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News NEW EMISSIONS TEST **WON'T IMMEDIATELY APPLY** TO BIK

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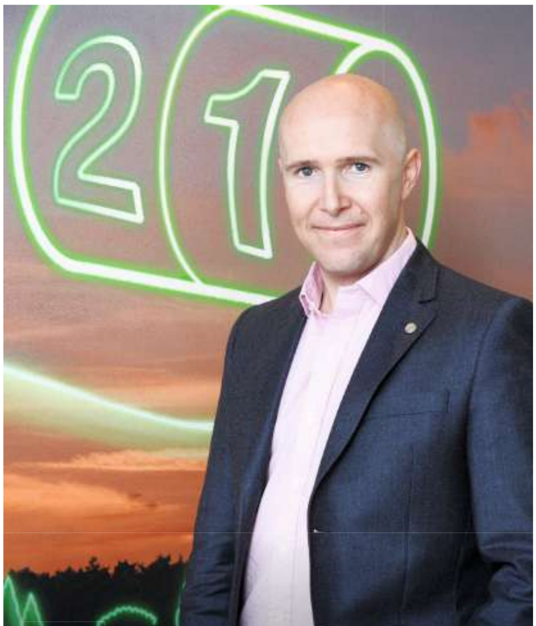

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More ‘complexity than clarity’ on CO_2 tests and BIK tax

Treasury seeks coordinated approach to phase out NEDC readings and replace with WLTP test results

By Gareth Roberts

Company car tax and Vehicle Excise Duty (VED) will continue to be based on CO_2 values from the existing emissions test rather than a new ‘real-world’ regime, when the test is introduced from September.

HM Treasury (HMT) told *Fleet News* that both the CO_2 values obtained via the New European Driving Cycle (NEDC) and its replacement, the Worldwide harmonised Light vehicles Test Procedure (WLTP), will continue to be recorded for “the next few years”.

“HMT’s preferred approach is to work with the industry over a coordinated approach to informing customers of the meaning of the new test cycle, and the differences between WLTP and NEDC values,” said a Treasury spokesman.

“We will look to agree a suitable moment to move the tax system [VED and company car tax] from NEDC to WLTP, based on industry input, but we are not looking to do this with effect from September this year.”

An NEDC value on new cars will be determined by a complex formula, which will allow an NEDC measurement to be calculated from the new WLTP result.

Fleets had feared WLTP would initially create a two-tier tax regime, with new cars having a significantly higher CO_2 value under the new test compared to existing models tested under the NEDC regime.

Then, when all cars have to be issued with WLTP data from September 2018, everybody would fall under the new regime, with all employers and employees potentially facing a substantial rise in tax.

Experts have suggested that the increase in CO_2, as a result of the new testing regime, could be anywhere between 10% and 20%, affecting benefit-in-kind tax (BIK) rates, VED and capital allowances/lease rental restrictions.

Andy Eastlake, managing director of Low Carbon Vehicle Partnership (LowCVP), told a technical and operational management forum organised by the British Vehicle Rental and Leasing Association (BVRLA): “I expect we will continue with NEDC CO_2 numbers for some considerable time.

“Company car tax is defined until 2021 and all of those [tax brackets] are based on NEDC numbers, so, before we change, we’ve got to go through a significant discussion about what the implications are. That gives us an opportunity to get data from the new cycle, understand it and then define the categories and the thresholds in an appropriate way.”

However, he acknowledged that what the fleet and leasing industry sees as ‘appropriate’ may be different to the Treasury.

The Government says one of the reasons it will continue to publish an NEDC CO_2 value is to ensure that manufacturers can comply with the 2020 emissions targets set by the European Commission.

It set an average emissions target of 95g/km of CO_2 for cars and 147g/km for vans, which will also be tested under the new regime, by the end of the decade.

It is therefore hoped they will also maintain this focus on NEDC values for company car tax, with BIK brackets published up until 2021.

However, the lack of clarity around how and when the results from the new testing regime will be used, and the inevitable complexity they will bring, is frustrating the leasing industry.

The BVRLA told *Fleet News* it is “really focused on the issue” and is meeting with Treasury officials this week to stress the need for any changes to be “well-signalled and for there to be a smooth transition”.

Speaking at the recent BVRLA forum, Simon Healey, pricing forecasting manager for Lex Autolease, said: “We need somebody to stand-up and say this is exactly what’s coming and when.”

The leasing company set-up a project team 12 months ago to start looking at the issue. However, Healey added: “We have been working on assumptions, because that clarity has not been available to us.”

> *“I expect we will continue with NEDC CO_2 numbers for some considerable time”*
>
> *Andy Eastlake, LowCVP*

It has been liaising with manufacturers in order to understand what they know, what they’re going to publish and how it can work with that data. But, having raised the issue with both the Treasury and HM Revenue & Customs (HMRC), Healey said: “The feedback we have got so far has been very vague, which is a little bit disappointing.”

He continued: “Dual emission values lead to further complexity, because which number are we going to be using? Are we going to supply one number for BIK and one number for VED; are we going to be giving a dual rate to people?

“Will the back calculation from the new WLTP cycle result in a higher NEDC rate than we’ve got today and, if it does, how can we make sure we can communicate that appropriately to our customers?

“How can we make sure we can consult with them in the way that we want to drive down the emissions of their fleets appropriately as well?

“We are at a point where the complexity is still outweighing the clarity.”

Leasing companies and data suppliers face a massive task in updating IT platforms to work with the new data, along with meeting the development costs that will entail.

Healey is also concerned how optional equipment will impact a vehicle’s CO_2. Under the

existing regime, leasing companies' systems can easily calculate CO_2 values appropriate to a customer's requirements. However, it is not clear yet how the new regime will factor in optional extras which have an impact on CO_2 values.

"We're potentially going to have a greater matrix and we need to make sure our systems can cope with that – the complexity of the calculation to us increases," Healey said.

Alan Henson, head of sales and customer service at KeeResources, echoed Healey's concerns. He said: "It will inevitably make quoting contract hire rates to customers significantly more complex."

Cap HPI has launched a specialist team to help manufacturers, leasing companies and dealers manage the introduction of a new emissions testing regime (Fleetnews.co.uk: December 5, 2016).

It has pulled together experts from its consulting, new and used vehicle data and forecasting teams to deal with the issue. However, it is also concerned that when the changes will be applied has not been clearly signposted.

Matt Freeman, WLTP specialist at Cap HPI Consulting, told the BVRLA forum: "I suspect the Treasury will be itching to move to something which generates more revenue for them as quickly as they can. But we can't simply go from one thing to another. It's imperative all interested parties are speaking with one voice on this."

The LowCVP believes CO_2 and fuel economy should be separated in the interim period. "Consumers don't need them to be from the same test," said Eastlake. "They need a CO_2 number to determine how much tax they're going to pay and a fuel economy number to show how much fuel they're going to use."

Eastlake argues the CO_2 value can continue to be used from the NEDC test, while a more accurate fuel economy figure can be supplied via the WLTP. "There's an argument to say that we don't want it [the new WLTP CO_2 value] out there until it's actually used for something," he said.

"If there's any sense in the world, I suspect the European Commission will say that the fuel economy information from the new test cycle should be made available to consumers as soon as possible, because that was one of the prime reasons for changing the test cycle."

He believes there will be a strong lobby across Europe to try to retain the old CO_2 values for taxation purposes until it can be transitioned in a managed way.

However, he concluded: "Until, they come out and say what's coming and this is what it means to you over the next five years, it remains a major issue for the industry."

FLEET FACTS AND FIGURES

OPINION POLL

Do you think a diesel car scrappage scheme would significantly improve air quality?

FleetNews view:
A diesel car scrappage scheme has been mooted as a way of tackling air quality issues. However, some 59.6% of *Fleet News* readers remain to be convinced and analysis by the RAC Foundation has suggested that any scrappage scheme would have to be on a huge scale to have any meaningful effect. *Fleet News* believes any scheme would need to be evidence-based and explain how it will successfully target those cars used in urban areas where poor air quality is of greatest concern.

This week's poll: Do you think the Government will continue its freeze on fuel duty in the Budget?
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KUGA ST-LINE X

Government is consulting on the question: is three years too soon for an MOT?

Plans to extend first MOT to four years draws mixed fleet response

Proposals on cars broadly welcomed but fleets unanimously reject them for vans

By John Maslen

Fleet opinion is divided over new proposals which could extend the period before the first MOT test from three to four years.

Last month, the Government launched a consultation on whether to allow all vehicles up to 3.5 tonnes an additional year before they had to undergo official tests.

Alternative proposals include only allowing an increase for cars and motorcycles, while requiring vans to continue to be checked after three years.

A third option would keep the system in its current form.

Fleets have raised particular concerns about the proposed extension to the first MOT for vans.

Official statistics suggest the average mileage for a car presented for its first MOT is 32,000 miles, compared to around 70,000 miles for vans.

As a result, the failure rate for vans tends to be double that of cars.

Members of fleet operators' association ACFO were unanimous in a survey on the issue, with 100% voting to keep the MOT for vans at three years.

Peter Golding, managing director of fleet software and management specialist Fleet Check, supported their views. He said: "On a home delivery fleet, for example, it is not unusual to find a four-year-old van that has already covered 200,000 miles or more, which represents a huge amount of wear and tear being placed on a vehicle without an official safety inspection taking place."

However, fleets were divided on the correct approach for cars, with 60% of ACFO members in favour of moving to four years.

In a *Fleet News* poll readers were asked if they thought extending the first MOT for cars was good news for the fleet industry and opinion was divided, with 51% voting 'yes' and 49% voting 'no'.

The Government argues that the current three-year test, introduced in 1967, is out of step with most of Europe, where four years tends to be the benchmark for cars.

In addition, vehicle components are more reliable and failures tend to be related to basic maintenance issues, such as lights, that could be dealt with by encouraging drivers to carry out regular checks themselves.

Peter Bonney, who runs the Salvation Army's fleet of 800 cars and 200 vans, supported a longer first MOT for cars, while maintaining the status quo for vans.

He said: "I think the move to four years for the MOT on cars is a good idea but vans have a harder life so I wouldn't be in favour of a change. Northern Ireland has had the first MOT after four years for cars for many years and we have not found it to be an issue."

He argued that following any extension it would be important for fleets to review service reminders and driver monitoring to ensure employees were taking care of their vehicles.

"It's nothing extra to what should already be in place, perhaps just more rigorously enforced," he said.

However, fleet consultant Phil Redman disagreed. He said that the increased reliability of vehicles means many drivers are no longer in the habit of carrying out basic checks.

In addition, extended maintenance intervals have reduced garage visits where safety checks could be made.

He said: "I cannot see companies increasing their fleet expenditure to establish or extend their vehicle inspection practice, neither do I think it likely that private motorists will increase their diligence, so there are increased safety concerns. On balance it would be dangerous to extend the initial non-MOT period from three to four years for cars and vans."

The Department for Transport (DfT) recognises these concerns in its consultation. It points to research by the Transport Research Laboratory (TRL), which suggests that extending testing from three to four years for cars and vans would increase road deaths by between two and four fatalities a year, with an additional 21 to 39 serious injuries. However, the consultation argues that the calculations are based on a 'relatively simple' approach.

It also reveals that since 2006, the number of cars that were three or four years old involved in personal-injury accidents, where defects were a contributory factor, declined from 155 a year to 57.

The consultation will run until April 16, 2017, with any changes introduced in 2018.

"I think the move to four years for the MOT on cars is a good idea"

Peter Bonney, Salvation Army

BT Fleet on demonstrating value for customers, Fleet News *Awards*
page 58

BT Fleet answers call for mobile servicing with acquisition of SEV

Company responds positively after customer clinics reveal a gap in the offering

By Stephen Briers

BT Fleet has acquired SEV Automotive and Plant Ltd, the UK's largest mobile servicing and repair network, adding 42 vans and engineers to its nationwide network of 64 garages.

The purchase closes a gap in BT Fleet's service provision and comes in response to feedback from customers who are increasingly demanding the flexibility offered by mobile servicing.

Henry Brace, BT Fleet managing director, told *Fleet News:* "We did some clinics for certain customers from our fixed garages but it has been a gap in our offering. SEV is the only nationwide provider of mobile services and it complements the nationwide coverage of our garages."

BT Fleet retains around 80% of its customers' servicing and repair needs within its own network, using third party contracts for the remainder. Brace believes the mobile service will bring half of the contracted business back in-house.

"This has been driven by our customers as they look to reduce off-road times. They wanted us to look at this area," Brace said. "There is demand with our existing customer base and with prospects. The trend is towards mobile servicing – we are convinced that it sits at the heart of our business."

BT Fleet will now undertake a mapping exercise of its customer base to identify the areas of demand for mobile service and repair. Brace said initial studies suggested that "there will be a significant increase in the number of engineers and vans" in the SEV fleet over the coming years.

"SEV is the only nationwide provider of mobile services and it complements the nationwide coverage of our garages"

Henry Brace, BT Fleet

Founder of SEV Geoff Allison (left) will join the team headed by Henry Brace (right), as mobile operations director

The majority of SEV's business is in the van sector, but one of BT Fleet's service propositions is its ability to handle any vehicle from car to HGV.

"There is no reason why we wouldn't extend that ethos to our mobile network so they can start to deal with the huge variety of vehicles our customers have," said Brace.

SEV was established in 2014 by managing director Geoff Allison and works with more than 100 customers across the country, most of which operate hundreds or thousands of vehicles. Allison will join BT Fleet as mobile operations director, while the 60 SEV employees will also move across with the company.

It will continue to trade as SEV "to start with", said Brace. He recognises an opportunity for BT Fleet to sell its services to SEV customers and vice-versa. "Together, our proposition is richer for all customers," he added.

Gerry McQuade, CEO BT Wholesale and Ventures, said: "This is an important acquisition for BT Fleet as it allows us to deliver an even better customer experience by offering greater flexibility and convenience around how and where their vehicles are maintained and serviced. SEV's position in the market makes it the natural choice of partner."

In addition to investment in the SEV mobile servicing business, BT Fleet is looking to expand its fixed garage network from 64 sites to 69 over the next couple of years.

The company also intends to add new capabilities to existing centres, including putting in Class 5 MOT facilities, improving the range of diagnostics and increasing the number that can operate as authorised testing facilities. And it is training more dedicated receptionists, in recognition that the majority of its customer communications take place at garage level.

Brace added: "Last year we increased our technicians by 100 and we also brought in 47 apprentices. This year we are recruiting another 45 apprentices. With around 40% of our technicians within 10 years of retirement, we have to grow our own staff to make sure we don't lose that knowledge."

BT Fleet will retain the SEV name after buying the mobile servicing and repair company


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Seat expects 15 to 25 of its dealers will join the programme

Seat launches Fleet Excellence to encourage highest standards

Dealers must be scored well by company car drivers on vehicle handover

By Sarah Tooze

Seat has launched a dealer support programme to help provide better service to major fleet customers.

The programme, called Fleet Excellence, provides an annual £12,000 payment for dealers that sell more than 100 units to fleets a year. The sales must be to fleets that have 40 or more vehicles and that Seat has direct supply agreement and direct terms with.

The £12,000 payment supports the costs associated with fleet management, administration and systems support.

It helps "soften the business case", according to the brand's head of fleet and business sales, Peter McDonald.

In return, the dealers have to meet set standards around accurately forecasting when a vehicle will be available, the handover experience for the company car driver, transaction accuracy and training.

"These aren't big glamourous things that are going to generate lots more sales, it's around doing the basics really well," McDonald said.

"Forecasting accuracy is quite important to us from a delivery perspective but also a lot of the leasing companies have SLAs [service level agreements] around offering the vehicle to a customer. The car has to be in the country in the right amount of time and a lot of that is dependent on the dealer forecast."

Transaction accuracy is also important because "we know it frustrates customers and leasing companies if the transaction of the invoice the dealer is trying to give is different to what the customer is expecting", McDonald said.

Seat requires at least two people in each dealership to be trained on the Volkswagen Group Agency system – a direct invoicing system to the leasing company/fleet customer.

Dealers must also be scored well by company car drivers on the vehicle handover experience.

"The score card and standards we're putting out to the dealer network are very similar to the Volkswagen and Škoda standards which means a whole bunch of the dealers already know [them], and we're not putting complexity in," McDonald said.

He added: "We are improving their business case and making fleet a bit more profitable for them so they will then give better service to customers."

The dealers have yet to be appointed but McDonald anticipates that 15 to 25 of Seat's network of dealers, will join the programme.

"The criteria is they put their hand up and we'll have looked at their historic sales and have a pretty good idea of the sorts of volumes they do," he said.

Fleet Excellence is an additional programme to Seat's local business development programme, which launched in 2014 and provides £25,000 support a year to the dealers that have a dedicated Seat local fleet manager prospecting and managing small customers in their area.

Seat is maintaining this programme but has no plans to expand it beyond the 25 dealers currently in it as McDonald believes "it covers the majority of local fleet opportunities".

It will be possible for a dealer to be both a member of Fleet Excellence and the local business development programme, provided they meet the criteria.

"It's around doing the basics really well"

Peter McDonald, Seat

FOUR-DAY TEST DRIVES

Seat is looking to build on the success of its four-day test drive programme for the new Ateca SUV.

"Our intention is to maintain that and even stretch it across the rest of the range," Peter McDonald said.

"Our approach is: let's make it really easy for a fleet customer to access one of our cars. They don't have to go into a dealership, we've got a dedicated phone number and website and they can book a four-day test drive and we'll deliver the car to their home, when it's convenient for them.

"It will also help that piece around in-dealership experience so if a dealer does have a fleet customer who wants to drive a car they can refer them to that process."

Some of the four-day test drives of the Ateca have been with fleet operators who do not currently have Seat on their choice list.

For more on the remarketing sector, visit: **fleetnews.co.uk/remarketing** www

BCA restructure will deliver an era of improved fleet services

Strategy is based on organic growth and acquisitions, says executive chairman

By John Maslen

A major restructuring at BCA has laid the foundations for a new era of improved services for fleet operators and potential future acquisitions, the group's executive chairman has revealed.

Avril Palmer-Baunack announced a new shape for the business earlier this year as the company adapts following recent purchases that will play a key part in its growth plans.

Investments have included the acquisition of Ambrosetti and Paragon Automotive, Stobart Automotive and Scottish Motor Auctions.

The strategy for growth has already seen the company's share price rise nearly 50% since it floated on the stock market in 2014.

All companies are now under the BCA brand. BCA Vehicle Services provides new vehicle services; BCA Fleet Solutions delivers fleet management, defleet and refurbishment services; BCA Automotive handles multiple vehicle logistics; and BCA Logistics provides single vehicle movements. BCA Remarketing continues to deliver physical and digital vehicle remarketing services.

Each company has its own managing director, with BCA Vehicle Services led by Paul Bromley, BCA Fleet Solutions by Tony Booth, BCA Automotive by Nigel Glenn and BCA Logistics by Dean Hulse. BCA UK Remarketing has chief operating officer Simon Henstock at the helm.

Although they are separate brands, their joint ownership is the key to providing fleets with quicker and more efficient services, according to Palmer-Baunack.

She said: "Customers are looking for innovative solutions and we have reshaped our business to allow us to shorten or remove links through the supply chain, allowing more vehicles to move more efficiently."

Fleet managers will benefit because this consolidated supply chain will mean fewer companies are involved in the provision of services. This, in turn, reduces the paperwork and administration involved in managing and moving vehicles.

BCA can also take a holistic view of the whole supply chain to identify where processes can be made quicker and more efficient. It contends that the savings in both time and money will prove significant.

Palmer-Baunack added: "BCA has created a range of support services that provide unrivalled opportunities to drive efficiency across the supply chain. Over the coming year, we will see closer integration of operations across BCA to create value-added solutions for customers."

An integrated business is also essential to deliver BCA's ambitions for its digital services, which will make it easier for customers to manage vehicles across the supply chain.

"There remain opportunities for further expansion in both the UK and continental Europe"

Avril Palmer-Baunack, BCA

In addition the company will be able to use the data generated from the businesses to provide insights on best practice processes that can be fed back to customers.

Palmer-Baunack said: "BCA offers expert advice that is informed by an experienced and talented management team and the largest data set in the sector. This enables trends to be monitored and anticipated and for effective forward planning to deliver an efficient supply chain."

Under the new structure, the company can deliver complex defleet and remarketing packages to motor industry customers including reconditioning, conversion, pre-delivery inspection, servicing, storage and onward movement to its remarketing centres.

This allows vehicles to be directed to regional refurbishment centres or remarketing centres as required, maximising returns and speeding up the sale process.

However, in addition to investment in expansion of new services, the company is still ensuring its historic strength in physical auctions remains.

Last month, BCA opened a new 20-acre multi-million pound remarketing and logistics facility at Perry Barr, Birmingham.

It is also making substantial investment at other physical auction sites including Blackbushe, Belle Vue Manchester and Bedford.

"Our development of BCA continues to enhance and develop long-term relationships with our current customers and also drive new business wins across the automotive landscape," Palmer-Baunack said. "I am delighted by the continued progress being made throughout the business as we broaden our offering."

As part of this wider offering, the executive chairman said that the company did not rule out more expansion over the next year.

She added: "There remain opportunities for further expansion in both the UK and continental Europe. Our strategy is based on both organic growth and acquisitions and, therefore, if we identify value opportunities we will look to acquire them."

Addison Lee next in line to face tribunal after rulings against CitySprint and Uber

Courier union asks Addison Lee to 'concede defeat' ahead of tribunal

Battles for workers' rights hot up but some drivers prefer self-employed status

By Tom Seymour

The Independent Workers Union of Great Britain (IWGB) has asked Addison Lee to "concede defeat" ahead of an employment tribunal later this year.

The London Central Employment Tribunal has already ruled in favour of a cyclist courier for CitySprint and the same judge will hear a similar case against Addison Lee on July 24 over another courier's employment status.

