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P11D prices are 'out of date' way of determining drivers' BIK tax

But one observer warns if Government revises calculations it will simply find another method to levy the same money

By Gareth Roberts

Manufacturer discounts of up to 35% on some new cars have called into question the relevance of the P11D price in company car tax calculations.

The P11D value of a company car comprises the list price, including VAT, plus any delivery charges, but does not include the car's first registration fee or its annual road tax.

However, almost nine out of 10 respondents to a *Fleet News* poll think the P11D price is failing to reflect the true value of the benefit.

One fleet manager told us: "The only winners with higher P11D prices are the HMRC by getting more revenue from the drivers' benefit-in-kind (BIK) liability."

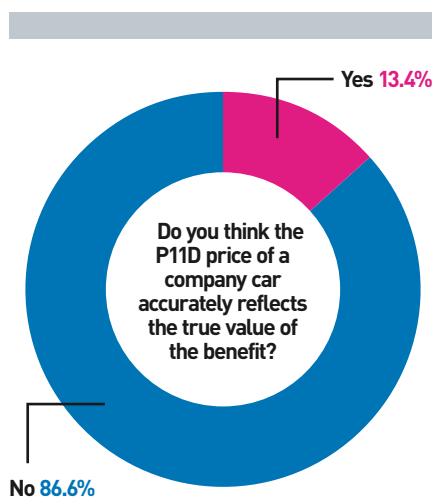
Another said: "The current system is about raising revenue, not assessing the benefit."

Company car tax was reformed in April 2002 to an emissions-based system, with the charge calculated by applying a percentage figure to the P11D price of the car. The car's fuel type and CO₂ emissions determine the appropriate percentage.

Karen Hilton, head of sales operations at Carwow, told *Fleet News* the list price is becoming "increasingly obsolete, and not just in the company car market".

"Dealers make offers across the board, knowing a company car will have tax calculated on the recommended retail price (RRP) makes little sense to the driver," she said.

On the Carwow site, the most popular company cars include the Audi A3 where the average cash saving to a buyer is around 7%; the BMW 2 Series and 5 Series, which have average RRP savings of 10%; the Mercedes E-Class, where savings average 11%; the VW Passat with savings of



between 16% and 19% and the Renault Zoe with savings of up to 35% against the list price.

"However, what is clear is that with offers available almost as standard on some models, the method of calculating tax for company vehicles is out of date viewed against how the market is operating," said Hilton.

Some manufacturers have moved to make the P11D price more effective for company car drivers. Ford has restructured its Mondeo range – including cutting P11D prices by up to £3,000 – to increase its appeal to fleets and company car drivers by offering more equipment and lower tax bills (*Fleet News*, September 28).

A spokesman said: "More than 85% of Ford Mondeos are driven by professionals as a company car, meaning they pay BIK tax based on its P11D price.

"To minimise tax liability, prices are reduced by £3,000 (on Vignale), £2,500 (on Zetec and ST-Line Editions) and £2,000 (on Titanium Edition) – meaning savings of up to £720 over three years (on ST-Line Edition 2.0 TDCi 150PS, for 40% tax payer) plus £300 on the employer's fleet National Insurance (NI) costs."

He added: "The same analysis is an ongoing process across Ford vehicle lines. Mondeo has highest fleet mix, hence the latest news on it."

Vauxhall has previously done the same with Insignia, recognising the need to make P11D pricing more attractive to company car drivers.

James Taylor, Vauxhall fleet sales director, said: "We recognise the requirements of both fleet operators and company car drivers and try to ensure the Vauxhall range is optimised



"Increasingly, the P11D price bears little resemblance to price paid so is not an accurate reflection of the value of the benefit received"

Caroline Sandall, ACFO



to be competitive on BIK and NI contributions.

"As part of our overall wholelife cost and total cost of ownership strategy, we actively review our pricing and positioning and evaluate those elements affected by P11D in order to be highly competitive. This strategy saw us reduce P11D pricing on like-for-like models when we recently launched the new Insignia.

"Fleet operators and company car drivers made P11D savings of more than £2,500 compared to the previous model as part of our plan to offer low wholelife costs to our customers."

