreen.

Cutting-edge powertrains include 1.0-litre EcoBoost petrol engine offering up to 140PS, and a 1.5-litre TDCi diesel offering 120PS – the first high-power diesel Fiesta powertrain.

Ford anticipates CO_2 emissions from 82g/km, supported by an all-new six-speed transmission.

FIRST FORD AIDED BY COMPUTER-SIMULATION CRASH TESTS

Fiesta is the first Ford in Europe to benefit from computer-simulation crash tests of a complete vehicle using advanced new Final Element Analysis technology, enabling more effective optimisation of safety features from airbags to body structure reinforcements.

The Fiesta body features 36% more boron steel for greater strength in key areas. Redesigned door cross sections further protect occupants against side impact intrusion, and the doors also now contain pressure sensors that enable restraint systems to be activated several milliseconds sooner.

Innovative restraint features include a locking seatbelt tongue – a mechanically-activated device that helps prevent slippage in the lap portion of the belt during an accident and eliminates the need for a driver's knee airbag. Rear outer seats now feature load limiters and pre-tensioners to restrain passengers and help prevent belt-related injuries.

A wider front passenger airbag covers the whole of the passenger side instrument panel to prevent contact with floating screens. Side airbags are designed to lift the occupant's arm away from an impact zone.

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

Go Further

INTRODUCING THE NEW

FOCUS ST-LINE

A sculpted exterior, an advanced and sophisticated interior and exceptional driving dynamics. The Focus ST-Line blends the styling of a performance car with award-winning, fuel efficient engines.

To find out how Ford can help your business go further, call the Ford Business Centre on 0345 723 2323.

FORD FOCUS ST-LINE

P11D	BIK	CO2	COMBINED MPG
£20,790 - £23,840	25% - 18%	140 - 99g/km	46.3 - 74.3

Go Further

Official fuel consumption figures in mpg (l/100km) for the Ford Focus ST-Line range: urban 33.2-67.3 (8.5-4.2), extra urban 60.1-83.1 (4.7-3.4), combined 46.3-74.3 (6.1-3.8). Official CO_2 emissions 140-99g/km.

The mpg figures quoted are sourced from official EU-regulated test results (EU Directive and Regulation 692/2008), are provided for comparability purposes and may not reflect your actual driving experience.