The cases follow a tribunal ruling in favour of two drivers against Uber in London last year that classed them as workers rather than self-employed. HM Revenue & Customs (HMRC) is also investigating low pay allegations made against Hermes by couriers.

'Workers' are entitled to certain employment rights including minimum wage, paid holiday, minimum rest breaks and sick pay. These rights do not apply to those classed as self-employed.

CitySprint said it was disappointed with the ruling although it pointed out that the case applied to one individual. It said there was wide-spread confusion regarding UK employment law and called on the Government to provide better support for businesses which could be affected.

Jason Moyer-Lee, general secretary of the IWGB, said: "However you look at it, it's going to be hard for CitySprint to argue against how one courier's situation is different to any other. The same goes for Addison Lee as the cases are very similar which is why we are asking them to concede on this matter."

Addison Lee declined to comment.

IWGB's ultimate goal is for more rights to be associated with a worker's employment status.

Moyer-Lee believes that as more employment in the UK is classified around worker status more rights should be given to them. He said: "If we don't see any change in legislation then at the very least people's working status should be classified correctly."

The legal battle over workers' rights intensified further this month after the Court of Appeal ruled that a self-employed plumber working for Pimlico Plumbers was entitled to basic worker's rights. Gary Smith was VAT-registered and was paying tax on a self-employed basis but had worked solely for Pimlico for six years.

He argued that he was entitled to basic workers' rights, including national minimum wage and paid holidays, and the Court of Appeal agreed with an earlier employment tribunal decision that the plumbers were workers, but not employees.

The Government has already started a six-month review of modern working practices and HMRC is setting up a new unit, called the employment status and intermediaries team, to investigate companies.

Drivers from Hermes, Uber and Deliveroo gave testimony at a Work and Pensions Committee on February 6.

Graham Baines, a courier for Hermes, Steven Rowe, a private hire driver for Uber, and Cain Jones, a driver for Deliveroo, were nominated by their respective companies to give evidence.

A second group of drivers including David Dunn for Uber, Syed Khalil for Uber, and Marc Ramsden a former courier for Hermes, were not nominated by companies to speak.

The two sets of drivers gave polarising views. The first group were happy with their situations, including pay and status as being self-employed. The second group said they had no control over hours and earned below the minimum wage.

The drivers that were nominated made it clear they were not financially incentivised to give evidence to the committee.

Rowe said he was happy with the flexibility given to him when working using the Uber app.

He told the committee: "If you want the type of benefits or security that come with being a worker or employed, you shouldn't choose to be self-employed."

Baines said he drives for Hermes because it gives him the flexibility to be his own boss.

However, Dunn, Khalil and Ramsden argued they were all earning below the minimum wage.

Khalil said he needs to work 40 hours a week to cover expenses and will only start earning money after that point, often working 13-hour days. He admitted there is a health and safety issue around how long drivers can continue to accept fares through the app with no break.

Uber confirmed it will give evidence at a future committee meeting. A spokesperson said: "Tens of thousands of people in the UK drive with Uber precisely because they want to be self-employed and their own boss."

"People's working status should be classified correctly"

Jason Moyer-Lee, IWGB

'Total roads rethink' required to solve London congestion crisis

London Assembly report calls for road pricing to replace congestion charge

By Gareth Roberts

Road pricing, a workplace parking levy and reducing restrictions on night-time deliveries could all help cut congestion, according to a new report.

Calling for a radical new approach, the London Assembly says the existing congestion charge is "no longer fit for purpose" and is based on "old technology".

Instead, it wants the Mayor of London, Sadiq Khan, to implement a road pricing scheme based on charging vehicles according to when, where and how much they are driven.

"Something dramatic has to be done about the enormous congestion problem on London's roads," explained Caroline Pidgeon, chair of the London Assembly transport committee.

"Road pricing would be a fairer approach, as road users would pay according to how much they contribute to congestion."

Traffic delays cost UK business billions of pounds every year. The TomTom Traffic Index found traffic across the UK's 25 most congested cities and towns increases the time each vehicle spends on the road by an average of 127 hours a year – more than 16 working days.

Meanwhile, the overall annual cost to London from traffic delays on busy roads is £5.5 billion – a 30% increase on the £4.2bn reported in 2012/13, according to Transport for London (TfL).

Across London as a whole, the number of minutes lost to delay increased by 14% from 2012/13 to 2014/15 (see graph below).

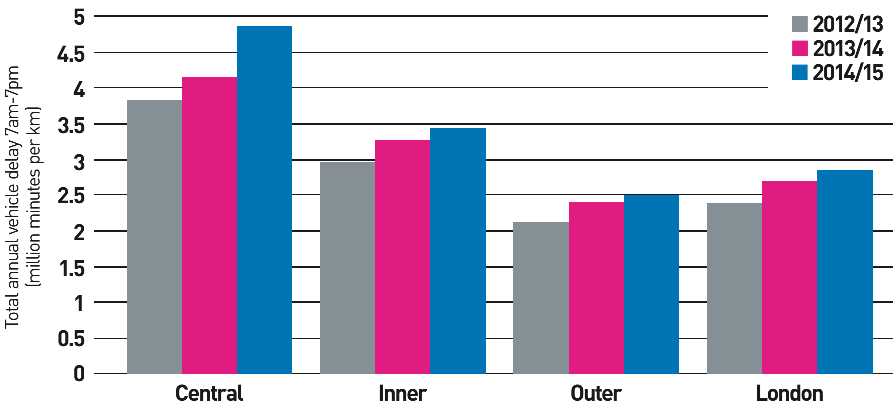
Other congestion measures tell a similar story. The average speed on major roads has fallen significantly, from 19.9mph in 2012/13, to 17.7mph in 2015/16, a drop of 11%. Journey time reliability – the percentage of journeys completed within

an allowable excess of five minutes for a standard 30-minute journey during the morning peak – has also fallen. In 2012/13, it was 89.2%, but by 2015/16 it was down to 87.8%.

"Gridlocked London needs to start moving again and tinkering here and there is not going to achieve that," added Pidgeon. "A total rethink about who uses our roads – and how – is imperative."

In its London Stalling report, the London Assembly's transport committee says a new

MINUTES LOST TO TRAFFIC DELAYS ACROSS LONDON



Source: Transport for London

"We are not looking to punish businesses for making use of London's road network"

London Assembly

charging structure should ensure vehicles in the zone at peak times, and spending longer in the zone, face the highest charges.

However, this does not necessarily mean every driver should start paying more than they already do, but "every journey should be charged according to its true cost to London in terms of congestion, pollution and public health", says the report.

It continues: "We recognise, of course, that some journeys made by motor vehicles can be considered necessary, and we are not looking to punish individuals or businesses for making use of London's road network."

The precise arrangements for road pricing, it says, will depend on a "number of factors", and the findings of TfL's assessments of the possible impacts of the scheme. It would also take a number of years to devise and implement.

The report's recommendations also include: reducing restrictions on night-time deliveries; piloting a ban on personal deliveries for staff; devolving Vehicle Excise Duty (VED) to the mayor; and piloting a workplace parking levy (WPL).

Introducing WPL would mean employers offering parking spaces to employees would need to pay a fee for each space. The cost of this may be passed on to employees, to customers, or absorbed by the business.

TfL has the power to introduce a WPL anywhere in London, while individual boroughs can also do so in their areas. To date, however, the only city in the UK to have introduced a WPL is Nottingham.

The scheme was introduced in October 2011. All employers in the city offering more than 10 parking spaces must pay a fee of £375 per year, per space. Around 25,000 spaces are subject to this charge and it raised £25m in its first three years of operation, which is ring-fenced for local transport improvements.

However, given relatively few people commute to central London by car and park at their workplace, the report says that a WPL in outer London would be more appropriate.

Khan is expected to publish his transport strategy within the next few weeks.

Perfect for your work/life balance.
The Audi A3 Sportback.
What Car? Best Family Car 2017.
audi.co.uk/business
Official fuel consumption figures for the A3 Sportback range (excluding S, RS and e-tron) in mpg (l/100km) from: Urban 37.7 (7.5) – 68.9
under standardised EU test conditions. This allows a direct comparison between different manufacturer models but may not represent the actual fuel consumption achieved in ‘real world’ driving conditions. Fuel
fuel consumption, BIK and emissions data (which may also affect the amount of Vehicle Excise Duty payable and therefore the ROTR price) – check with your local Audi Centre. Images for illustration purposes only.
Audi A3 Sportback Sport 1.4 TFSI 150PS, £24,145 ROTR.

769 KAS
WHAT CAR?
CAR OF THE YEAR 2017
Best family car

THE BIG PICTURE

By Stephen Briers, editor, *Fleet News*

Treasury has confirmed that, for "the next few years", benefit-in-kind taxation (BIK) and Vehicle Excise Duty (VED) rates will be based on the CO_2 emissions values stated by the current testing regime (New European Driving Cycle – NEDC).

The new testing programme – Worldwide Harmonised Light Vehicles Test Procedure (WLTP) – which is expected to show an increase of CO_2 emissions of between 10% and 20%, will not be brought into play until potentially around 2020/2021, the date until which the BIK thresholds are known.

"WLTP will allow fleets to use fuel figures that are closer to real life"

At that point, or possibly slightly before, the new emissions will apply. This would give fleets time to prepare; initially we believed BIK tax would be linked to WLTP when it comes in for all new cars launched from September this year, and all new car purchases from September 2018.

It is also understood the plug-in grants scheme will continue to be based on the current testing regime as will the ultra-low emission zones due to be implemented in six cities over the next few years.

This gives fleets some respite, although there remains a lack of clarity over detail.

For the next three years or so fleets can begin to create choice lists and educate drivers about the best cars to select from a BIK, VED and national insurance perspective to ensure the impact on their costs is minimised. It also gives leasing companies time to update IT platforms to work with the new data.

WLTP will allow fleets to use fuel figures that are closer to real life when calculating running costs and total cost of ownership.

Our experiences with test cars show some can get quite close to official figures, while others can be out by more than 30%. Greater accuracy could have a significant influence over fleets' future choices.

YOUR LETTERS

FUTURE FOR FLEET MANAGERS

Keep the gatekeeper or end up paying the price

EDITOR'S PICK

Peter Bonney wrote:
Having read 'Fleet and your future: The added value of a fleet manager' (*Fleet News*, Dec 15), as a fleet manager, I cannot disagree with this article. Unfortunately, the message may not get through to HR and finance directors unless they are *FN* subscribers. Even the best leasing companies, with no evil intent, can make mistakes in what they rebill, both during and at lease end. Would somebody in HR or finance, with no fleet experience, pick up on billing errors? How little protection there would be from an enthusiastic recharging leasing company. Many leasing companies seeking to sign up clients on outsourced services now stress the need for them to work with fleet professionals within the client company. Beware of leasing companies pushing for a total outsource solution. One wonders why they want to remove the gatekeeper.

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

MOBILES

Phone seizure is not the answer

Take the wheel wrote:
Having read 'Police federation calls for seizure of phones' (fleetnews.co.uk, Feb 1), it's a good sound bite, but, like the current legislation, it overlooks just how far the technology has moved on. For some their personal device is much more than a telephone with SMS but also an identity card, payment method, data repository, door intercom, front door key, TV remote ... the apps are endless as will be the opportunities for lawyers to challenge just what has been physically confiscated and was such a seizure truly lawful.

Leave the phone, seize the car.

EV CHARGING

Speed up spread of rapid chargers

Bob wrote:
Having read 'Chargemaster to invest £15 million in EV charging network' (fleetnews.co.uk, Jan 28), this is great, but I'm not really bothered about fancy technology payment systems and all that. What the investment should be spent on is lots of rapid chargers (standard chargers are dead meat now) in places people can use en route rather than as a destination.

CRIME AND PUNISHMENT

Suspended sentence no deterrent for 17-year-old

Insurance wrote:
Having read 'Fleet dashcam footage shows lucky escape after 75mph police chase ends in crash' (fleetnews.co.uk, Feb 1), it's only down to pure luck and the safety of modern cars that nobody was injured or killed.

Why wasn't the driver jailed? It wasn't a first offence. Driving without a licence is premeditated. Driving without insurance is another offence and dangerous driving is yet another, so that's three in total. Other motorists are effectively underwriting these criminals by paying extra for their own insurance.

The driver needs a custodial sentence as a deterrent to others. Let's face it, insurance for a 17-year-old in a Rav 4 would probably be more than his fine, so there needs to be a greater deterrent than just a financial penalty.

Winston added:
What sort of punishment and deterrent is a suspended sentence and a two year driving ban, when he didn't even have a licence to begin with? Pathetic decision-making by the court and the driver will no doubt be 'dining out' on the video and how he got away with it for months.

I pity the poor police officers and medics who have to scrape him off the road next time. I just hope he doesn't take anyone else out with him.

MOT PROCEDURE

Checking that recall work has been done

Roger wrote:
Having read 'Vauxhall calls for vehicle fire database' (fleetnews.co.uk, Feb 7), I have written twice to the transport minister in the past advocating that part of the MOT procedure should be to check that all relevant recall work has been done, is tagged, and logged at licencing. It's not rocket science, but effective.

The article makes the worrying point of the potential number of cars that might have not had the recall work done, yet be sold on. Checking at the MOT stage would help to ensure this work is done. Equally there should be some way to check online whether your car is outstanding such work, and what it refers to.

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

Contact us

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Burning question:
If you could have a second home where would it be?

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FLEET OPINION

FASHION (S)WATCH

Tastes can change quickly on colour

By Andrew Mee

To what extent colour impacts on value depends on factors such as sector and model, but one thing is for certain, tastes change in line with fashion.

Take white for example. A decade or more ago this was a colour very much out of favour, but manufacturers recognised the opportunity to use white in the launch campaigns of some key new aspirational models, and this struck a chord with drivers who were ready for something striking and new.

White established its popularity very quickly and edged out colours that dominated the market at that time, such as black and silver. Black now appears to be bouncing back but Silver has yet to do so. Retro colours such as orange, yellow, bright green and even gold and bronze are also showing a resurgence.

Increasingly, manufacturers are offering personalisation options on cars, and these often include contrasting colour schemes such as a different colour roof.

These colour combinations can also affect values, both positively and negatively.

Colour combinations are a matter of personal taste and what might be suitable for one might not be for another. I would advise fleets to be cautious when considering more than one colour option and think about any impact on value.

Analysis of Cap HPI's trade sales database, covering 1.5 million vehicles up to 10 years old sold over the past 12 months, reveals some interesting insights into the impact of colour on sales values.

White has been consistently the best performer, achieving the highest values. The next best performing mainstream colours are grey, black, red, blue and silver, with green bringing up the rear with values around 16% lower than white.

The performance of colours, especially niche colours, also varies by sector. For example: black and silver outperform white by 5% in the luxury executive sector. Red is 5% behind white in the sports sector and 10% behind in the MPV sector.

You need to ask yourself if five years from now will your small purple motor still be trendy or will it be worth less simply because of its colour?

"I would advise fleets to be cautious when considering more than one colour option"

Andrew Mee
Senior forecasting editor at Cap HPI

Alastair Kendrick
Company car tax specialist

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

SALARY SACRIFICE

Preparing for new era on sal/sac

By Alastair Kendrick

I recently attended a meeting with HM Revenue and Customs (HMRC) at which they outlined the progress they had made and their latest thinking on salary sacrifice.

It is still full steam ahead for the changes to be introduced in April, but it is recognised there is still much to achieve prior to the 'go live' date.

Despite some concerns that this was all 'last minute' there is no intention on the part of HMRC to defer the introduction of the changes.

HMRC confirmed that agreements entered into for salary sacrifice cars after April 6 (leaving aside ultra-low emission cars) income tax/Class 1A National Insurance will arise on the greater of the sacrifice made by the employee or the benefit-in-kind (BIK) arising on the vehicle.

However, if an employee enters into an agreement for a car on or before the April 5, which cannot be delivered until, say, June 2017 the tax break will still apply.

There was discussion about a person who enters into an agreement for a car prior to becoming an employee and HMRC agreed to look at allowing that person to have the tax break if they enter a pre-employment agreement prior to April 6, irrespective of the fact that they are not an employee at this date.

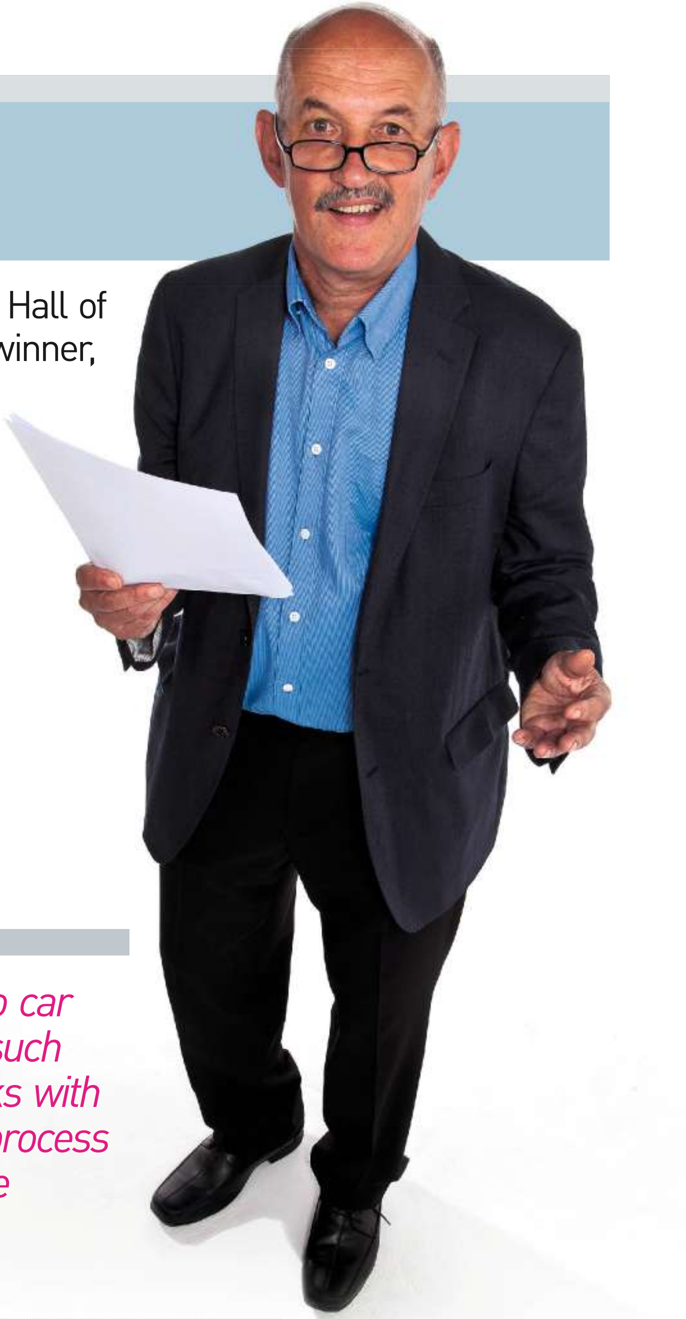
In regard to the issue of the employee with a cash or car clause in their employment contract, HMRC is looking for a soft landing with the rule changes. There are concerns that the new rules are triggered at whichever is the earlier, April 6, 2018, or a change in the employee's contract. HMRC says that contract change must be activated by the employer or employee and not simply arise because of an increased cost charged by a third party provider.

There are clearly issues around this proposed change on which HMRC still needs to work and there was general concern by attendees at the meeting that the legislation was drafted widely enough to cover these areas.

It is clear that the new world of salary sacrifice is going to occur as of April 6 and we need to be working to prepare for this new era.

"There are clearly issues around this proposed change on which HMRC still needs to work"

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.

VEHICLE CHECK FREQUENCY

Q I am coming under pressure from our health and safety/compliance team to increase the frequency of inspections for our 300 vehicles from weekly to daily. The team says that if one of our drivers has an accident as a result of a fault, the company and I, as fleet manager, will be liable. The fleet department is just me, so I don't see how this could be effectively implemented. We already have an escalation process in place for drivers not completing their weekly checks and dealing with faults. I believe we are doing more than we are obliged to and this shows reasonableness in terms of my responsibilities regarding risk compliance. What do you think?

A In today's increasingly risk-conscious society it has almost become a default position for organisations to go to extremes to minimise risk. Often the justification is similar to this, including desperate scenarios involving prosecutions and worse. However, it needs to be remembered that the number of prosecutions arising from driving on business remains low, and in all the cases the conduct of the companies concerned was extreme.

Your question uses the word "reasonableness" and in practical terms I believe this is the key to an effective approach to work-related road risk.

No fleet manager can be expected to monitor every aspect of every fleet vehicle, every driver and the way they drive throughout the working week. That would clearly be unreasonable and no court in the land would expect this. Conversely, no organisation can expect to place the entire responsibility for the vehicle and driving on the driver – they need a set of rules to ensure they are acting in a reasonable manner in their approach to the job – and not just when driving. However, drivers do need to know a large part of the responsibility for them being safe on the road lies in their own hands.

All three parts of the process – organisation, driver and fleet manager – bear some responsibility for road risk and it comes down to having a clear set of roles and responsibilities for each. The organisation needs to set the rules (the policy) to be followed by the driver and managed by the fleet manager. Once these are in place, it is then vital to ensure the various elements are actually happening – having the best road risk policy in the world has no value if it is not actually implemented.

It sounds as though your organisation has understood and implemented this approach – there is a clear set of rules, drivers know they are expected to check their vehicles on a regular basis and there is an escalation process in place for failures via the fleet department.

"I know of no car fleet where such formal checks with a reporting process happen more frequently than weekly"

We then return to the question of frequency of checks and "reasonableness". In my view it is reasonable for drivers to do a quick visual check of their vehicle each morning – they should do so to ensure there are no punctures, etc. and should be doing this, anyway.

However, expecting them to do a detailed check and fill in a form every day would, in my view, be unreasonable, as would expecting a fleet manager to review and act on 300 forms every day. The time taken for a detailed check would inevitably impact on their productivity. I know of no car fleet where such formal checks with a reporting process happen more frequently than weekly and would certainly regard this as current best practice in risk management.

■ **The next Ask Nigel will be in the March 16 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

Fleet News Awards 2017: the finalists

The industry's most prestigious awards take place on March 15. Find out here who's in the running

FleetNews AWARDS 2017

Four days of judging and many hours of sifting through more than 200 entries from fleets, manufacturers and suppliers – have led to this point: the reveal of the *Fleet News* Awards 2017 finalists.

Congratulations to all the companies and people that have made it this far – many didn't, emphasising the achievement in simply getting onto the shortlist.

FLEET NEWS AWARDS 2017 JUDGING PANEL

Auditor: Darren Hattersley, Deloitte
Chairman: Christopher Macgowan OBE

Manufacturer Awards
Stephen Briers, *Fleet News*
Simon Harris, motoring journalist
Martin Ward, CAP
Andy Cutler, Glass's
Mark Jowsey, KeeResources
Steve Jones, LeasePlan
Steve Winter, Centrica
Debbie Floyde, Bauer Media
Joel Lund, Arval

Fleet Awards
Stephen Briers, *Fleet News*
Caroline Sandall, Barclays/ACFO
Justin Wand, London Ambulance Services
Sarah Millward, The Automobile Association

Supplier Awards
Sarah Tooze, *Fleet News*
Liz Hollands, FTA
John Pryor, Arcadia/ACFO
Debbie Floyde, Bauer Media
Stewart Lightbody, Anglian Water
Sue Blair, Serco
Linda Blake, Diageo
Graham Short, Zip Water (UK)

Headline Awards
Judges as above, relevant to the category

MANUFACTURER CATEGORIES

Sponsored by Thrifty Car & Van Rental

Best Small Car
Audi A1
Citroën C3
Ford Fiesta
Mini Hatch
Peugeot 208
Vauxhall Corsa

Best Lower Medium Car
Ford Focus
Honda Civic
Renault Megane
Škoda Octavia
Vauxhall Astra
Volkswagen Golf

Best Upper Medium Car
Ford Mondeo
Hyundai i40
Mazda6
Škoda Superb
Volkswagen Passat

Best Compact SUV
Audi Q2
Jeep Renegade
Mazda CX-3
Nissan Juke
Vauxhall Mokka X

Best Mid-size SUV
BMW X1
Kia Sportage
Peugeot 3008
Range Rover Evoque
Seat Ateca
Toyota CH-R
Volkswagen Tiguan

Best Large SUV
Audi Q7
BMW X3
Jaguar F-Pace
Land Rover Discovery Sport
Mercedes-Benz GLC
Volvo XC90

Best Compact Premium Car
Audi A3
BMW 1 Series
Mercedes-Benz A-Class
Mini Clubman

Best Premium Car
Alfa Romeo Giulia
Audi A4
BMW 3 Series
Jaguar XE
Mercedes-Benz C-Class

Best Executive Car
Audi A6
BMW 5 Series
Jaguar XF
Mercedes-Benz E-Class
Volvo S90/V90

Best Plug-in Car (0g/km)
BMW i3
Hyundai Ioniq
Nissan Leaf
Renault Zoe
Tesla Model S
Volkswagen e-Golf

Best Plug-in Car (1-50g/km)
Audi A3 e-tron
BMW i3 REX
BMW 330e
Mercedes-Benz C350e
Mercedes-Benz E350e
Volkswagen e-Golf
Volvo XC90 T8

Green Fleet Manufacturer of the Year
BMW
Hyundai
Nissan
Peugeot
Renault
Toyota

Most Improved Fleet Manufacturer of the Year
Fiat Chrysler Automobiles
Honda
Renault
Škoda
Volvo

THERE IS STILL TIME TO BOOK YOUR TABLE OR TICKETS. CONTACT PAIGE

SUPPLIER CATEGORIES

Leasing Company of the Year – up to 20,000 vehicles
Activa Contracts
Grosvenor Leasing
Marshall Leasing
Tusker Direct
Sponsored by Jaguar Land Rover

Leasing Company of the Year – more than 20,000 vehicles
Alphabet
Arval
Hitachi Capital Vehicle Solutions
LeasePlan UK
Lex Autolease
Zenith
Sponsored by Jaguar Land Rover

Best Rental Company of the Year
Avis
Enterprise Rent-A-Car
Europcar
Hertz
Reflex Vans
Thrifty Car & Van Rental
Sponsored by easi-Fleet Management by the Grosvenor Group

Customer Service Award
Alphabet
Arval
The Automobile Association
Thrifty Car & Van Rental
Vic Young (South Shields)
Zenith
Sponsored by Škoda UK

Most Innovative New Product or Service
Bulweria
Fleet Assist
Freight Transport Association
Paragus t/a CheckedSafe
VisionTrack

Fleet Dealer of the Year
Holdcroft Group Fleet
Johnsons Fleet Services
Norton Way Motors
Snows Toyota
Swansway Group
Vic Young (South Shields)

Fleet Specialist Services Supplier of the Year
FleetCheck
Ignition Risk Management
Nationwide Windscreen Services
r2c Online
South Central Fleet Services
The Miles Consultancy

FLEET CATEGORIES

Fleet of the Year – up to 250 vehicles
London & Quadrant Housing Trust
Nationwide Window Cleaning
Momentum Instore
Zip Water UK

Fleet of the Year – 251-1,000 vehicles
Britvic
EnServe Group
Tristar Worldwide Chauffeur Services

Fleet of the Year – 1,001-plus vehicles
Anglian Water Services
Environment Agency
Mears Group
Network Rail Infrastructure
Royal Mail
Speedy Hire
Skanska
Speedy Hire
Sponsored by Appy Fleet

Safe Fleet of the Year
Anglian Water Services
Gateshead Council
Iron Mountain
Royal Mail

Green Fleet of the Year
Britvic
London Fire Brigade
Panasonic Europe
Speedy Hire
Z-Tech Control Systems
Sponsored by BMW (UK)

Most Improved Fleet of the Year
Anglian Water Services
Interserve
London & Quadrant Housing Trust
Rexel UK
Wates Group
Sponsored by Reflex Vans

Cost Saving Initiative of the Year
Advantage Smollan for myFleet
Royal Mail for its workshop projects
Speedy Hire for BMW i3 van project
Sponsored by Zenith

HEADLINE CATEGORIES

Fleet Manager of the Year
Helen Brislane, Momentum Instore
Jo Hammonds, Mears Group
Stewart Lightbody, Anglian Water Services
Julie Madoui, Skanska
Rory Morgan, Iron Mountain
Sponsored by Fiat Chrysler Automobiles UK

Fleet Supplier of the Year
All Fleet Services
BT Fleet
Holdcroft Group Fleet
TrustFord
The Automobile Association
vGroup International
Sponsored by Toyota & Lexus Fleet

New Company Car of the Year
Audi A3
Audi A5 Coupé
BMW 7 Series
BMW i3
Jaguar F-Pace
Kia Sportage
Mercedes-Benz E-Class
Toyota CH-R
Volkswagen Tiguan
Volvo S90/V90
Sponsored by LeasePlan UK

Fleet Manufacturer of the Year
Audi
BMW
Ford
Jaguar Land Rover
Mercedes-Benz
Škoda
Toyota/Lexus
Volkswagen
Volvo
Sponsored by KeeResources

Fleet News Hall of Fame Award
Editor's decision
Sponsored by The Automobile Association

Winners will be announced at the *Fleet News* awards ceremony at the Grosvenor House Hotel in London on March 15.

Sponsors to date

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The Power to Surprise

54.3 (5.2), Extra Urban 74.3 (3.8), Combined 64.2 (4.4), CO_2 emissions 113g/km.
shown: All-New Optima Sportswagon '2' 1.7 CRDI 139bhp 6-speed manual ISG at £179 per month on contract hire. Example excludes VAT
by 35 rental payments thereafter. Excludes Shetland Islands from headline rental price T&C's apply. Prices and specification correct at
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'HOW WE CUT OUR VEHICLE EXPENSES BY £104,000'

Alan Asbury has overhauled Aylesbury Vale District Council's fleet operations and has now turned his hand to consultancy, reports *John Maslen*

Public sector managers are having to develop new skills and help to generate revenue as years of spending cuts take their toll on the finances of local authorities.

At Aylesbury Vale District Council, a key part of the solution has been to share its fleet knowledge with fee-paying clients in a bid to protect frontline services.

Alan Asbury, senior energy and fleet consultant, works within a wholly-owned subsidiary of the council called Incgen, which is a B2B service set up to provide support and consultancy to other companies, in areas ranging from offices to fleet.

He says: "Companies can speak to Incgen for advice, because we support clients outside the council.

"A lot of businesses make fleet decisions without conducting sufficient research and analysis and that can lead to the wrong choices being made, which, in turn, causes delays and unnecessary costs.

"Introducing fleet schemes can take a lot of time and the right advice can save six-to-12 months of delays and avoid some of the costly traps fleets might fall into during the design, communication and implementation phase."

Asbury adds: "The aim behind Incgen is supporting the local authority by generating revenue that will protect services as the council's funding is reduced. Income feeds back into the council."

Although Incgen is new, having officially launched last summer, the council has been developing the concept for several years on a non-profit basis.

The amount of time spent on consultancy varies, so staff are seconded into Incgen as work comes in.

Asbury has also trained as a lead assessor for the Energy Savings Opportunity Scheme (ESOS) and delivered several such company audits. Under ESOS, all large companies must undertake an energy audit conducted or overseen by an approved assessor once every four years. Audits include a calculation of total energy consumption, covering buildings, industrial processes and transport, and identify energy-saving opportunities.

The audit must be signed off by a board-level director before being submitted to the Environment Agency.

To date, Asbury has made recommendations for potential savings worth more than £4 million to companies that he has assessed.

Proposed initiatives have included advice on eco-driving schemes, new vehicle technologies, aerodynamics for large vehicles and guidance on managing driver behaviour.

The savings offered to clients vary, but recommendations relating to fuel costs alone range from 8-15%.

The advice provided by Asbury is based on years of experience in successfully overhauling Aylesbury Vale District Council's own fleet operations.

Since joining the council in 2005 as sustainability manager, his role expanded to include the council's fleet. At the time, it was heavily focused on drivers using their private cars for business use (grey fleet), which Asbury set about analysing.

He adds: "I have always been interested in fleet and the environmental impact it can have, but often it is the forgotten relation to other higher profile areas of a business, such as building energy.

"Everyone is working to make buildings and industry more efficient, because they account for 30% of global emissions, but fleet accounts for almost a quarter of emissions and that tends to get forgotten.

"There is often really good data for energy use in buildings, but when it comes to fleets that data can often be quite poor, particularly when it comes to grey fleet."

The key element to establishing a strategy for change was obtaining data, he says.

"You can use similar profiling techniques for a building or a fleet. You are making sure you have accurate data and then you can understand how different assets are performing. If two vehicles are operating identically, but one has much worse economy than the other, then the problem may lie with the driver. Benchmarking is important."

The review of the Aylesbury

Alan Asbury joined the council as its sustainability manager 12 years ago

FACTFILE

Senior energy and fleet consultant Alan Asbury
Car-sharing fleet 3 Nissan Leafs, 5 sub 100g/km petrol Ford Fiestas
Car fleet 2 BMW i3, Toyota Yaris hybrid, 2 Ford Focus, 1 Seat Leon – all cars sub-100g/km
Funding Leasing (Alphabet)
Replacement cycle Three years

Vale fleet identified 220 grey fleet drivers, of whom 165 were using their vehicles on a frequent basis. Vehicles were typically nearly eight years old on average. There were also old agreements in force where employees were paid a vehicle allowance, but tended not to use their cars at all.

The solution Asbury pioneered focused on car sharing, where employees book access to a pool of vehicles for a set time in the same way they might book a meeting room.

At the same time, mileage payments to grey fleet drivers were slashed from as high as 65 pence per mile (ppm) to just 15ppm.

"A lot of time and effort was spent making sure senior managers understood the benefits of change, so we explained the financial advantages to the financial director and the risk management benefits of having newer, fully-maintained cars to the chief executive," Asbury says.

After the changes were introduced, the fleet was transformed, with just eight pool cars provided through a corporate car-sharing scheme delivered by Enterprise Rent-A-Car and a seven-vehicle car fleet supplied on a three-year lease by Alphabet.

The grey fleet hasn't completely disappeared, as the daily hire fleet has a minimum insurance age limit of 21.

There are also some circumstances where an employee's own car is the best option for a very short journey, for example one that could be completed on their commute to work.

However, in most cases, drivers are encouraged to use the car-sharing fleet or opt for a daily rental car if their need is more than a day or in excess of a certain distance.

Employees are also urged to consider whether travel is necessary at all.

Asbury says: "We have developed a travel hierarchy system, which starts with not travelling at all and using other solutions such as conference calls, through to public transport and then renting one of the pool cars or using your own car.

Utilisation of the car-sharing fleet is currently 80% as changes to reimbursement rates mean there is little incentive for drivers to cover business mileage in their own vehicles. At the same time, overall business mileage has fallen dramatically as employees think more carefully about whether journeys are necessary.

"We started the scheme in December 2014 and there have been substantial environmental and financial savings," Asbury says.

"When the scheme was introduced, business mileage was about 280,000 annually, but this has now fallen to less than 180,000. As people need to book time in a vehicle, they now more closely consider the reason for their journey and whether they need to travel. It is just a different way of thinking.

"Before we were spending £220,000 a year on vehicle expenses. This has been cut by £104,000 a year thanks to the scheme, which has also reduced fuel use and emissions."

A shift to new, cleaner vehicles, including electric cars, has slashed average CO_2 emissions by more than half, he adds.

The introduction of a different way of providing transport to employees required careful monitoring initially so staff understood the importance of following the correct processes.

CAR CHOICES MUST BE ENVIRONMENTALLY FRIENDLY

Solar panels fitted at Aylesbury Vale District Council provide enough energy to power all of its electric vehicle fleet.

The council pool now has a no-diesel policy, following concerns about the health impact of particulates and nitrogen oxides.

Instead its corporate car-sharing scheme operates three Nissan Leaf electric vehicles and five petrol Ford Fiestas, which emit less than 100g/km of CO_2.

The car lease fleet of seven vehicles has two BMW i3s, a Toyota Yaris hybrid, two Ford Focus, a Nissan Qashqai and a Seat Leon.

Drivers are expected to choose a vehicle that emits less than 100g/km of CO_2, with official average fuel consumption of more than 74mpg and a P11D value of under £22,000.

Asbury says there was range anxiety among drivers who used EVs for the first time, but this disappeared as they realised what the cars are capable of.

"The petrol vehicles are achieving about the same level of fuel economy as diesels, so we are happy with our no-diesel policy," he says.

One unexpected benefit of the changes is the influence on drivers' personal choice of car, Asbury adds.

"With the vehicles we have introduced, grey fleet drivers have had the chance to experience newer cars and it is interesting to see people are changing their own cars to the same model and brand as the shared fleet," he says.

Alan Asbury receives information of the fleet every month and acts to address any problems highlighted in the reports

One key challenge was managing cancellations, as employees would book cars for longer than needed 'just in case', but when they returned early, they didn't cancel their booking. This led to complaints as vehicles were seen parked in their bays, but unavailable for hire.

In addition to briefing staff about the importance of accurate bookings, the car-sharing fleet now uses a swipe card system, which makes a car available for booking as soon as a driver ends their hire period.

The car-sharing initiative has provided additional benefits, as vehicles are fitted with tracking devices because billing is based on the length of hire and mileage covered.

The data provides a detailed overview of how the fleet is being used and also ensures drivers are safe on the road.

Asbury says: "We had a couple of speeding fines in the early stages, because people were thinking 'it isn't my car', but they learnt quickly that is was not acceptable, particularly as they are representing the authority.

"Risk management is a big issue and managing drivers is all about good data. I receive information on the shared fleet every month. I let people know if there is a problem. If it continues, I raise it with their line manager and that is usually enough."

Asbury's plans include a travel booking system, which would automatically select the best travel choices for employees based on the journey planned.

FAR EAST OPENED ASBURY'S EYES TO SUSTAINABILITY

Alan Asbury's commitment to protecting the environment developed after living and working in the Far East during a career break.

He experienced first-hand the human costs of pollution and the effects of climate change while visiting countries including Burma, Cambodia, Nepal and Thailand in the 1990s. This led him to specialise in environmental management and sustainability on his return home.

Since then he has worked in environmental roles within the public sector for more than a decade.

Asbury says: "I started my career as a carpenter and building site manager, but the experience abroad inspired my interest in sustainability because I saw some very poor countries and communities where the environment was being destroyed by industry through air and water pollution and with forests ripped out.

"I thought that there must be a career that puts something back. You can't change the world on your own, but you can be involved in trying to make a difference."

His commitment saw him spend five years' training at university in environmental management, before his first role as sustainability officer for Warwick District Council. After moving to South Bedfordshire Council as waste strategy manager he joined Aylesbury Vale District Council in 2005.

"It is exciting that small differences here can be replicated to help tackle climate change. It gives purpose to the experiences I had abroad and the training I had," he says.

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

FLEETS CAN TAKE A CUE FROM AVIATION TO CUT FUEL VOLATILITY

New ways of looking at payments could help cap or control exposure to diesel price fluctuations, reports *Gareth Roberts*

The boss of BP's fuel cards division hopes lessons learned fuelling the aviation industry will help UK fleets manage their exposure to risk. The airline industry has gone through a number of peaks and troughs over the past few decades; the largest downturn being 2008, when the price of oil hit $147 a barrel (at the time the dollar-pound exchange rate was around 2:1).

"The problem with an airline is it sells tickets in advance," says Andy Allen, UK cars manager at BP. "Much like most industries do, they have their income locked-in in advance of their outgoings. But carrying a six- to nine-month lag risk on when you get your income, and when you have your costs for operating that flight, can cause massive cash flow issues."

Operating on notoriously tight margins of between 1-2%, the increase in the price of oil in 2008 inevitably took its toll. Around 20 airlines declared themselves bankrupt.

"When fuel is 30% of your cost and fuel goes up by 10% in nine months, suddenly your profit margin is gone," says Allen. "You're operating in negative cash flow and that's what caused so many bankruptcies."

"It's not about beating the market; it's about aligning your outgoings with your income"

Andy Allen, BP Fuel Cards

Now, airlines will systematically hedge their fuel, effectively guaranteeing the amount they are going to pay, locking it in at the same time as they sell their tickets.

"It helped stabilise the industry," says Allen. "But what's really interesting with ground fuels is very few organisations do that. They're effectively saying 'we're happy to have complete exposure on 30% of our cost', which I think is crazy."

SETTING THE MARKET PRICE

The price of fuel is made up of several elements with the base oil price determined by the Platts price – a global wholesale price. On top of that there is a small bio premium for the transportation of the biofuel and then there is the 'plus' element negotiated between supplier and buyer, plus VAT and fuel duty.

Many large fleets may negotiate a Platts-plus price with their fuel card supplier, but Allen says: "I want to help people move away from negotiating that piece on top of Platts, which is what everybody does."

Instead, he wants fleets of all sizes to focus on what Platts is doing and how they can manage that base price.

"With the recent fluctuations in oil price, we're getting more and more companies saying they need to think about their exposure," he says. "Hopefully, with my experience in the airline industry, I can add some value."

This time last year, the Platts price for oil was at around 20p per litre (ppl); last month that had almost doubled to just under 40ppl.

70
motorway stations accept BP Fuel Cards

800
A road sites

BACKGROUND IN AVIATION LIKELY TO SERVE ALLEN IN GOOD STEAD

Andy Allen has spent the majority of his career working for BP's aviation fuel division – Air BP – selling jet fuel to airline companies, having joined the company on a trainee scheme in 1998.

After working in finance and credit control, he held a number of sales roles, initially looking after some of Europe's smallest airlines before becoming responsible for fuelling some of the biggest global players.

He also managed the customer portfolio for Air BP at individual airports. He explains: "I was the person looking at the supply coming in and then setting the price for that airport."

More recently, he took over the marketing strategy for Air BP; reviewing customer segmentation and assessing pricing capability from a global level. "We operated in about 80 countries and managing consistency of offer across so many geographies was quite a challenge," he says.

Allen joined the fuel card division as UK cards manager last April and was immediately struck by the similarities between land and air operators.

"They are both very large consumers of fuel," he says. "An airline typically spends 30% of its cost, the same as a typical fleet. They've got similar issues around environment and around managing their exposure to price. They will also be negotiating with a number of different parties for their fuel supply.

"It's the same challenges, just a different industry."

Andy Allen hopes his experience with airlines will benefit fleet fuelling strategies

For a fleet negotiating on a Platts-plus basis, which had secured a 0.5ppl saving on the 'plus' element during those 12 months, the 20ppl hike in the Platts price puts that 'saving' into perspective, according to Allen.

"Suddenly that 0.5p saving has been obliterated 40 times," he says.

There are two major factors which impact the Platts price. "One is the oil price," explains Allen. "We know that bottomed out last year at $28 a barrel and it's now up to around $58 [a barrel].

"A $30 barrel increase is huge, but you've now also got the foreign exchange impact. Going from $1.44 to the pound, which is where we were the week before Brexit, to $1.18 last week, has a huge impact."

A 10-cent depreciation in the value of pound equates to about 2-2.5ppl. That means the fall in sterling against the dollar over the past seven months has put an additional 6ppl on the pump price.

Allen explains: "Both of these things [the price of oil and foreign exchange rates] are hugely volatile. They are impacted by things we have no control over whatsoever.

"You've got the Brexit effect, the Donald Trump effect and you've got OPEC which has said it is going to cut oil production. All of these things on a daily basis are causing the volatility."

FACTFILE

Company BP Fuel Cards
UK cards manager Andy Allen
Time in role 10 months
Business customers 47,000
Branded network 1,300 sites

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

REDUCING CONSUMPTION

Many fleets have cut their fuel costs by focusing their efforts on reducing consumption through better journey planning and driver training.

"That's great," says Allen, "but you can educate your drivers and you'll get a one-off benefit. You can install a telematics system and you'll get a one-off benefit, and you can optimise routing and you'll get a one-off benefit. But a lot of that low hanging fruit has been picked already over the past few years.

"The problem is that none of those things actually help your underlying risk to the oil price. They are all about consumption reduction, not about eliminating price risk."

BP has developed a series of fleet-focused products to help operators begin managing the price risk now evident in the market. Allen explains: "It's not about beating the market; it's about aligning your outgoings with your income."

For larger fleet operators, it has a fixed price offer which is bespoke to each customer based on an agreed volume of fuel per month where the price is fixed from one month up to three years. It is aimed at those fleets which consume in excess of 1.5 million litres of fuel a year.

"What companies will typically do is hedge a proportion of their costs if they're going to do a fixed price deal," he says.

Another option is a capped price product which puts a ceiling on the price a customer will pay. "What you're doing with a capped price is buying protection against the price increases," explains Allen. "If the price goes up and hits that ceiling you pay no more than that, but if it goes down you get the benefit of the price reduction."

The difference between a 'cap' and a 'fixed price' is the customer will pay a premium for the capped price. "You buy that protection up front," says Allen.

A customer would effectively pay a 2-3ppl premium, whereas with a fixed price there's no premium, but there is no benefit if the price falls below the fixed price.

SIZE DOESN'T MATTER

BP has recognised that fuel price risk management should not be the domain of the UK's largest fleets, launching its Fuel Price Guarantee offer for smaller operators in July, last year.

Allen explains: "Anybody, from one vehicle up, can take advantage of the Fuel Price Guarantee. It's a pump price-related cap; you get the same benefit of protection if prices go up, but you get the full benefit if you lift at a lower price."

Initial take up has been good, with fleets able to lock in a maximum price for a minimum 500 litres, for up to six months, for example.

"You only draw down from that 'cap' volume if you fuel above the 'cap' level; if you buy fuel below that 'cap' level, it doesn't draw down from that 500 litres," says Allen.

"It's also worth noting that because the 'cap' or 'fixed price' is done in sterling, you protect yourself against changes to foreign exchange rates. You're effectively hedging your foreign exchange as well as your fuel price exposure."


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Official fuel consumption for the new Volvo V90 Cross Country range in MPG (l/100km): Urban 45.6 (6.2) – 46.3 (6.1), Extra Urban 57.6 (4.9) – 60.1 (4.7), Combined 53.3 (5.3) – 54.3 (5.2). CO_2 emissions 139 – 138g/km. MPG figures are obtained from laboratory testing intended for comparisons between vehicles and may not reflect real driving results.

FLEETS AND TECHNOLOGY

In this 10-page special feature *Fleet News* examines how technology is advancing in terms of connected vehicles and the issues faced. We also look at autonomous vehicles and the rigorous safety standards they are being expected to meet

INSIDE

DRIVING THE FUTURE OF FLEET

The growth of connected vehicle technology will have enormous cost and safety implications for the way in which fleets are operated. *Andrew Ryan* reports

In a world where the next technological fad is always just around the corner, the connected vehicle is one development which will have a lasting impact on the fleet sector.

In fact, by using the cloud to connect to other vehicles (vehicle to vehicle [V2V]) or its surroundings (vehicle to everything [V2X]), the technology will be able to let the driver know what actually is around the corner.

This has the obvious safety benefit of alerting drivers to any imminent hazards, but will also allow them to avoid congestion, reducing fuel use, emissions and journey time.

There are other benefits for the fleet manager, too. The data created by the cars will also be able to save downtime and cut service, maintenance and repair costs by diagnosing problems before they occur.

Through the Internet of Things, vehicles will be linked to office calendars, traffic lights and even garage networks, allowing the car to check on workshop availability in the local area if maintenance is required.

70%

expected proportion of new cars with some form of connectivity by 2022

Technology company Cisco predicts each connected vehicle will save a fleet around £330 each year.

While this may have sounded like pure science fiction just a few years ago, many fleet managers are already benefiting from connectivity by adding aftermarket telematics units to their cars and vans, while an increasing number of new vehicles are being fitted with connected technology as standard.

Frost & Sullivan estimates that 25% of new cars sold last year had some form of connectivity, with this proportion rising to 70% by 2022.

In this feature, we look at how connected vehicle technology will change – and already is changing – the way a fleet is operated.

SAFETY

"Safety is one of the most important areas that will benefit from connected cars and autonomous vehicles," says Niranjan Thiyagarajan, senior consultant automotive and transportation at Frost & Sullivan.

It is becoming increasingly common for new cars to be fitted with advanced driver assistance systems (ADAS), such as autonomous emergency braking, which can have a significant impact on safety: EuroNCAP research found it reduces rear-end collisions by 38%.

However, ADAS technologies use radar or laser sensors, and so rely on line of sight. Connected cars will be able to gather intelligence from further down the road, even at a blind junction or in poor weather affecting visibility such as heavy rain or fog.

KPMG research produced for the Society of Motor Manufacturers and Traders (SMMT) found that connected and autonomous vehicle technology could save more than 2,500 lives and prevent in excess of 25,000 serious collisions in the UK by 2030.

For example, it is expected to significantly reduce nose-to-tail incidents which occur when a car at the front of a line of traffic brakes sharply. Following drivers slow only when they see the brake lights, leading to a collision when at least one of the drivers fails to react in time.

With connected technology, as the first car brakes, it can also signal all the vehicles behind, allowing them to brake simultaneously.

Connected vehicle technology will also be able to warn of upcoming hazards, with, for example, Volvo introducing two connected car safety features initially in Sweden and Norway: Slippery Road Alert (SRA) and Hazard Light Alert (HLA). SRA collects road surface information from cars ahead and warns approaching drivers of a slippery road section, while HLA warns of vehicles ahead that have their hazard lights on.

However, it is the imminent mandatory introduction of another safety feature, eCall, which will be "a line in the sand" in the widespread adoption of connected vehicle technology, says Paul Reynolds, automotive director at Telogis.

ECall is a European Commission initiative which will bring rapid assistance to motorists involved in a collision anywhere in the European Union. Vehicles equipped with the system automatically call the nearest emergency centre in the event of a collision, even if no passenger is able to speak due to injuries. Data sent includes the exact location of the incident, cutting response time significantly: the EC estimates it will cut this by 50% in the countryside and 60% in urban areas.

SPONSOR'S COMMENT

By Selwyn Cooper, head of business sales, Volvo Car UK

For business drivers, the company car is part office, part productivity solution, part sanctuary, part mobile device – a flexible, adaptable, sophisticated piece of kit that's essential to their daily life at work and on the weekend. But the car itself is really only a part of the story – albeit a big part. Increasingly, it's the services delivered by manufacturers, dealers and associated providers that can elevate the ownership experience beyond the everyday.

Volvo On Call is our delivery platform, providing a growing suite of services to drivers and managers, all in a single solution. It provides 24/7 emergency assistance and support, remote vehicle tracking, and tools to help monitor and manage mileage, fuel consumption and usage.

"You can download the detailed data to an Excel spreadsheet for expense and reporting purposes"

The Volvo On Call App is available for iOS, Android and Windows 10 devices, and is compatible with a range of wearable devices.

Drivers can use the app to remotely access various functions in the car, such as locking and unlocking the doors, pre-heating or cooling the cabin and checking fuel and service requirements.

You can also use the app to find the vehicle in a car park. If you have a meeting, you can send the location to the navigation system so you're all set to go as soon as you fasten your seat belt. Driving journal functionality helps you keep track of mileage and usage, logging start/end positions, distance, duration, and fuel consumption, and download the detailed data to an Excel spreadsheet for expense and reporting purposes.

Read the full story at volvocars.co.uk
For a test drive, call the Volvo Car Business Centre on 0345 600 4027

TELEMATICS

Telogis. "That fleet operates Ford models as well, which means that they can access all the data through the same log-in, but if it is a brand we are not engaged with then we will fit our aftermarket hardware.

"This means the fleet will still get data through the same log-in so the end-user experience would be the same to a point, but then you will have those unique add-ins which we've developed with the OEMs.

"In that scenario you would be saying that 'I'm getting a lot more data out of the Ford, a lot more data out of the Nissan, I'm not getting as much data out of brand Z, but I can still operate a multi-brand environment'."

Graeme Banister, director of consulting – mobility at Frost & Sullivan, knows of companies which are postponing installing aftermarket telematics systems due to the increasing availability of connected vehicles.

"There is a bit of a challenge around the return on investment of putting in aftermarket telematics units," Banister says.

"If it is a brand we are not engaged with then we will fit our aftermarket hardware"

Paul Reynolds, Telogis

SERVICE, MAINTENANCE AND REPAIR

Connected technology has the potential to significantly reduce a fleet's service, maintenance and repair (SMR) costs, as well as reduce vehicle downtime.

Through an app, some vehicles, such as Vauxhalls fitted with OnStar, already provide drivers with information such as fuel level, oil, and tyre pressures.

However, connected technology has the ability to provide a much more detailed insight.

Last year The AA began a trial of AA Connect technology in 10,000 cars and, halfway through the 12-month period, it identified problems in 17% of the cars before they led to a roadside breakdown, enabling the company to repair the fault before causing an issue at the roadside.

"Although there is work still to do, we have been able to pinpoint potentially serious faults on some cars," says Alan Ferguson, head of AA Connected Car.

"Although there is still work to do, we have been able to pinpoint potentially serious faults on some cars"

Alan Ferguson, AA Connected Car

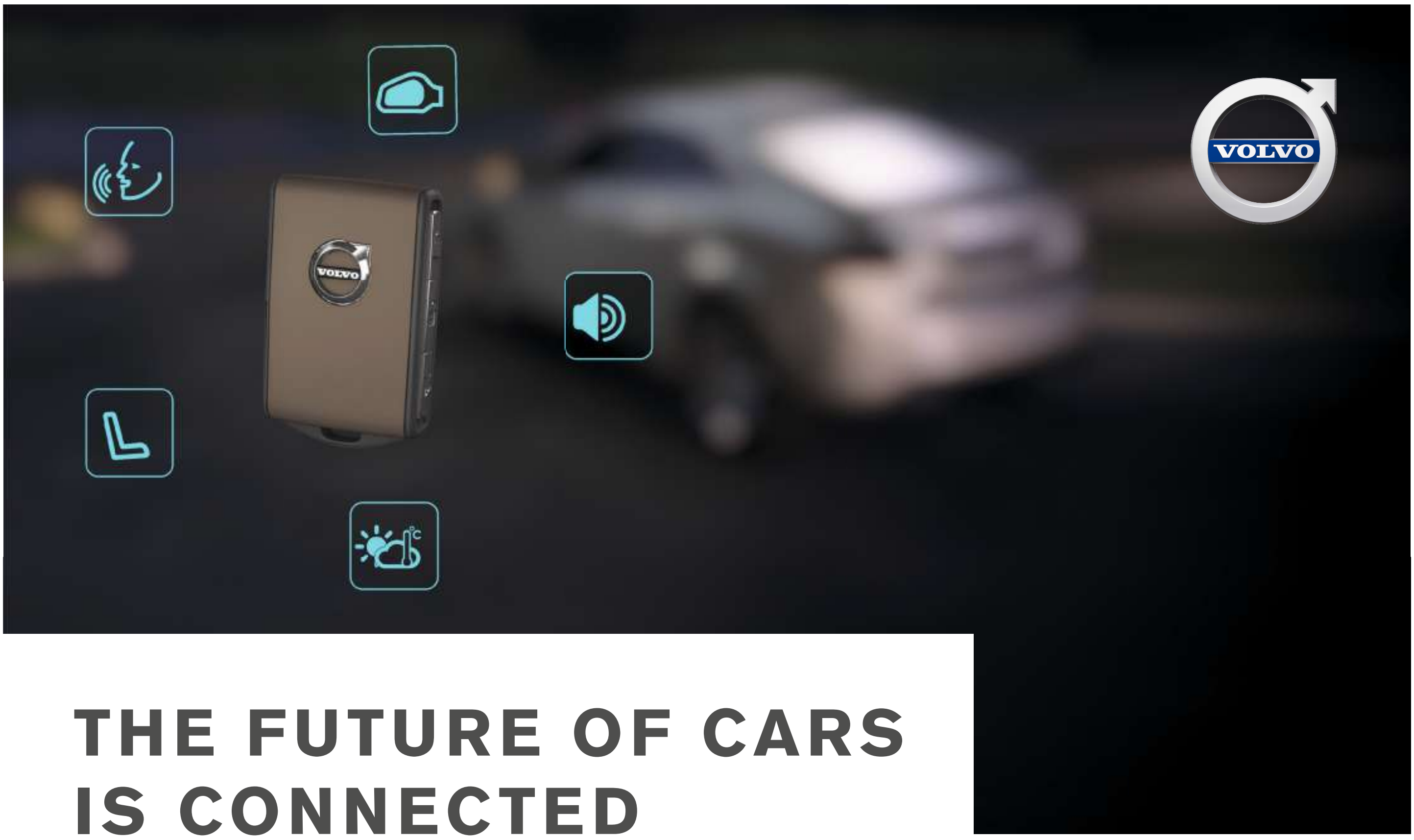
Each car is equipped with a small device plugged into its diagnostic socket. This monitors a range of data generated by the car, such as battery condition, electrics, engine management and other systems, identifying problems before they trigger a warning light or result in a failure.

Through its Teleservices connected car programme, business mobility provider Alphabet has real-time access to data in BMW and Mini vehicles.

This means that in some cases Alphabet is aware of a maintenance issue, such as engine oil being due for replacement, before the company car driver sees a message in their vehicle.

Alphabet is also aware when the next service is due and when brakes are expected to be required based on usage of that vehicle, meaning it can contact the driver or fleet manager to get the vehicle booked in.

Frost & Sullivan's Graeme Banister says in the future, V2X technology will also allow connected cars to automatically search for workshop availability in a fleet's preferred maintenance provider.



THE FUTURE OF CARS IS CONNECTED

WHAT IS A CONNECTED CAR?

In simple terms, a connected car is able to access the internet on the move, downloading and uploading a range of useful data to and from other cars, road infrastructure and the cloud.

Volvo Cars believes that by both passively analysing large amounts of data over time, and dynamically sending and receiving real-time data on the move, connected cars will be able to help employers and drivers get more from their fleet.

A DIFFERENT KIND OF FLEET

Many manufacturers, including Volvo Cars, now provide built-in solutions that are able to transmit a large amount of vehicle data to a secure cloud service.

The driver of the car gets a range of convenience, safety, security and infotainment benefits, whilst fleet managers can access data from multiple vehicles to monitor and manage required services, vehicle performance and driver behaviour.

One of the key and fundamental criteria for Volvo Cars is the safety and security of this data, which is only accessible by the customer who has signed up to our terms and conditions.

Volvo On Call is a subscription-based service which allows customers to communicate with their Volvo wherever they are. In the future, customers will also have the opportunity to opt in to In-Car Delivery and Concierge services. We believe the next key area of growth is peer-to-peer car sharing, where connectivity could enable a 'pooling' of fleet vehicles.

ON THE ROAD TO AUTONOMOUS DRIVING

Fully autonomous vehicles cannot function using active on-board cameras, sensors and similar technologies alone. They also need to be fully connected with everything around them. In fact, Volvo Cars already has a connected safety service of this type in place in Sweden and Norway, where 90-series cars can send and receive warnings to and from other connected Volvos about slippery surfaces and other hazards encountered on the road.

2016 also saw Volvo Cars partner with Uber to equip them with a fleet of XC90s for trials in the US. Although the additional sensor/camera technology is provided by Uber, we can use the resulting data from these trials – alongside the results from our own Drive Me project, where real families test autonomous cars – to push forward autonomous driving.

The longer-term opportunity for these vehicles in the fleet market is as part of a full mobility offering, providing access to personal, independent, safe and highly productive modes of travel.

The future is now.

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FUEL AND EMISSIONS

lights.

In Las Vegas, Audi's A4 and Q7 models have linked to the traffic light infrastructure and are now able to display traffic light phases directly in the car.

"In tests, the number of cars that had to brake to a standstill in traffic fell by around 20%," says Michael Zweck, project manager for Audi Traffic Light Information. "This saved time for the driver and also made fuel savings of about 15% in the pilot project."

In the Audi system, the cars display whether it will reach the next light on green while travelling within the permitted speed limit.

If not, a countdown is provided of the time remaining until the next green phase, and drivers can slow down in good time to ensure they do not have to stop.

> *"In tests, the number of cars that had to break to a standstill in traffic fell by around 20%"*
>
> *Michael Zweck, Audi Traffic Light Information*

MOBILITY

Connected vehicle technology will provide fleet managers with the opportunity to transform the make-up and operation of their fleet, says Graeme Banister of Frost & Sullivan.

If there is congestion or an accident, a car can go beyond asking about taking an alternative route and advise that the best way to get to a destination is by taking the train instead, he adds.

"Therein lies the opportunity to tie everything up in terms of total cost of mobility, so the connected car will play a huge role in terms of moving from the current total cost of ownership model to the total cost of mobility," says Banister.

"It can start to make decisions like 'do you know what, based on your calendar and on how I'm interacting with your other stuff, the car is not the right vehicle for you today'.

> *"I fully believe there is an efficiency coming down the path which will drive the cost of mobility down to zero"*
>
> *Graeme Banister, Frost & Sullivan*

"That's ultimately going to cost the company less money and there's the duty of care aspect as well, so even when the car is not being driven, the connected car has a role in improving safety."

Banister says connected car technology could also make a fleet of vehicles cost neutral, or even make money for the organisation.

"There are still going to be company cars exclusively run by one person, but as we move further towards connected cars that are interfacing with you as an individual, they will be much easier to share," he says. "Within companies there are many company cars that can be turned into corporate cars or car share vehicles.

"Beyond that, I fully expect companies to say 'look, we've got a fleet here. While you are the primary driver, if the car is sufficiently connected and we are connected up as a company, we know you will be in the office for the next eight hours so we don't need to hire a daily rental vehicle as another employee can take yours instead'."

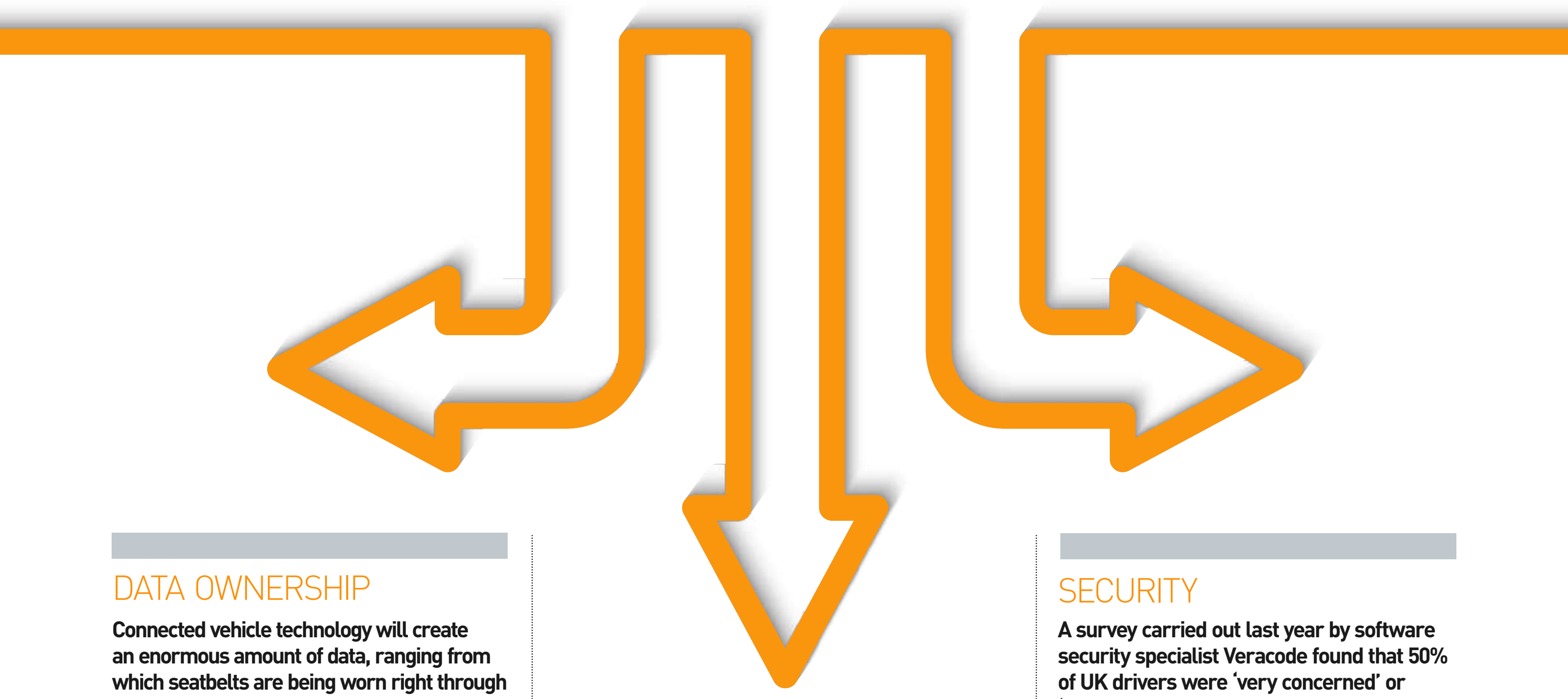
Banister says there is the potential to expand this further. "If you are on a business park, why wouldn't you let other people on that park use your vehicles?" he asks.

"I fully believe there is an efficiency coming down the path which will drive the cost of mobility down to zero.

"If you only need your vehicle for 10% of the time, if you can sell it for the other 90%, you will be in credit."

THREE ISSUES FACING CONNECTED VEHICLES

Increasing sophistication of car and van technology offers a range of benefits, but there are still challenges which need to be overcome. *Andrew Ryan* reports



DATA OWNERSHIP

Connected vehicle technology will create an enormous amount of data, ranging from which seatbelts are being worn right through to complicated diagnostic information.

But who owns this information? Is it the manufacturer whose product creates the data, or should it belong to the vehicle owner or operator?

This is an ongoing debate as manufacturers want to retain ownership of the data as they pay to collect and process it, which would allow them to monetise the information by selling it to third parties such as fleets and leasing companies.

But the BVRLA believes vehicle owners should control it and has launched its own data principle guidelines to help members when negotiating with manufacturers over data use and control.

The issue of information ownership and protection has led to a number of leasing companies refusing to sign the terms and conditions for the latest connected services (*Fleet News,* June 9, 2016).

However, Lee Colman, head of connected car at automotive technology consultancy SBD Automotive, warns that not utilising connected services will lead to a lose-lose scenario where manufacturers, owners and drivers all miss out on the advantages connected services offer.

He says often when data sharing consent is removed, all the connected services in that vehicle will fail to work and that can include traffic data, sat-nav updates and service notifications.

DATA NETWORK COVERAGE

The data created by connected cars each hour is expected to reach around 25GB: the equivalent of a dozen high-definition movies.

This demand on the data network presents challenges for the connected car industry, particularly in a country where mobile phone signal and Wi-Fi strength are sometimes patchy.

"The (25GB) is definitely not something that is happening today – definitely not in the automotive industry," says Niranjan Thiyagarajan, senior consultant automotive and transportation at Frost & Sullivan.

"This is probably a '2025' scenario when cars will transmit V2V (vehicle to vehicle), V2I (vehicle to infrastructure) and V2X (vehicle to everything) data.

"A lot of work has to happen before our infrastructure can support a 25GB future.

"Today's vehicles are limited to mobile network (2G, 3G and 4G) as well as Wi-Fi connectivity. In future you can see this moving to 5G networks and satellite communication, both of which have very dedicated bandwidth and communication channels."

SECURITY

A survey carried out last year by software security specialist Veracode found that 50% of UK drivers were 'very concerned' or 'extremely concerned' that connected vehicles could be hacked or fail to operate as intended.

This follows an incident in 2015 when, during a demonstration in the US, a Jeep Cherokee was completely taken over by a third party while driving at almost 70mph.

SBD Automotive has identified more than 50 potential attack points in the connected car eco-system, including smartphone apps, steering and braking ECUs, airbag ECUs and tyre pressure monitoring systems.

However, Niranjan Thiyagarajan of Frost & Sullivan, doesn't think the security of connected cars will be a "major concern".

"The excitement and interest prompted by the Jeep incident overlooks the fact that connected car security is just a small piece of the value chain," he says.

"The entire industry needs to invest a lot into securing that infrastructure, but overall it's not very different to hacking in financial services or the consumer electronics space.

"The difference is that cars are safety critical, but OEMs have different ways of dealing with that.

"They have different ways of partitioning the safety critical CANbus against the infotainment-related services, while OEMs are doing the right thing: they are investing in the right partners and are bringing in capabilities so, as an analyst tracking the market, I'm sure we'll get that right."

CONNECTING TO AN EXCITING FUTURE

New developments will have far-reaching effects for the way fleets are operated. *Andrew Ryan* asks leading suppliers and organisations for their opinions ...

MATTHEW WALTERS,
HEAD OF CONSULTANCY SERVICES, LEASEPLAN UK

'DRIVER BEHAVIOUR THAT MIGHT BE UNECONOMICAL COULD BE ADDRESSED, ULTIMATELY IMPROVING EFFICIENCY'

In-vehicle wireless connectivity is expanding rapidly from luxury models to high-volume, mid-market ones.

It's predicted one in five vehicles will have some kind of wireless network connection by 2020 which will account for more than a quarter of a billion cars on the roads, globally.

For fleets, connected car technology has the potential allow us to understand almost every aspect of a vehicle's operation in real time, including speed, acceleration and deceleration, mapping, engine performance and fuel usage, among many other factors.

Combining this intelligence to services available to the driver, along with predictive analytics, will completely transform the fleet management industry.

For example, in identifying peaks and dips in the fuel efficiency of each vehicle, driver behaviour that might be uneconomical could be addressed, ultimately improving efficiency.

Measurements from hydraulics and data from sensors could also help identify maintenance issues and mechanical problems before they even occur, ultimately reducing vehicle downtime and increasing the productivity and reliability of a fleet.

The technology also has the potential to determine whether the driver is distracted or tired, what their heart rate is and ultimately whether they are in a healthy state to drive. All of which could vastly reduce driver-related incidents and insurance premiums.

For some, connected car innovation may still seem like it's in its infancy but, as we see the worlds of technology and automotive intertwine, fuelled by legislative initiatives, the future may be closer than you think.

JOHN PRYOR,
CHAIRMAN OF ACFO

'IT IS VITAL MOTOR MANUFACTURERS AND THE CONTRACT HIRE AND LEASING SECTOR ENGAGE WITH ACFO'

The connected car and the generation of so-called 'big data' is set to change the long-established fleet management model, particularly in respect of vehicle service, maintenance and repair (SMR), and driver behaviour.

However, as cars become ever-more intelligent and the 'computers on wheels' have the capability to deliver vast amounts of data there are huge concerns that impact dramatically on fleet managers and company car drivers.

As a result, ACFO is urging fleet operators to ensure that when they are in discussions with their manufacturer partners and vehicle leasing suppliers that the issue of 'big data' and everything that it entails is on the agenda at review time.

It is vital motor manufacturers and the contract hire and leasing sector engage with ACFO as, ultimately, the association's members are their customers.

As a result, ACFO has already asked members to provide their views and concerns.

Today's connectivity is the start of the journey towards the autonomous car and there are risks to be overcome, but opportunities that will, ACFO believes, deliver fleet operating benefits.

BEVERLEY WISE, SALES DIRECTOR UK AND IRELAND, TOMTOM TELEMATICS
'HELPING COMPANIES TO CUT THE ADMINISTRATIVE BURDEN'

The extensive vehicle-related data that telematics technology can deliver continues to open opportunities for aftermarket connected car services.

TomTom Telematics, for example, is now offering connected car services to car dealerships, consumers, the vehicle leasing, rental and UBI (usage-based insurance) markets, importers and manufacturers.

Developments in the connected car, as a consequence, are not only promising to make life easier for individual motorists but, in the world of business, they have the potential to help fleet organisations become more efficient through smarter use of data.

Apps are available, for example, that can help businesses create more accurate HM Revenue & Customs (HMRC) mileage claims by automatically logging trips and allowing drivers to validate them from their smartphone or driver terminal.

Fleet management data can also be combined with customer data to help sales teams work more efficiently.

This enables sales managers to compare trip data with opportunities, leads and closed deals so the effectiveness of sales representatives can be analysed.

Such integrations can reduce reliance on paper-based systems, helping companies to cut the administrative burden through seamless data flow between field, vehicle and office.

With aftermarket systems offering the possibility for most vehicles to become connected straight away, connected car innovations built on the telematics platform look set to continue transforming the world of business and motoring.

GERRY KEANEY, CHIEF EXECUTIVE OF THE BVRLA
'THE DATA ITSELF NEEDS TO BE SUPPLIED IN A STANDARDISED FORMAT'

Connected vehicles will have a revolutionary impact on the rental and leasing industry.

They bring many advantages, from reduced emissions and improved road safety, to cost reductions and more efficient processes. But connectivity also facilitates the collection of enormous volumes of data about driver behaviour, user preferences and the vehicles themselves.

For BVRLA members to deliver the fleet management and mobility services of the future, they need access to this data.

The data itself needs to be provided in a standardised format that is safe, secure and provides fair competition.

When rental and leasing companies have access to data of this type, they will be able to ensure fleet operators can benefit – by continuing to have freedom in choosing where their vehicle gets repaired, for example.

The BVRLA is already working with its members and their customers to explore potential use cases for connected vehicle data and how access to this data should be provided.

This is vital, be it for service, maintenance and repair budgeting, employers' duty of care obligations or simple mileage management.

Furthermore, it is imperative that motor manufacturers start addressing the specific data access requirements of a very significant group of vehicle owners and purchasers – leasing and rental companies.

ASHLEY SOWERBY, MANAGING DIRECTOR, CHEVIN FLEET SOLUTIONS
'IMPORTANT TO ESTABLISH WORKABLE SOLUTIONS TO THE QUESTION OF DATA OWNERSHIP'

In essence, connected car technology could offer fleets access to real-time data covering almost every major parameter of vehicle use.

If that data is harnessed for fleet management purposes, it could be used to support improvements in safety, service and maintenance costs, compliance and much more.

Some estimates indicate that one connected car will upload 25GB every hour (to put that into perspective, the average person uses about a tenth of that on their mobile phone every month). The question is, how do you work through and interpret such a massive amount of data?

The answer is fleet management software.

Fleet management software has already been dealing with rapidly increasing levels of data for probably three decades. What our software does, essentially, is enable the fleet decision-maker to report on and make sense of their disparate fleet-related information. Connected car data is just another step in that journey, albeit an exponential one.

There are a few other important points to consider on this subject. One is that question marks remain over connected car data ownership. Manufacturers, for example, will probably want access to as much vehicle data as possible in order to learn about how their products are used. This certainly makes sense.

However, there are also strong reasons for fleets to keep close control over data and choose who can access it and how it is used – such as concerns over privacy and information security. We believe that it's important to establish workable solutions to the question of data ownership early on.

NINA BELL, MANAGING DIRECTOR FOR THE NORTHERN EMEA REGION, AVIS BUDGET GROUP
'POTENTIAL TO REVOLUTIONISE CAR RENTAL FOR CONSUMERS AND BUSINESSES'

The connected car represents a new era for our industry. It has the potential to revolutionise car rental for consumers and businesses alike, opening the door to a more seamless, intuitive car rental experience, and giving businesses valuable insights into consumer preferences, safety and security, and fuel efficiency.

From the app on your smartphone you will be able to see which car you have been assigned and have the option to change to other vehicles in the same price bracket or to upgrade at the touch of a screen.

You will then walk to the car and open it with your smartphone. You will find the keys already in the car and you can simply drive away. No paperwork, no signing in multiple places and no waiting.

When you return the car it will automatically tell us the final mileage and the fuel reading as it arrives on site, and you can close out the rental agreement from your phone.

HOW SAFE MUST AN AUTOMATED VEHICLE BE?

TRL academy director *Nick Reed* gives an insight into how automated vehicles will impact on the fleets of the future

Sanctuary. When an intense day-long meeting ends, getting into one's car can feel like a haven – safe from the daily grind of business matters. Company policies often dictate no phone calls are to be made when driving for safety reasons and the only distractions might be Test Match Special or Simon Mayo. One's attention must be focused on safe control of the vehicle and successful navigation to the desired destination.

Automated vehicles might change this picture but in ways that are difficult to predict.

The past year has seen some striking announcements and partnerships in the rapidly evolving automated vehicle space. These include Volvo partnering with Uber on the development of automated cars; GM investing in Lyft with a view to developing automated ride-sharing services; Google spinning out its self-driving car division as 'Waymo' (a mobility service company) and Toyota investing $1 billion (£800 million) in a new research institute dedicated to artificial intelligence and self-driving cars.

In parallel, the UK has been advancing its ambitions to be a world leader in automated vehicle testing and development. This has included the development of a code of practice for testing automated vehicles, the creation of a dedicated policy unit to these activities (the Centre for Connected and Autonomous Vehicles), and funding support (matched by industry) committed to encourage research and collaboration in the advance of connected and automated vehicles.

UK SMART MOBILITY LIVING LAB

For our own part, we at TRL have made progress on a range of innovative initiatives including the Greenwich Automated Transport Environment project (Gateway), investigating societal acceptance of automation through trials of a range of vehicle types and the development of the Royal Borough of Greenwich as the UK Smart Mobility Living Lab – a dedicated urban environment for testing and accelerating the development of connected and automated vehicles.

There is huge momentum behind the development of automated vehicles to the extent the question is 'when' and not 'if' such vehicles will become common on our roads.

However, there is one key question: 'how safe must an automated vehicle be before society will accept its use?' The answer will not be easy to determine.

In its self-driving car programme, running since 2010, Google has completed more than two million miles of automated driving on public roads across four states in the US. This is a truly impressive feat with only one collision in which the vehicle could be said to have been at fault. How many miles would they need to complete in order to convince us that their vehicles are safe – five million? Ten million?

In the UK, the average distance driven between fatal collisions is around 180 million miles. It would take many years and many vehicles to reach this figure; if one drove at 60mph continuously, it would take more than 340 years to cover this distance. Even if it were achieved without loss of life, how many more miles would be required to be satisfied that vehicles were safe? Although the loss of life on UK roads is unacceptably high, these calculations give some indication as to the incredibly high level of safety and reliability we are expecting of automated vehicle technology.

To address the feasibility challenge of testing automation systems in the real world, Google (and others) has also been using data collected by its automated vehicles to generate simulation models of driving scenarios. These can be run faster than real time and their parameters varied to help understand how the automation systems will cope in novel situations. However, it is unclear the extent to which these simulation models have been validated.

In May 2016, a Tesla Model S operating in Autopilot mode was involved in a collision with a truck trailer that resulted

ABOUT THE AUTHOR

Nick Reed became academy director at TRL, the centre of excellence for future transport, in December 2014. He joined the organisation in 2004, following the completion of DPhil and post-doctoral work in the Experimental Psychology department at the University of Oxford. Reed is also the technical lead for the TRL-led Gateway consortium, an innovative team specifically formed to demonstrate automated vehicle technologies in Greenwich as part of Innovate UK's £19m investment into driverless car programmes.

The Gateway project (Greenwich Automated Transport Environment) is being trialled in the south-east London borough

"Fatigue, time pressure and distraction are key risk factors for work-related driving"

Nick Reed, TRL

in the death of the driver. The vehicle sensors failed to detect the white trailer against a bright sky when positioned across the path of the highway and, although the trailer would have been apparent to the driver for at least seven seconds before impact, no control inputs were made by the driver to try to avoid the collision. Consequently, the vehicle struck the trailer at 74mph, killing the occupant.

In January, the findings of the US National Highway Traffic Safety Administration (NHTSA) cleared the Autopilot system of any fault in the incident, noting that crash rates involving Tesla vehicles have fallen by 40% since Autopilot was introduced. The system requires the driver to be alert with their hands on the steering wheel and ready to resume control at all times, and, as such, Tesla could not be held responsible.

While shocking, this high profile fatal crash involving an automated vehicle did not diminish progress on the technology.

It will be some time before we have automated vehicles that can complete end-to-end journeys, and manage all driving situations in all weathers more safely than human drivers. However, it is also clear vehicles capable of operating in an automated manner in some driving scenarios are coming, that they are likely to deliver this capability at significantly lower risk than a human driver and this will free up time for the driver to engage safely in other activities.

180m

miles is the average distance between fatal collisions in the UK

Once this has been established, one might consider there to be a duty of care on employers to compel their employees to use such vehicles in their fleets.

Furthermore, manufacturers may start to use the automation capabilities of their vehicles to attain a competitive advantage over their rivals. This has echoes of fleet operators choosing to buy vehicles that achieve a certain EuroNCAP star rating for occupant protection.

When available, it may be deemed that employees driving for business are required to use automation functionality. Such a decision would be supported by TRL's own research, which has shown that fatigue, time pressure and distraction are key risk factors for work-related driving.

There is, at present, a fierce struggle being fought over your visual and cognitive attention. For sound safety reasons, the days when one's faculties must be slavishly and continuously devoted to the task of driving when at the controls of a vehicle may be numbered. That sanctuary provided by the car may soon provide another opportunity for employees to be productive or to catch up on rest, dramatically changing the way in which we think about work and travel. It is vital we think carefully about the benefits of automated vehicles but also what unintended consequences they may foreshadow.

Advertisement feature

ŠKODA duo have business users firmly in their sights

Two new models include numerous driver-assist features as standard

ŠKODA's new brand identity 'Driven by Something Different' embodies not just the brand but also the attitude of its drivers. It gives customers the confidence to believe they have made the right choice. Two new models demonstrate ŠKODA's new design language and encapsulate the brand identity.

The new ŠKODA Octavia

Refreshed styling, more equipment, new connectivity and driver assistance features mark out the latest ŠKODA Octavia, with P11D prices starting from £17,000

Striking new looks, useful new technology, driver assistance features and significant standard specification upgrades build on the Octavia's outstanding reputation. New headlight design, now available with full LED technology, frames the more emphatic grille that highlights the new bonnet.

Standard specification

With standard specification that includes touchscreen sat-nav, adaptive cruise control with front assist, front and rear parking sensors and light and rain sensors, the new Octavia SE Technology is designed for business use.

Both hatch and estate body styles offer 1.6 TDI 115PS with either manual or DSG transmission or 2.0 TDI 150PS manual. P11D prices from £20,395, offering BIK tax as low as £72 a month.

A new Octavia Scout will join the range, as well as an Octavia vRS with a choice of 2.0 TDI 184PS or 2.0 TSI 230PS engines – making the latter the most powerful Octavia ever.

The new Octavia, tailored for business

All-new Kodiaq is ŠKODA's first seven-seat SUV

The all-new ŠKODA Kodiaq

Powerful design gives the all-new Kodiaq SUV imposing road presence with ŠKODA's trademark space and practicality.

It is ŠKODA's first seven-seat SUV and with bold, expressive design, strong lines and dynamic looks the all-new Kodiaq offers true dual-purpose practicality for business and family commitments.

Prices from £21,495 on-the-road

The new Kodiaq is available with S, SE, SE Technology, SE L and Edition trims and five engine options. All models come with LED rear lights, a DAB digital radio, Smartlink smartphone capability and touchscreen operation for primary controls on SE trim upwards.

SE models also include 18-inch 'Elbrus' alloy wheels, dual-zone climate control, rain and light sensors, front parking sensors and the option of seven seats. At the top of the range, Edition models add luxurious touches such as leather upholstery, metallic paint, Columbus navigation, Lane Assist with blind spot detection and wireless phone charging.

SE Technology offers tailored business trim

For business users, SE Technology models – with P11D prices from £26,860 and BIK from just 26% – build on the SE trim and add 18-inch 'Triton' alloy wheels, touchscreen Amundsen sat-nav and front and rear parking sensors to SE specification at no extra cost. Powered by a 2.0 TDI 150PS engine, the SE Technology 4x4 is available with six-speed manual or seven-speed DSG transmission.

New infotainment systems

The new Octavia comes as standard with new SmartLink+ connectivity, supporting Apple CarPlay, Android Auto and Mirrorlink™ technologies. Infotainment systems now feature ŠKODA Connect packages providing assistance and remote access to the car via an embedded SIM. The optional Infotainment Online offers a range of information, navigation and entertainment features.

Enhanced driver assistance features

New assistance systems include Predictive Pedestrian Protection and Front Assist as standard. The optional Trailer Assistant takes over the steering when car and trailer are reversing, while the Parking Assistant includes rear radar and a rear-view camera.

Interior: space, quality and practicality

The new Octavia remains one of the most spacious models in its sector, with the hatch and estate offering 590 and 610 litres respectively, extending to 1,580 and 1,740 litres with rear seats folded. A heated multi-functional steering wheel is also available, enabling control of radio, phone and vehicle assistance systems.

To find your local ŠKODA Fleet representative visit skoda.co.uk/fleet

ŠKODA

Official fuel consumption for the new ŠKODA Octavia range in mpg (litres/100km): Urban 33.2 (8.5) - 67.3 (4.2); Extra Urban 51.4 (5.5) - 74.3 (3.8); Combined 42.8 (6.6) - 72.4 (3.9). CO_2 emissions for the ŠKODA Octavia range are 149-103g/km. Official fuel consumption for the new ŠKODA Kodiaq range in mpg (litres/100km): Urban 31.0 (9.1) – 48.7 (5.8); Extra Urban 44.1 (6.4) – 61.4 (4.6); Combined 38.2 (7.4) – 56.5 (5.0). CO_2 emissions for the ŠKODA Kodiaq range are 170-131g/km. Standard EU test figures are for comparative purposes and may not reflect real driving results.

WHICH FUEL IS RIGHT FOR YOUR FLEET?

Fleet managers are now able to choose from more types of fuel than ever before. *Simon Harris* analyses the seven most common options available

Buyers have more choices of fuel and powertrains than at any time since the car was invented.

The drive toward lower emissions has seen the emergence of electrified powertrains as well as technology to clean up emissions from internal combustion engines.

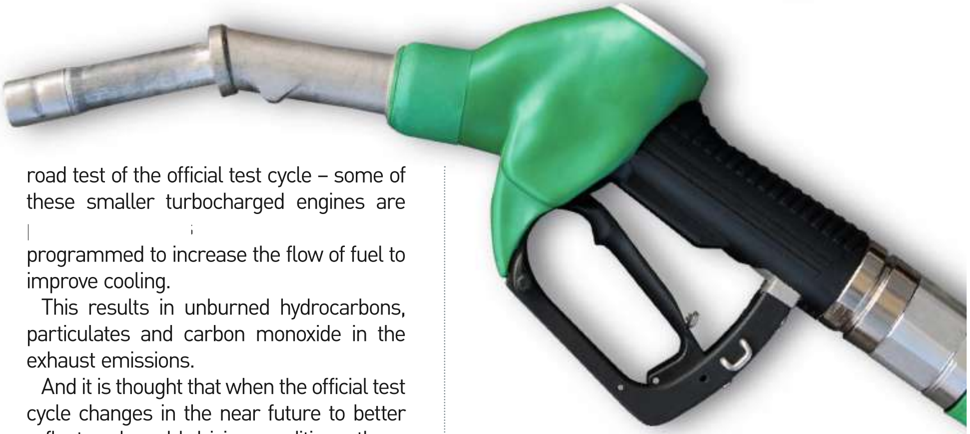
Drivers and fleet operators are now questioning what had been conventional thinking for low running costs and minimising tax liability. Diesel still dominates on fleets, but in many cases plug-in powertrains, hybrids and petrol could be more favourable.

But it seems we don't have a repeat of the video format war of the 1980s where VHS saw off rivals – instead there should be room for most, if not all, types of drive.

Each one has its own strengths and weaknesses based on performance, and has characteristics making it more suitable for certain roles over others.

We outline some of the options available for fleet operators and highlight how they could benefit businesses and drivers, and how they could result in problems.

PETROL



Petrol became less popular among fleet buyers after 2002 when CO_2 emissions were first used to set the level of benefit-in-kind (BIK) tax paid on company cars. Many fleets that weren't already operating a diesel-only policy switched to diesel, while others saw diesel as the preferred choice for their drivers.

But in recent years we have witnessed a resurgence in petrol engines technology as they have cleaned up their act with smaller capacity, fewer cylinders and the addition of turbochargers.

Although higher in CO_2 emissions than equivalent sized diesel engines, manufacturers have been able to narrow the gap between petrol and diesel through these techniques.

Some lower medium cars equipped with petrol engines now offer CO_2 emissions below 100g/km.

But recent reports have emerged that in real-world driving – away from the rolling-road test of the official test cycle – some of these smaller turbocharged engines are

programmed to increase the flow of fuel to improve cooling.

This results in unburned hydrocarbons, particulates and carbon monoxide in the exhaust emissions.

And it is thought that when the official test cycle changes in the near future to better reflect real-world driving conditions, these will perform poorly.

Work is already underway to solve the problem, and it's likely we'll see engines grow in capacity over the coming years.

Not all car manufacturers have adopted the smaller turbocharged philosophy for petrol engines, with Mazda, for example, offering normally aspirated 1.5-litre and 2.0-litre engines across its current range, and using alternative techniques to reduce emissions.

"We have witnessed a resurgence in petrol engines technology as they have cleaned up their act"

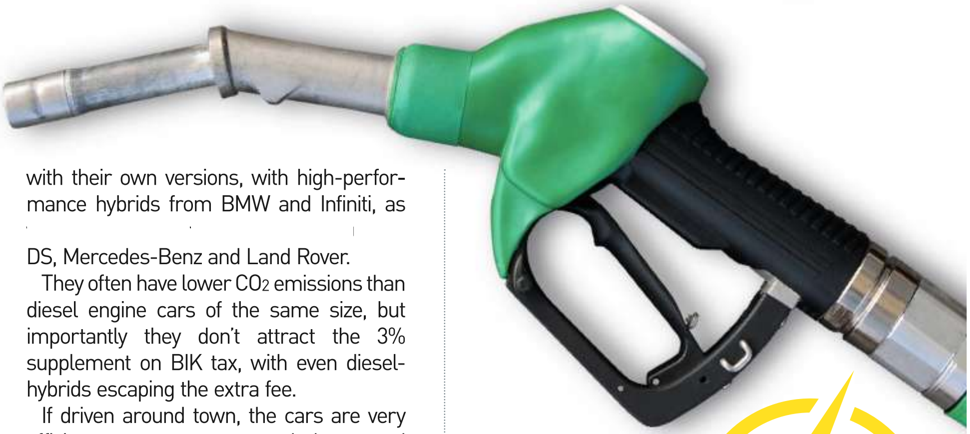
STRENGTHS

- Widely available
- Usually more suitable than diesel for smaller cars
- Good for low-mileage drivers and urban driving

WEAKNESSES

- Worse fuel economy than diesel
- Higher CO_2 emissions than diesel

HYBRID



Petrol-electric hybrids have gained a foothold in Europe, including the UK, partly through Toyota's persistence in trying to make them mainstream.

Popular in North America, where the diesel share of the car market is tiny, hybrid has taken more time in Europe to become established.

The first Toyota Prius was launched in the UK in 2000, along with the Honda Insight hybrid.

Both technologies were slightly different. The Toyota was a 'full hybrid', which could drive on electric power alone, while the Insight was a 'mild hybrid', with the electric motor merely assisting the engine when accelerating to save fuel.

As the market has evolved, 'full hybrids' have become the norm, with few manufacturers offering 'mild hybrid' technology.

Toyota and Lexus remain the leading hybrid brands with a wide choice of models, including compact hatchbacks, estates, large saloons and SUVs.

Other manufacturers came to market with their own versions, with high-performance hybrids from BMW and Infiniti, as

DS, Mercedes-Benz and Land Rover.

They often have lower CO_2 emissions than diesel engine cars of the same size, but importantly they don't attract the 3% supplement on BIK tax, with even diesel-hybrids escaping the extra fee.

If driven around town, the cars are very efficient, as stop-start and low-speed driving conditions create the perfect environment to optimise the powertrain.

Much of the time the car will drive on electric power only, with frequent braking and stops recapturing energy to keep the battery charged up.

However, if hybrids are used mainly on motorway journeys, the fuel consumption is adrift of that achieved in the test cycle, as the engine charges the battery to maximum capacity with electricity that is hardly used until the car has returned to urban roads.

"Stop-start and low-speed driving conditions create the perfect environment to optimise the powertrain"

STRENGTHS

- Zero tailpipe emissions at low speed and for short distances
- Works very efficiently in urban environments

WEAKNESSES

- Motorway fuel economy falls below expectations
- Heavier than an equivalent petrol car

DIESEL

Diesel engines have dominated fleet cars for around two decades because of the improved fuel consumption they offer over petrol engines. But the real drive toward diesel was prompted by a taxation change in 2002, when BIK tax on company cars switched to CO_2 emissions instead of business mileage.

It meant drivers could reduce their BIK tax liability by switching to diesel, and most have never looked back.

But although diesel emissions are lower in CO_2 than petrol engines, they are higher in particulates and oxides of nitrogen (NOx) emissions, which are known to have an impact on local air quality and exacerbate breathing problems. To comply with European emissions rules for cars, manufacturers have had to introduce technology to remove these harmful emissions from the exhaust, one of which is the use of AdBlue or diesel exhaust fluid, which is stored in a tank and needs refilling throughout the car's life.

In 2015, Volkswagen became involved in a high-profile scandal where hidden software ensured the engines performed better for the official tests than in real-world driving.

Although Volkswagen Group has taken action to ensure cars no longer cheat the emissions test, and despite no firm evidence of other manufacturers taking similar steps on their vehicles, it has turned the spotlight on diesel emissions and raised awareness of gases other than CO_2.

The scandal could have influenced the UK Government to delay the lifting of the 3% supplement on BIK tax for diesel cars, which was scheduled to come in from April 2016, but was cancelled in the Autumn Statement of 2015.

Some local authorities, especially those in London, have been considering penalising drivers of diesel cars with more punitive parking charges on the premise of improving local air quality, while the Mayor of London is set to impose an additional fee on top of the congestion charge on older vehicles, affecting both petrol and diesel cars.

"Although diesel emissions are lower in CO_2 than petrol engines, they are higher in particulates"

STRENGTHS

- Widely available; more fuel-efficient than petrol engines
- Ideally suited to high-mileage motorway routes

WEAKNESSES

- Higher maintenance than petrol
- Becoming increasingly dependent on AdBlue or 'diesel exhaust fluid' to clean up exhaust emissions
- NOx gas emissions higher than most petrol engines

PLUG-IN HYBRID

Car manufacturer research into customer habits tells us that most people have relatively short daily journeys by car.

And most of these could be achieved in the EV range of a plug-in hybrid. These vehicles take the hybrid format a step further, with a larger battery to cover greater distances in electric mode, and reaching higher speed.

Typically, plug-in hybrids' EV running can vary from 15-35 miles, dependent on battery capacity and road conditions. Most will find that in mixed driving conditions, a car with a potential EV range of around 30 miles, would deliver around 20 miles before the engine is required to takeover.

For people mainly making short trips, with charging facilities at their destinations, these cars are perfect. The engine is rarely required and drivers will see mpg figures in the same 100-plus range as advertised in the official figures.

Although plug-in hybrids have been on the market for several years, ranging from the Prius Plug-in to the Porsche Panamera, the model that saw them adopted in volume was the Mitsubishi Outlander PHEV, introduced in 2014, which managed to combine practicality with an attractive price point.

But arguably they have also been introduced as a necessity by car manufacturers to ensure they achieve the average range CO_2 benchmarks set by the European Union. Failure to do so results in hefty fines.

And drivers can choose plug-in hybrids to reduce their BIK tax liability compared with alternatives, even though most of their driving might be on the motorway.

This puts good fuel economy at risk, as drivers could be reluctant to stop and plug in the car to recharge, relying on the engine and shorter refuelling stops to keep them going.

"Drivers can choose plug-in hybrids to reduce their BIK tax liability compared with alternatives"

STRENGTHS

- Zero emissions running for longer periods and at higher speeds
- Potentially much cheaper to run than internal combustion engine
- No 'range anxiety'
- BIK tax savings

WEAKNESSES

- Must be charged frequently to realise savings on fuel
- Seen as a BIK tax loophole

BATTERY EV

The first modern battery electric cars were introduced in 2010, with the Nissan Leaf following in 2011 and establishing itself as a best seller. Volume is still low, with annual EV registrations typically in four figures, but battery chemistry has evolved, allowing manufacturers to offer a range that fits in with the requirements of a greater number of drivers.

A potential 250-mile range version of the Renault Zoe was introduced this year, while other European markets will see a new compact Opel electric car with 300-mile potential, and a realistic range in excess of 180 miles.

At the top-end of the EV spectrum, Tesla has been producing high-performance cars in low-volume, which can comfortably cover 200 miles or more on a single charge, and it's likely that established car manufacturers will be able to compete in the next few years.

Range-extended EVs have also given drivers something of a safety blanket on longer journeys, with the BMW i3 available with a motorcycle engine that can recharge the battery on the move and double the car's maximum travelling distance.

Pure battery EVs should have lower SMR costs than other fuels because there are fewer moving parts susceptible to wear and tear, while the cost per mile of electricity is also lower than petrol or diesel.

The charging infrastructure for plug-in cars also continues to improve, although seeing out-of-order charge points is still too common a sight.

STRENGTHS

- **Range and charging network improving, making EV more attractive**
- **Lower maintenance and fuel costs than ICE cars**
- **Responsive acceleration**

WEAKNESSES

- **Range still short of a petrol car**
- **Charging takes longer than refuelling**
- **Range varies greatly dependent on electric systems used and ambient temperature**
- **UK electricity largely relies on burning fossil fuels**

HYDROGEN FUEL CELL

Potentially the 'greenest' way to drive at some point in the future, but hydrogen fuel cells are not quite there yet.

The technology works, but given it's still in its infancy the cars are expensive to buy, plus the infrastructure is currently lacking.

For now it's only really feasible for organisations within a short drive of one of the few refuelling stations and production of this hydrogen is from methane gas. However, greener methods of production, including electrolysis from water, could be feasible when there is a greater take-up of fuel cell cars.

Its cost as a fuel is similar to petrol and diesel, and a full tank in a car would power it for 300-plus miles, with refuelling taking a few minutes.

By the end of 2017, three car manufacturers will offer hydrogen models in the UK – Hyundai, Toyota and Honda – with other manufacturers working in partnership to accelerate development of the technology while reducing cost.

The Europe-wide HyFive project is also attempting to assist in establishing hydrogen vehicles and the refuelling network, although in the UK there are currently nine open or expected to be open soon.

STRENGTHS

- **Electric car performance with range similar to petrol car**
- **Refuelling takes minutes rather than hours**
- **Has the potential to be 'greener' than other fuels**

WEAKNESSES

- **Few hydrogen fuel cell vehicles available**
- **Sparse refuelling network**
- **Vehicles currently expensive**
- **Current hydrogen production is a by-product of methane production.**

LPG

Around 20 years ago, LPG-converted petrol cars had a definite niche in the market, and by the early years of the 21st century, a number of manufacturers, including Volvo, Ford, Vauxhall and MG Rover, offered 'off the shelf' LPG-converted cars in the UK.

At the time, there was Government money available off the cost of conversion, which brought forward the impact of the savings in fuel costs.

But after Government grants dried up, manufacturers stopped offering LPG cars in the UK.

While it is still possible to buy LPG-converted petrol cars, without any official manufacturer conversions, there is no CO_2 figure recorded on the test cycle for gas, which means although LPG offers lower emissions, there would be no advantage in BIK tax.

STRENGTHS

- **Performs like a petrol car**
- **Dual-fuel set-up means vehicle can also run on petrol**
- **Network of around 1,400 LPG refuelling points**
- **Lower CO_2 emissions than petrol**
- **Pump price around 60% of the cost of unleaded**

WEAKNESSES

- **No financial incentives to pay for LPG conversion**
- **Only slightly 'greener' than petrol**
- **Vehicles prohibited from using the Channel Tunnel**

FLEETS INFORMED

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The *Fleet News* Fleets Informed programme is designed to deliver comprehensive advice and knowledge to fleet decision-makers. Here is an introduction to the four 2017 Fleets Informed partners and their topics

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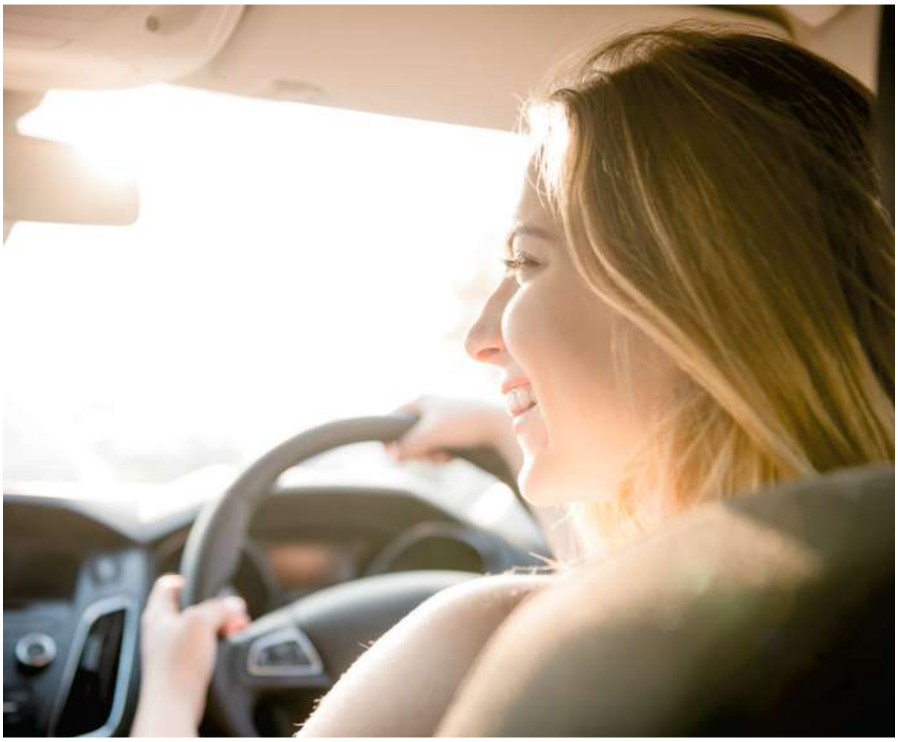
RISK MANAGEMENT

One size does not fit all on training

More than quarter of a century of experience enables DriveTech to provide solutions to lower risk and enhance driver safety



Driving for work involves significant risk. This was confirmed by the Department for Transport's recent British Road Safety Statement, which said "around a third of road traffic collisions involve a person at work".

Employees are in danger and employers need to act.

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

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

For employers, the challenges are managing:

- **Fleet running costs** – minimising damage to vehicles to avoid hikes in insurance premiums, uninsured and other on-costs.
- **Safety of employees** – reducing impacts on driver, either physical or psychological.
- **Compliance** – ensuring duty of care and minimising company exposure under both health and safety and corporate manslaughter legislations.
- **Brand reputation** – maintaining the reputation and brand.

Driver risk management programmes can ensure that you're both minimising risk and driving a better business. That's the essence of what DriveTech does.

DriveTech has more than 25 years' experience in delivering driver education to many organisations to help reduce their occupational road risk.

The days of managing risk by delivering the same driver training to every driver – the 'sheep dip' approach – are long gone. Organisations now rightly expect that the money they invest in driver training not only means safer drivers and duty of care compliance, but that it also delivers significant financial cost savings.

"We believe gathering data about your driver, you might call this a 'driving DNA profile' is the best approach"

At DriveTech, experience tells us that one size does not fit all. We're in the business of challenging driver's core beliefs and changing hearts and minds. We call this driver ABC – attitude, behaviour and competence – and each driver is different!

So, how do you tailor a course to the needs of the driver? We believe gathering data about your driver, you might call this a 'driving DNA profile', is the best approach.

Clearly, online assessment results, points on a licence and collision statistics can all play a part in building up an individual profile. In addition, the use of in-car telematics delivering real-time data on speeding, acceleration and braking profiles can also help piece together the jigsaw.

In-car cameras – both forward and rear-facing – can bring new insights.

Driver biometrics, an emerging technology that identifies stress events while driving, will also play its part in the future.

Building this information at an individual driver level, and then aggregating this data to give an overall view of an entire business driving community, is very powerful and delivers real insight.

Here at DriveTech, we provide the knowledge, experience and solutions to lower risk and enhance driver safety. We do this by helping you to collect, analyse and act on the data available, ensuring driver training works for you, your drivers and your bottom line.

For more information call 01256 495732, email tellmemore@drivetech.co.uk or visit drivetech.co.uk

DriveTech
Part of the AA

An authority in telematics marketplace

ALD Automotive's proven specialism in telematics can provide many benefits for new and existing fleet users

By Rhys Harrhy, Telematics Product Manager , ALD Automotive UK

With more than 10 years' experience in providing telematics as part of its standard product offer ALD Automotive is in a unique position in the UK leasing market.

We have a proven and long-standing track record in helping businesses deploy and develop telemetry solutions on a day-to-day basis, helping them to cut costs and manage their fleet operation efficiently and in line with latest regulations.

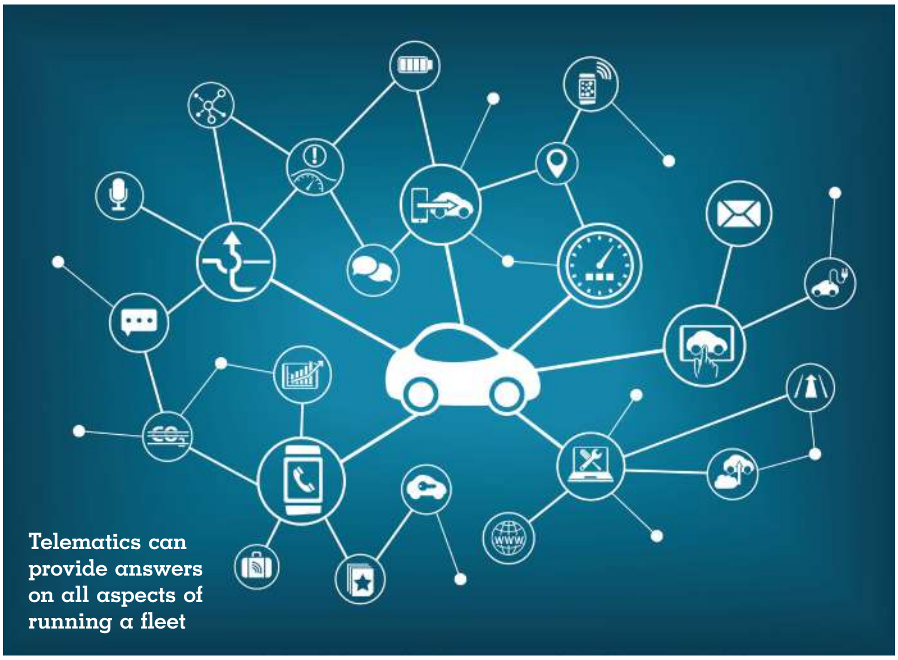
It's this specialism that has enabled us to stand out in the marketplace, offering a flexible and consultative approach and providing more holistic, best practice fleet management advice.

In speaking with customers, we're regularly called upon to share our experience on whether businesses require a telematics solution to demonstrate their duty of care, or whether they may be inadvertently exposing themselves more by failing to act on any risks highlighted by telematics data, resulting in a fatality or serious accident. Such questions are, naturally, key concerns.

Based on the independent legal advice we've received, our view has always been that telematics deployment can only help to demonstrate a company's duty of care to its drivers and the risks of ignoring its benefits far outweigh such potential concerns.

In reality, a 'hear no evil, see no evil' policy would not necessarily reduce liability and may even result in the courts treating a customer more harshly. A fleet not using telematics might expect enforcement action to be taken against it more readily in the event of an incident, unless they have another effective means of providing information on their fleet, measured against a fleet which does.

Compared with 10 years ago, today's solutions are much cheaper and easier to install and far less intrusive for drivers, key reasons which the Health & Safety Executive may factor in when reviewing a company's fleet operations and any omissions that may have taken place.



Telematics can provide answers on all aspects of running a fleet

"This powerful technology, therefore, now gives fleets the flexibility, control and insight they need to achieve their goals"

Another issue we regularly hear of is the challenge of managing multiple systems, which has been driven by the rapid advances made in the telematics market in the last decade and the proliferation of different systems available.

Finding a system that enables fleets to compare and interpret different data streams simply and correctly is the goal for many fleets but, thankfully, that challenge has now been addressed in the latest version of ProFleet.

After more than 10 years in the making, ProFleet now offers fleets a single, intuitive online portal through which they can manage multiple telematics and journey data streams, with a single customisable dashboard to display aggregated data from various suppliers and devices.

This powerful technology, therefore, now gives fleets the flexibility, control and insight they need to achieve their goals, connecting them and their drivers through any device, anytime, anywhere in the world. The future of fleet management is in their hands today.

These are just some of the factors that businesses exploring the merits of telematics need to consider. Such issues also provide an example of why operators should make sure they choose the right telematics partner who can look at all aspects of the technology and its wider picture in the fleet marketplace to ensure fleets make the right decision for their business.

FLEETS INFORMED
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COMPLIANCE

Making right calls needs the right software

New 'My Vehicle App' will provide drivers with more than just 'flat' information and will be a fleet game-changer says Jaama

The progression of fleet management is exceptionally fast-moving and businesses need industry-leading software to keep pace with this progress.

Jaama's programme of continuous investment in its Key2 product range ensures its customers are always at the cutting-edge when it comes to technology and innovative solutions.

Jaama's multi-award-winning Key2 software provides fleets with a comprehensive solution covering all aspects of handling vehicles, driver management and journey management, both from an operational and a compliance perspective.

Today's fleet decision-makers seek smart "self-service" solutions focusing on intelligent process-driven functionality that reduces the requirement for regular manual intervention from the fleet team.

Just launched is Jaama's 'My Vehicle App', which is a genuine fleet game-changer delivering significant benefits to both drivers and fleet managers.

Unlike other apps, 'My Vehicle App' provides drivers with more than just 'flat' information.

The 'My Vehicle App' interactive functionality enables drivers to:

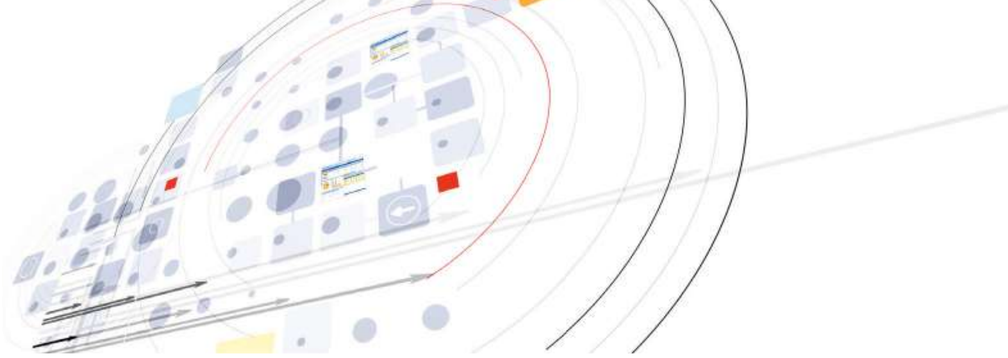
- Update odometer readings
- Undertake daily vehicle checks prior to any journey and flag any defects requiring rectification
- Record essential accident details along with related photographs at the scene.

Crucially, information uploaded by drivers via the app automatically populates the associated records held within Key2. The incoming information then automatically triggers in-house rule sets and notifications such as defect rectification action required, accident alerts and service realignments if the vehicle's mileage profile has changed.

'My Vehicle App' was designed following extensive customer, technological and usability research.

Jaama managing director Martin Evans said: "Auto triggering of processes streamlines operations, saves time, increases efficiency and will reduce costs because fleet managers will receive real-time data. 'My Vehicle App' also improves audit trail accuracy to help meet duty of care regulations."

"Auto triggering of processes streamlines operations, saves time, increases efficiency and will reduce costs"



Promoting best practice

Jaama is committed to promoting best practice and ensuring Key2 delivers the functionality to enable users to meet industry best practice operating standards.

Jaama is heavily involved in the fleet industry and includes the association with the following organisations:

- An associate member of the Fleet Operator Recognition Scheme (FORS)
- A partner to the Freight Transport Association (FTA) Van Excellence programme designed to raise standards and improve the image of the UK's ever growing van sector
- An ICFM sponsor and with managing director Martin Evans a board member
- An active member of the Association for Driving Licence Verification.

Fleet decision-makers collectively managing more than 800,000 vehicles are currently using Key2 with many of them actively adhering to FORS, ICFM and Van Excellence standards.

Key2 delivers key intelligence data

There is an abundance of data available for fleet managers to access. However it is essential that systems are in place to only collect the worthwhile data and, most importantly, systems should have the capability of manipulating the data to provide meaningful management information.

It is also critical that systems have inbuilt rule sets that recognise issues and exceptions surrounding non-compliance and automatically notify the nominated managers for immediate intervention.

- Key2 actively manages, monitors and analyses data, with automated tolerance checks and notifications being carried out by the system. Exception reporting reduces fleets cost through automated notification of issues that need immediate action.
- Key2 delivers integrated personalised graphical charts to ensure that key performance indicators relevant to individual users can be viewed at a glance.

Evans said: "Jaama continues to invest in Key2 and associated technologies such as 'My Vehicle App' to give decision-makers the information they want, in the format they want and when they want it, to enable informed strategic decisions to be made."

For further information visit www.jaama.com, email enquiries@jaama.co.uk or call 0844 8484 333

jaama
fleet, leasing and hire software innovators

FUNDING

Factors that make funding more complicated

Changes in legislation and planned incentives mean fleets should be consulting their leasing company to plan the best way forward

The funding landscape is changing. The decision by the UK to leave the EU, along with some key legislation changes announced in recent years, mean choosing the cheapest option for funding fleets is no longer as simple as picking the cars with the lowest CO_2 emissions.

We are still trying to predict what Brexit will mean for our industry. Prime Minister Theresa May recently announced the proposed strategy includes plans to leave the single market. This has cast further uncertainty around what this will mean for UK trading.

Today fleets are acting as both a valuable business tool and an integral part of a company's total reward package. This dynamic set-up needs careful management of costs so it is integral that fleets understand the impacts on funding costs.

Although we don't know for certain, we can anticipate seeing factors relating to: manufacturer price stability, cost and availability of funding, taxation and legislation changes, and accounting treatment changes over the next few years.

Cars form an integral part of a company's reward package

"Fleets need to make sure that policy and fleet choice decisions are reviewed regularly with leasing providers to ensure funding costs are appropriately controlled"

What immediate changes can we expect to see to the funding landscape?

The Government is utilising policy to further its green agenda as demonstrated by the decision in the Autumn Statement 2016 to exempt ultra-low emission vehicles (ULEVs) from the changes to salary sacrifice schemes.

Incorporating ULEVs on-fleet is further incentivised by the changes to company car tax coming in from 2020. We are seeing fleets struggle to understand the best way to position ULEVs within policies in order to realise the cost benefits.

With this in mind, now is a good time to sit down with your leasing company to take a look at the different options to ensure you are ready when the incentives are in place.

With some manufacturers already positioning themselves for the trade impacts of Brexit, we are also seeing some instability in vehicle pricing.

We advise customers to regularly review their fleet manufacturer make-up to maximise opportunities to enhance support terms and avoid future price increases.

There are also a number of legislation changes arriving over the next few years, starting with VED rates in April 2017. Some cars will see greater VED increases than others, among them lower CO_2 emitting cars and those with a list price in excess of £40,000 (who will pay a supplement of £310 on the standard rate). Typical impacts are £10 per month and £20-£25 for cars priced at over £40,000. Therefore it is important to understand the costs of cars on policy whereby they may tip over the £40,000 bracket.

What are the long-term funding implications?

Over the next couple of years, further funding considerations will be centred around changes to the capital allowances regime, as the cap is lowered from 130 g/km to 110 g/km for standard rate writing down allowances.

In addition, we await the announcement, due to be published in the spring Budget, on how taxation will be aligned to lease accounting standards that will see contract hire brought onto balance sheets from January 2019.

As you can see, most of the factors touched on will impact all funding options.

With so many variables in the UK economic environment at present, fleets need to make sure that policy and vehicle choice decisions are reviewed regularly with leasing providers to ensure funding costs are appropriately controlled. We know that no two fleets are the same and through this Fleets Informed programme we hope to help you find the best solution for yours.

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

Zenith
Intelligent Vehicle Solutions

FleetNews AWARDS 2016

Sponsored by ŠKODA

80%

amount of SMR work handled by the BT Fleet network of 64 outlets

700

technicians who can work on multiple vehicle types

BT FLEET

'We always have to demonstrate how we add value'

Four out of five drivers are positive about BT Fleet's service but new MD Henry Brace is not going to get complacent

By Stephen Briers

Henry Brace has only been in the top job at BT Fleet for a year, but he is already introducing a new focus to the business.

While his predecessor Dave Bowen was targeting growth among large corporates and SMEs, Brace is concentrating on winning business with mission-critical fleets where bespoke services, compliance, health and safety and the environment are important. And while Bowen shied away from pushing a new funding product, Brace believes it is a fundamental part of the company portfolio.

A wave of new contracts, including Environment Agency, Ministry of Defence and an expanded deal with G4S, has taken the number of vehicles managed by BT Fleet to 120,000, of which 33,000 are BT Group. Those external contracts are with just 27 customers.

A recent survey with customers saw 81% of drivers give the company positive feedback, yet Brace guards against complacency.

"We found that customers like the service but those who felt we should be better pointed to service. So we have a consistency issue," he says.

The winning BT Fleet team led by then boss Dave Bowen (front, centre) celebrate on awards night

Fleet News: How can you ensure the standards offered by your garage network are the same at all 64 outlets?

Henry Brace: We are investing £1 million in training and we are introducing more dedicated receptionists. We are also improving our communications through Flint [a paperless system for real-time data]. And we are working on an upgrade programme to improve the experience for customers and our employees. The majority of our interactions take place at our garages which is very different to most companies. It's an opportunity, but also a burden if we don't get it right.

FN How much of your SMR work goes through your own network and what services are you looking to add?

HB: A year ago it was around 70%; now it's 80%. This is due to extended opening – we have seven sites at 24/5 and 12 sites opening until 11pm or midnight – and increasing the number of technicians.

We are also looking to increase the size of the network to 69 garages and expand our mobile servicing offer to give full geographic spread. (BT Fleet recently acquired SEV – see page 8). We have 700 technicians who can work on anything from cars to LCVs to HGVs to plant. We also brought in 47 apprentices last year and are recruiting another 45 this.

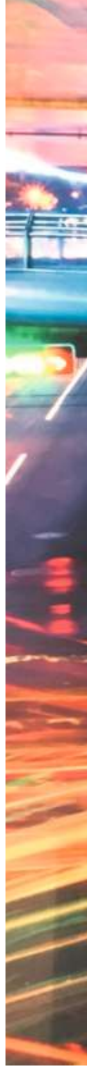
We are also expanding our capabilities. Most garages have Class 4 and 7; we want to put in Class 5. We have increased the number of ATFs [authorised testing facilities] to seven and we are increasing our diagnostics capability. We can offer not only real-time data to our customers but insight from the data as well.

FN: Where do you see the big opportunities for growth?

HB: We are strong in utilities and cash in transit, and we see opportunities in logistics, public sector and construction. We are looking at fleets with 100 vehicles or more that are mission critical so we can offer a bespoke, individual service. It's not about sheep dipping; it's about

"BT is a demanding customer but also a real asset for us. It aligns us with the big challenges"

Henry Brace, BT Fleet



Henry Brace (left) and head of operations Mark Ashpole display the *Fleet News* Award for best customer service and two *Commercial Fleet* Awards (supplier of the year and fleet management company of the year)

meeting their needs, so we give them dedicated account managers with our customer-centric hubs.

FN: At one time, BT Fleet was keen to offer a funding product, but then it dropped down the agenda. Where does it sit on your agenda?

HB: Funding is a massive priority. All our customers take SMR and the majority also take fleet management. Around one-third take accident management and a few take risk management and rental. But we're seeing more fleets go for leasing and we have to make sure we are not excluded from those discussions. We have a funding panel and also a major partner [Lex Autolease] and we are looking to grow in this area. For us, it isn't really about the funding, it's about ensuring we have access to mission-critical fleets for our fleet management and SMR services.

FN: What changes have you made to the BT Fleet strategy since being appointing MD?

HB: There were three pillars to our strategy: network, our operator status with BT Group and technology. Now we have added a fourth: connected infrastructure. We will leverage our assets both fixed and mobile and that's where we are pushing our strategy. With the acquisition of EE, we are pushing into mobile data and solutions. This will be transformational for us especially with the roll-out of smart metering. We can use the data to predict when people will be in, which is the biggest cost of failure for delivery of services. This will be gold dust for our customers and shows how our proposition is increasing outside of traditional fleet.

FN: As part of BT Group you have unrivalled access to the latest technology. How are you using this?

HB: Through Flint we have a mechanism for capturing customer supply data, through telematics we know how the vehicle is being driven and through BT Group we understand the mobile environment which gives us a rich data set. We can share best practice on the management of vehicles, replacement cycles, maintenance schedules and driver behaviour. We are starting a programme to make insightful recommendations that improves the experience for our customers and enables them to make better decisions on their fleet.

Telematics isn't integrated well enough into SMR and fleet management software. We can do that. It's about preventative maintenance and off-road times. If we get it right, we should know exactly when to replace every item dependent on vehicle type, usage and mileage. We do it now on an ad hoc basis with people within the team; we want it to be at the press of a button. Within the next 12-18 months, it will come to maturity.

We are also launching a mobile app for daily defect checks that will link to our call system so we can create the job on the day the defect is identified. Our next app will be for accident management, roadside reporting of an incident. We want to make accident management something we can sell independently, not just as a bolt-on to SMR or fleet management.

Offering bespoke services to mission-critical fleets is not without its challenges, particularly with the growing involvement of chief procurement officers.

Brace explains: "We always have to demonstrate how we add value and why it's not a commoditised proposition. We show that through putting the focus on total cost of ownership; for example, reducing downtime and schedule times increase van availability which is worth a lot more than a few pounds on the labour rate."

It's an argument that BT Fleet is winning with both external customers and its biggest customer BT Group.

"BT is a demanding customer but also a real asset for us," Brace says. "It wants more responsiveness, less cost, more technology, better customer service and greater efficiency. There is a big drive on health and safety and environmental factors. It's just the same as other customers; BT aligns us with the big challenges of the industry."

FACTFILE

Organisation BT Fleet
MD Henry Brace
Time in role 11 months
Managed fleet 120,000 vehicles (including 33,00 BT Group)
Number of external customers 27
Key services Fleet management, SMR, accident management, risk management, rental, funding

Judges' comments

"BT Fleet has overhauled its customer service with the creation of customer hubs made up of multi-skilled staff, a new management structure for its garage network and significant investment in technology and staff training.
As a result, customer satisfaction scores have reached record levels.
The judges praised BT Fleet's detailed case studies, illustrating how it has gone the extra mile for its customers, with proven cost savings."

1.0 VTEC TURBO SE

HONDA CIVIC

It might be the 10th incarnation of this firm favourite but with so many improvements and changes the latest Civic feels like a total newcomer

NEED TO KNOW

- Excellent refinement and handling
- Frugal three-cylinder engine has character
- Diesel version coming later this year

£18,335
on the road cost of entry-level 129PS in SE grade

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

By Matt de Prez

Honda has chewed up and spat out the rule book with the new 10th generation Civic which replaces both the old model and fills the gap left by the discontinued Accord.

The old Civic's modern-looking exterior did not accurately reflect what lay beneath – yet it had many fans. It was not the first word in dynamism, had a messy interior and archaic rear suspension.

This time around Honda's non-conformist approach to styling has again been applied, but in a longer and sleeker body which looks more mature. In standard trim it's far sportier than before but still a bit bonkers. With huge fake air intakes on the rear bumper and a centre-exit exhaust, it certainly stands out.

Inside the Civic is far more civilised. It has a modern, clean dash with a simple layout. Build quality is good too and all models get a seven-inch touchscreen infotainment system and a digital instrument cluster.

The torque-less old VTEC petrol engines have been consigned to the history books, making way for efficient new turbocharged units. At launch, a three-cylinder 1.0-litre with 129PS and a four-cylinder 1.5-litre with 182PS are available. Later in the year a re-worked version of the 1.6-litre DTEC from the previous model will join the line-up with improved efficiency and 120PS.

The 1.0-litre triple is a real delight with plenty of useable power and a hearty thrum when worked hard. The more powerful engine is unlikely to gain much fleet appeal due to its higher emissions but offers strong performance with a 0-60mph time of 8.2 seconds.

The most efficient Civic for fleets is the £18,335 (OTR) entry-level 129PS in SE grade which has CO_2 emissions of 110g/km. Company car drivers should expect to pay around £58 per month (20% taxpayer) in tax for this model. Civics with an automatic transmission have slightly lower emissions (106g/km for the 1.0 SE) but, owing to their higher list price (£19,635), company car tax will be slightly more expensive.

Until the Type-R is launched, the range tops out at £27,480 for the 182PS Prestige with an automatic (CVT) transmission. But with CO_2 emissions of 139g/km it is unlikely to make it onto restricted company car choice lists.

Shifting through the six-speed manual gearbox is effortless and will appeal to keen drivers. The CVT, on the other hand, is less impressive. In fairness to Honda it's certainly one of the better CVT boxes out there with seven 'simulated' gears rather than one constant ear-bashing stay at 6,500rpm, but it's too sluggish to pull away and dampens the engine performance.

For the traditional Honda driver the CVT will appeal as

Huge fake air intakes adorn the rear bumper

Now with a modern, clean dashboard and a simple layout

> "Honda has been able to extend rear legroom by 95mm and the car will comfortably carry five adults"

it offers a smooth and relaxing drive and slightly better economy, but we'd recommend opting for the manual. Honda expects around 60% of buyers to do the same.

Official consumption for the 1.0-litre petrol is 58.9mpg or 60.1 for the automatic. Both models lose around 3mpg in higher trim levels due to the larger wheels.

In comparison an £18,280 five-door Volkswagen Golf 1.0 TSI S also achieves 58.9mpg but has a 19PS deficit and lower specification.

Equipment grades for the new Civic range from SE through SR and EX – or Sport, Sport Plus and Premium with the larger engine. Only SEs benefit from the lowest CO_2 emissions as they are fitted with 16-inch wheels.

The full suite of Honda Sensing safety kit is fitted to all models and includes autonomous braking with adaptive cruise control, blind spot assist, lane-keep assist and traffic sign recognition. A reversing camera with cross-traffic alert comes on higher spec models.

The body is stiffer – 52% over the outgoing model – 16kg lighter and with independent suspension all-round.

The changes are immediately apparent on the road. The Civic offers a strong balance between ride comfort and handling. There is little body roll and excellent grip.

A new steering rack further enhances the drive. It has variable gearing which tightens up the more you turn. It means the car never feels fidgety on the motorway but requires little effort to tackle tight corners.

By lengthening the body Honda has been able to extend rear legroom by 95mm and the car will comfortably carry five adults. The raked roofline does encroach on rear headroom slightly but overall the cabin is comfortable. The boot is a generous 478 litres (around 100 litres larger than most rivals).

Overall the Civic is an impressive package. Even without a diesel its running costs are competitive, and combined with Honda's legendary reliability the new Civic is a strong fleet contender against the Volkswagen Golf and Ford Focus.

COSTS

P11D price	£18,280
BIK tax band (2016/17)	19%
Annual BIK tax (20%)	£695
Class 1A NIC	£479
Annual VED	£0 then £20
RV (4yr/80K)	£4,975
Fuel cost (ppm)	9.05
AFR (ppm)	11
Running cost (4yr/80K)	29.09ppm

SPEC

Power (PS)/torque (Nm)	129/200
CO_2 emissions (g/km)	110
Top speed (mph)	126
0-62mph (sec)	10.8
Fuel efficiency (mpg)	58.9

KEY RIVAL

Ford Focus 1.0 125 Ecoboost Zetec	
P11D price:	£19,540
BIK tax band (2016/17)	18%
Annual BIK tax (20%)	£703
Class 1A NIC	£485
Annual VED	£0 then £20
RV (4yr/80k)	£4,425
Fuel cost (ppm)	8.86
AFR (ppm)	11
Running cost (4yr/80k)	31.11ppm

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

THINKING CAP

By Martin Ward, manufacturer relationships manager

cap hpi

Monday Harman employees from many spots around the globe visited our office today. Harman's name may be unfamiliar, but it supplies in-car equipment such as sat-nav, connectivity, entertainment and more. Its products sit behind the dash in many cases. You never see them.

It looks to the future, and this includes in-car eCommerce, cars to monitor the health of drivers and passengers and, of course, the fact autonomous is set to grow.

Harman employs around 30,000 people around the world and is set to become part of the Samsung family. A very interesting and informative couple of hours. Though some may find the future fascinating, others may be wary of how much information a car's system will hold – on you.

> "Others may be wary of how much information a car's system will hold"

Wednesday Visited Peterborough for the *Fleet News* Awards judging day – and a long one it was too. Decisions were made, winners chosen, and it was very difficult most of the time with so much choice, such great cars. All will be revealed on March 15.

Thursday To the PSA Plant at Sochaux. I had never heard of it, but it has been there since 1912, when trucks were made by the Peugeot family who, even before World War I, were already a significant industrial force.

This factory employs around 12,000 people and produces more than 300,000 cars per year including Peugeots and some DS models. In December 2010 the plant produced its 20 millionth car.

Sunday To Barcelona to drive the MK10 Honda Civic, which is longer, lower, sleeker and more sporty than the MK9. It looks so much better, but the rear light cluster is still an area of debate. The interior looks and feels more premium and is very quiet. The 1.0-litre unit is a sweet little engine.

300H

LEXUS IS

Keen pricing and low BIK payments make hybrid well worth considering

Revised front end isn't a marked improvement

NEED TO KNOW

- CO_2 emissions reduced to 97g/km
- Luxury cabin and high specification
- Cheaper than other premium hybrids

By Matt de Prez

The facelifted Lexus IS may be hard to differentiate from its predecessor but the manufacturer has made a number of small changes to its best-selling model and is hoping a competitive list price and low emission powertrain will help it steal sales from the executive saloon elite.

The hybrid powertrain in the IS 300h emits 97g/km of CO_2; not the best on the market by far. But factor in its £29,995 list price and the IS 300h SE model offers class-leading BIK (benefit-in-kind) tax of £80 per month (20%) – rising to £115 in three years.

The hybrid will account for 90% of all IS sales in the UK, with 57% going to fleet customers.

Drivers won't be disappointed because the IS 300h is equipped with a 2.5-litre petrol engine and powerful electric motor; developing a combined 220PS and 221Nm.

Lexus claims that the IS 300h can achieve 67.3mpg, but we expect real-world figures to be closer to 50mpg.

Nonetheless, while tax is based on emissions fleet managers should expect to see an increase in demand for IS models.

Even top spec Premier models which feature advanced navigation and a 15-speaker audio system will only set drivers back £120 per month in BIK tax.

The facelift has seen the introduction a new 10.3-inch infotainment display which is nestled atop the dashboard. Unfortunately it is controlled by the same fiddly joystick and mouse set-up the old model received criticism for.

Other changes include a revised front end, which although different, isn't a marked improvement. In addition there are sleeker LED headlights and a wider grille. The front fog lights have been removed to make way for larger air intakes.

Lexus has also sharpened up the chassis settings to make the IS feel more nimble and upped the interior's build quality.

It still isn't the most dynamic saloon on the market but break-neck handling isn't really what Lexus is about. It's serenely quiet, smooth riding and easy to drive. Gadget freaks will be impressed by the level of technology on offer and those wanting a less staid image can opt for the F-Sport which features larger alloy wheels and a digital instrument cluster derived from the LFA supercar.

Thanks to its electric motor the IS 300h can set off at speeds up to 40mph using no fuel at all. When needed, the petrol engine provides extra shove and recharges the batteries. No plug-in option means range is limited, but it helps keep weight and cost down.

The only time the Lexus disappoints is when accelerating uphill; its CVT gearbox keeps the engine turning at maximum revs and the car wails along showing no signs of respite.

To mask the din a sound synthesizer is fitted which plays a fake 'sporty' engine noise into the cabin. I found this incredibly annoying and, luckily, it can be switched off.

COSTS

P11D price	£29,940
BIK tax band (2016/17)	16%
Annual BIK tax (20%)	£958
Class 1A NIC	£661
Annual VED	£0
RV (4yr/80K)	£7,225
Fuel cost (ppm)	7.91
AFR (ppm)	21
Running cost (4yr/80K)	40.27ppm

SPEC

Power (PS)/torque (Nm)	220/221
CO_2 emissions (g/km)	97
Top speed (mph)	125
0-62mph (sec)	8.3
Fuel efficiency (mpg)	67.3

KEY RIVAL

Mercedes-Benz C300h SE

P11D price:	£36,550
BIK tax band (2016/17)	15%
Annual BIK tax (20%)	£1,097
Class 1A NIC	£757
Annual VED	£0
RV (4yr/80k)	£10,400
Fuel cost (ppm)	6.92
AFR (ppm)	21
Running cost (4yr/80k)	45.46ppm

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

The facelift includes a dashboard-mounted 10.3-inch infotainment screen

Refined and relaxed when cruising

2.2 DIESEL5 4WD AUTO

MITSUBISHI ASX

Fleet sales team increased in anticipation of high registrations over next two years

NEED TO KNOW

- **Fresh frontal 'dynamic shield' styling is major change**
- **High specification includes Napa leather upholstery**
- **Keen pricing at less than £30,000**

By Maurice Glover

Britain's best-selling plug-in hybrid vehicle looks set to spark dramatic growth in sales of a compact crossover SUV with a more conventional power unit.

Registrations of Mitsubishi ASX models are expected to triple over the next couple of years as a result of the showroom success achieved by the pacesetting Outlander PHEV and Mitsubishi Motors UK has taken on extra staff to handle increasing interest in the range.

"The fact that the PHEV has been taken on by so many fleet operators means the ASX is now on the radar of potential customers who would not have considered it before," said sales and marketing director Toby Marshall. "This is an opportunity we can't miss and we have boosted our fleet resources with the addition of two new people to our fleet sales team. We now have five managers reporting to our national fleet sales manager."

Speaking at the launch of the fifth generation of the crossover, he told *Fleet News:* "My ambition is to win a substantial amount of new fleet business with the ASX. It is our third most popular model after the Outlander and L200 and is a key to our future growth. Not everyone wants a car that's as big as a Sportage or Qashqai or as small as a Captur, so the fact that our model straddles both size segments puts us in a good position. There's absolutely no reason why ASX can't be a success in the fleet sector."

Business registrations accounted for 29% of the 3,500 units sold last year and Marshall is aiming to treble that proportion.

"We are looking at the market and working out what we think we can do and where we can compete most effectively. We are also working with many more fleet customers," he said.

Almost 50% of ASX sales are high level, all-drive versions and a revised frontal appearance using the new Mitsubishi 'dynamic shield' styling is the most significant change to effectively lift the profile of the roomy model, which has a 419-litre boot. Other improvements, including a new multi-media system with sat-nav and aluminium sports pedals, also give a more upmarket feel to the latest car.

In the top of the range 5 format, the ASX has premium leather upholstery, LED fog and running lights, mood lighting, heated rear seats and rear USB connectors. Also included are hill start assist, a panoramic sunroof, power driver's seat adjustment, climate and cruise control, heated front seats, a reversing camera, automatic lights and wipers and keyless operation.

Despite suffering a small amount of transmission vibration on initial power take up, the six-speed auto unit delivers imperceptible ratio changing and rapid response when maximum acceleration is needed. It also offers a choice of two- or four-wheel drive operation at the push of a button.

With a revised multi-link rear suspension setup, the car has a nimble overall demeanour with excellent stability and feels refined and relaxed when cruising.

COSTS

P11D price	£28,349
BIK tax band (2016/17)	30%
Annual BIK tax (20%)	£1,701
Class 1A NIC	£1,174
Annual VED	£185, then £185
RV (4yr/80K)	£7,475
Fuel cost (ppm)	11.42
AFR (ppm)	13
Running cost (4yr/80K)	43.32ppm

SPEC

Power (PS)/torque (Nm)	150/360
CO_2 emissions (g/km)	152
Top speed (mph)	118
0-62mph (sec)	10.8
Fuel efficiency (mpg)	48.7

KEY RIVAL

Kia Sportage 2.0 CRDi 134 KX3 Auto6

P11D price	£28,325
BIK tax band (2016/17)	30%
Annual BIK tax (20%)	£1,700
Class 1A NIC	£1,173
Annual VED	£85 then £185
RV (4yr/80k)	£9,600
Fuel cost (ppm)	11.35
AFR (ppm)	11
Running cost (4yr/80k)	39.10ppm

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

A new multi-media system with sat-nav adds to the upmarket feel

SEAT ATECA SE NAV 1.6 TDI ECOMOTIVE

Enhanced safety systems such as Autonomous Emergency Braking (AEB) are becoming more popular, with many manufacturers offering them as an optional fitment.

Using radar and laser-based sensors to monitor traffic conditions ahead and automatically brake the car if a driver fails to respond to an emergency situation, AEB has proved its worth on previous test cars.

Research has also shown that vehicles fitted with AEB are capable of reducing the likelihood of front to rear crashes by up to 40%.

It is therefore heartening to see that Seat has made AEB standard on the Ateca – the first of the brand's models to have it fitted as standard across the range.

"It is heartening to see that Seat has made AEB standard on the Ateca"

It helped the manufacturer achieve five stars in Euro NCAP crash-testing, which is an excellent result. Specific ratings included 93% for adult protection and 84% for child occupant protection, only falling to 71% for pedestrian protection.

In AEB tests replicating urban driving conditions, the Ateca avoided collision at up to 30mph, the highest speed tested for this type of system.

In fact, the Ateca has a number of supplementary systems fitted either as standard or available as options.

All cars come with front assist, pedestrian protection, tiredness recognition and a multi-collision brake system as standard.

Various driver assistance packs also enable you to add things like traffic jam assist, which controls the steering, brakes and throttle at low speeds, a lane-keeping assistant, rear cross traffic alert, blind-spot monitor, traffic sign recognition and adaptive cruise control.

Gareth Roberts

Fuel economy has remained stable at just over 50mpg

MAZDA CX-3

1.5D SE-L NAV

Back in old routine but missing adaptive cruise control

COSTS

P11D price	£21,290
BIK tax band	21%
Annual BIK tax (20%)	£892
Class 1A NIC	£616
Annual VED	£0 then £20
RV (4yr/80k)	£6,400/30%
Fuel cost (ppm)	7.87
AFR (ppm)	9
Running cost (ppm)	30.06

SPEC

Engine (cc)	1,598
Power (PS)	105
Torque (Nm)	270
CO_2 emissions (g/km)	105
Fuel efficiency (mpg)	68.9
Max speed (mph)	121
0-62mph (sec)	10.9
Test mpg	50.1
Current mileage	14,088

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

By Christopher Smith

I'm back in the CX-3, about 10 months after last driving this compact SUV. I was a big fan of the car at the time, but subsequent testers Gareth and Luke found the car wasn't quite suited to their lifestyles.

Rear legroom isn't great, and the boot on first glance isn't that big – but it's perfect for me. I don't have kids or carry many rear passengers, and the false floor gives way to a further storage place below.

If you don't have much stuff, the boot is great as it's level with the opening, and at a nice height to get things into. For larger loads, the rear seats fold virtually flat to create a reasonable loading bay.

I'm an advocate of the Mazda sat-nav and infotainment system, controlled by a rotary dial near the handbrake. This is much safer in my opinion than attempting to prod a touch screen and get the right button. The screen is also placed high-up in the cabin, meaning you don't have to keep glancing down to follow the nav. Easy-to-reach steering wheel controls do the rest.

However, recent test cars I've driven have featured Apple CarPlay, whose live mapping and Spotify access have become essential car features for me. There are a couple of connected apps available, but they require you to connect the car to a Wi-Fi hotspot on your phone – not the usual way round.

The only other omission of note for me is adaptive cruise control – I've had this on recent cars and it transforms a long motorway journey. That said, for a small car, the CX-3 is handy on the motorway, taking on 100-mile journeys up the M11 to Peterborough with ease.

Talking of which, fuel economy has remained at a stable 50.1mpg, almost exactly the same as achieved by colleagues. It's not stunning economy for what is effectively a small car, but considering my driving style isn't especially economical, I'm fairly happy.

"I'm an advocate of the Mazda sat-nav and infotainment system, controlled by a rotary dial near the handbrake. This is much safer in my opinion"

TEST TIMELINE

Start End

LAND ROVER DISCOVERY SPORT

2.0-LITRE TD4 HSE E-CAPABILITY

Disco dances through winter without missing a beat

The Land Rover Discovery Sport has a long list of features as standard

COSTS

P11D price	£35,740
BIK tax band	25%
Annual BIK tax (20%)	£1,787
Class 1A NIC	£1,233
Annual VED	£0
RV (4yr/80k)	£12,975/36%
Fuel cost (ppm)	9.86
AFR (ppm)	11
Running cost (ppm)	43.39

*Price as tested £46,420

SPEC

Engine (cc)	1,999
Power (PS)	150
Torque (Nm)	380
CO_2 emissions (g/km)	129
Fuel efficiency (mpg)	57.7
Max speed (mph)	112
0-62mph (sec)	11
Test mpg	37.2
Current mileage	2,973

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

By Stephen Briers

Our timing for delivery of the Land Rover Discovery Sport couldn't have been better, as the country entered the coldest snap of winter last month.

However, for the Disco, UK winters are a piffling matter, barely worth engaging any of the technical brilliance that underpins the SUV.

Fleet News first tested this car on the media launch in Iceland. There, the minus temperatures, snow-laden backroads and icy streets made for genuine 4x4 winter driving conditions. Yet, the Discovery Sport remained unruffled throughout.

Our test car is the 2.0-litre 150PS TD4 HSE e-Capability. The 'e' stands for economy, denoting the most efficient model in the range. It comes with six-speed manual transmission and five seats (rather than seven available on other models).

Priced £35,740, a list of options takes our test car to £46,420. They include: £1,920 Driver Assist Tech pack (parallel/perpendicular park assist, surround camera, blind spot monitoring with reserve traffic detection and wade sensing for tackling shallow water crossings – 600mm is the limit); £2,385 All-round Vision Assist pack (xenon adaptive front headlamps and automatic high beam); and £520 InControl Connect Pro Pack, which acts as a Wi-Fi hotspot.

Items such as parking aids/camera, lane departure warning, pedestrian protection, terrain response (four functions – general, grass/gravel/snow, mud/ruts and sand), stability control and emergency brake assist are among the long list of standard features.

Initial impressions are favourable: for a big SUV it's surprisingly assured and, despite a fair amount of roll on cornering, never feels unsettled.

With CO_2 emissions of 129g/km, Discovery Sports leased before April 2018 qualify for 100% of the monthly payment to be written down against tax. After then, only 85% can be written down as the threshold falls from 130g/km to 110g/km.

TEST TIMELINE

Start End

MINI CLUBMAN COOPER 2.0D 150

Choosing a Mini is often a 'heart' rather than a 'head' decision – it's a brand drivers become attached to – but to make it onto choice lists the financial case still needs to stack up.

Using our company car tax calculator I pitted our Mini Clubman 2.0-litre Cooper D, with Chili and Media Packs, against premium rivals the Audi A3 Sportback 2.0-litre TDI Sport, the Mercedes-Benz A-Class A200 2.1-litre D Sport Executive and company car stalwart the Volkswagen Golf Match Edition Discover Navigation Pro.

The A3 has the lowest CO_2 emissions (108g/km compared to 109/km for the Golf, 113g/km for the Clubman and 116g/km for the A-Class). However, the Golf is still the cheapest for company car tax. It costs a 20% tax payer £1,049, while the A3 costs £1,073, the A-Class £1,145 and the Clubman £1,151.

For employers, the Golf has the lowest Class 1A National Insurance bill at £724 versus £740 for the A3, £790 for the A-Class and £794 for the Clubman.

However, the Mini fares better than the Golf for depreciation (22.68ppm compared to 23.08ppm), and slightly better than the A-Class for SMR (4.41ppm versus 4.85ppm)

On fuel, it's level pegging with the A-Class at 8.27ppm (with the Golf and A3 both costing 8.08ppm).

Overall, the A3 is the cheapest to run (33.82pm or £27,056 over four years/80,000 miles), followed by the Golf (34.43pm/ £27,544). However, the Clubman is the third cheapest to run (35.66ppm/£28,288 compared to 35.61ppm/£28,488 for the A-Class).

It might not be the financial frontrunner but the Clubman is worth considering if there is driver demand.

Sarah Tooze

AT A GLANCE – THE REST OF OUR FLEET

Vauxhall Zafira Tourer Sri Nav 1.6CDTi

+ Heated seats and heated steering wheel
- Key start rather than push button

Ford Focus 1.5TDCi Titanium

+ Real world economy of 61.1mpg from last tankful
- Driver's seat has started to creak

Renault Kadjar 1.5 DCi 110 S Nav

+ Keyless entry/start convenience
- Headlights poor in the rain

OWEN GREGORY

FLEET DIRECTOR, FORD OF BRITAIN

In his youth Gregory thought about becoming a naval architect before fleets of another kind entered his life. His favourite way of switching off involves music, both listening and playing

If I was Prime Minister for the day I would repeal the new Vehicle Excise Duty (VED) rules that come in to effect on April 1 and revert to the much simpler and more transparent process we have today. Our industry is, and should remain, strong contributors to the Treasury but through a clear set of principles which are easy to administer and understood by all.

The three cars I'd like most in my garage are a Ford GT – a dream car that I know my eight-year-old self would have lusted after as much as I do today; a Ford Edge – a 'Swiss Army knife' of a car that can take whatever life throws at it; and a Ford Focus RS – the most 'fun per £' car I have driven.

My earliest memory associated with a car is a fuzzy one of standing next to the cooling vents at the back of on an orange VW Fastback my father owned. I can't have been more than two or three years old. I still have a soft spot for these cars.

Away from the office I love music, both listening and playing. When my calendar has allowed I have played guitar in bands and BBC 6 Music is my usual in-car companion.

I'd like to be remembered as someone who made a difference and had fun along the way.

My most pivotal moment was when I started work aged 16 while continuing my studies at college. This early exposure to a working life opened my eyes to a world of business opportunities and instilled a work ethic that has been instrumental through my studies and working life.

The book I'd recommend is *S.U.M.O (Shut Up, Move On)* by Paul McGee. I'm not usually one for 'self-help' books but Paul lays out some very straightforward ideas to help you make conscious and positive choices and recognise when your thought processes are actually holding you back.

I'd tell my 18-year-old self to focus on sharing and gaining support for the big message – there are no extra points awarded for bamboozling people with detail they don't need to know.

My favourite film is *Bullitt* for 'that' car chase sequence, a great musical score and an ice cool performance from Steve McQueen.

My pet hate is people who do not behave with honesty and integrity.

First fleet role I joined Ford 20 years ago and have been privileged to explore a wide variety of roles across manufacturing, marketing and sales over the years. Working in fleet provides a fantastic opportunity to work with the full breadth of UK businesses.

Career goals at Ford Beyond the typical measures of sales volumes and market share I really measure success in terms of the quality and depth of relationships we are able to foster with our business partners. As Henry Ford said: "Coming together is a beginning; keeping together is progress; working together is success."

Biggest achievement in business In my previous role as European brand manager through 2015/2016 I worked in a small team tasked with refreshing and adding vibrancy to the Ford passenger car line-up in Europe. It is really exciting to see the first of these cars coming to market.

Biggest career influence I can honestly say I have learned a huge amount from everyone in Ford I have worked for and with.

Biggest mistake in business On the previous Fiesta I invested in too many different interior colour and trim combinations to meet the growing customer trend for personalisation. In practice there was just too much variety for customers to fully understand.

Leadership style I manage a team of experts with greater detailed knowledge of the marketplace than I can have. Therefore, I work hard to provide the right environment that allows the team as much latitude as possible to find the right solutions.

If I wasn't in fleet Outside of automotive it would likely be in the music/audio industry.

Childhood ambition For many years I wanted to be a naval architect. This is almost certainly due to my father's love of all things boating and the sea.

Next issue: Oliver Woodmansee, managing director, AutoXP

Register quickly to avoid increases in excise duty

Fleets that register new Ford cars before the Government's new Vehicle Excise Duty (VED) tax regulations come into force on April 1 can save up to £400 over three years and £680 over five.

Cars first registered after March 31 this year may be taxed at higher rates, which means fleets need to act fast to get new vehicles registered by that date.

There are savings to be made on every Ford car: The new Kuga ST-Line with 120PS Duratorq TDCi engine and manual transmission, for instance, will attract a total of £60 VED over three years if registered by the end of March; if registered later the three year total will be £440.

"This means you'll save an impressive £380 over three years with the Kuga ST-Line 120PS manual, if your vehicle is registered by March 31," said Owen Gregory, Director, Fleet Operations, Ford Motor Company.

The striking new Kuga ST-Line is already making its mark, with its sports-inspired design, unique alloy wheels, lowered suspension and bespoke ST-Line badging giving it a powerful road presence.

Inside there are unique sports seats, a sports steering wheel and machined pedals and it is packed with technology including Enhanced Active Park Assist and Ford Sync 3 with navigation.

There are further potential savings available across the Ford range, by registering before March 31. For instance, the VED over three years for Mondeo Vignale four-door, five-door and estate models with 180PS TDCi engine and manual transmission will amount to an extra £380 over three years – or an extra £600 over five.

The new Kuga ST-Line is one of many Ford models worth registering soon to avoid the changes to VED

SOME MORE MODELS THAT WILL BENEFIT FROM SWIFT REGISTRATION

Fleets buying Fiesta three- and five-door models with 80PS, 100PS and 125PS 1.0-litre petrol engines and manual transmission, with Auto Start-Stop, can save up to £400 over three years and £680 over five provided the cars have been registered by March 31.

There are similar savings to be made by registering three- and five-door Fiestas with 75PS and 95PS Duratorq TDCi engines and manual transmission by the same date.

At present, cars such as these Fiesta models are zero-rated for VED because they emit less than 100g/km of CO_2. From April 1, cars emitting 91-100g/km will be liable for £120 VED in the first year and £140 in subsequent years.

For further information on any Ford Fleet products or services call the Ford Business Centre on 03457 23 23 23, email flinform@ford.com, or visit ford.co.uk/fordfleet

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LAND ROVER

ABOVE & BEYOND

WHEN YOU NEED TO WORK REMOTELY

With seven full-size adult seats and up to 2,400 litres of loadspace, you can take anyone, anywhere. So if you're looking for a meeting room with a view, there's no better space than the All-New Discovery.

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Book your All-New Discovery demonstrator by calling our Business Centre on 0845 6002214.

Official Fuel Consumption Figures for the All-New Discovery range in mpg (l/100km): Urban 19.9-36.2 (14.2-7.8); Extra Urban 30.4-48.7 (9.3-5.8); Combined 26.0-43.5 (10.9-6.5). CO_2 Emissions 254-171 g/km. Official EU Test Figures. For comparison purposes only. Real world figures may differ.

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