Vauxhall also launched the Astra with much lower P11D pricing and was one of the pioneers of high-spec, low P11D trims aimed specifically at company car drivers with Tech Line.

James Dower, senior editor, Black Book at Cap HPI said the gap between the P11D price and transaction price can sometimes be "sizeable".

"It therefore makes lots of sense to reduce the list price and, in turn, lessen the margin in the vehicle as the car will look more attractive on company car lists from a BIK perspective," he said.

Caroline Sandall, deputy chair of fleet representative body ACFO and director of ESE Consulting, says that the gap between the P11D price and the transaction price has been a "bone of contention" for as long as she has been in the industry. However, she said: "Increasingly, the



"We actively review our pricing and positioning and evaluate those elements affected by P11D"

James Taylor, Vauxhall

P11D price bears little resemblance to price paid so is not an accurate reflection of the value of the benefit received.

"Discounts are now so common that the vast majority of private users can achieve some form of reduced price, as well as lease companies and fleets who outright purchase."

So should more manufacturers follow Ford and Vauxhall's lead or HMRC change its method of calculation? Sandall believes it is something that needs to be looked at, but recognises it is not a simple change to make.

"Nevertheless, the industry should be able to come up with something that works for all purchasers to simplify the system."

She also argues that the plug-in grant should be taken into consideration.

"It is time for the industry to tackle this issue and find a solution that is more effective for business users than the current published list price approach, especially when considering the price applied for BIK purposes," she said.

However, not everybody agrees that manufacturer discounts make BIK payments based on the P11D price hard to justify.

Colin Tourick, professor of automotive management at the University of Buckingham Business School, said: "I don't think there's an anomaly with company car drivers having to pay BIK tax based on P11D price. In fact, I think it's the only workable solution."

"Various discounts may be available to leasing companies when they buy cars. These discounts change frequently and in many cases the leasing

company won't know what the net price will be until they find a dealer with the vehicle in stock and strike a price. That's too late in the transaction for the company car driver; when they are browsing through the leasing company's online quoting system they need to know the BIK tax they'll be paying.

"The only fixed, certain number in the whole system is the P11D price. HMRC can check this number easily and two employees in the same company who drive the same model of company car will pay identical BIK tax."

He also notes that the overall tax-take the Government levies from company car drivers would not be reduced if the system was based on discounted prices.

"They'd just hike up the rates to compensate," he said. "So no one would gain but the system would be way more complex and almost certainly unworkable."

Furthermore, Tourick does not think the Government should apply plug-in grants to the P11D price. "BIK tax on these cars is already low, though sadly set to rise, so the incentive to choose them is already there," he said.

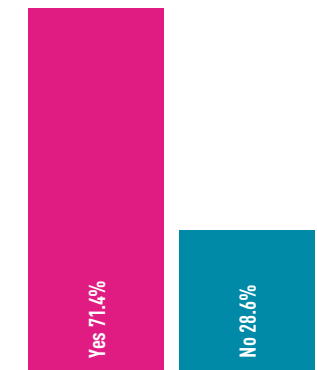
"The aggregate amount of grant is capped and once the limit is reached it will no longer be available, so you could have two drivers choosing the same car and one pays less BIK because they got their order in before the pot ran out."

"And finally we again have the fact that if the total BIK tax the Government collected was to be reduced, they'd ramp up the rates elsewhere. So I think it's best to leave things unchanged."

FLEET FACTS AND FIGURES

OPINION POLL

Should a road collision investigation branch be launched, similar to those already in existence for air, rail and sea?



FleetNews view:

Almost three-quarters of respondents to our poll believe a dedicated road collision investigation branch, similar to those operating for air, rail and sea should be introduced. Our view is no stone should be left unturned in making our roads safer when the latest figures from the Department for Transport show an increase in road deaths.

This week's poll: Do you have a dashcam fitted to your car?
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Uber said that up to 40,000 drivers use its app – a claim questioned by the GMB union

Used market won't be flooded in wake of Uber London licence loss

Even if ride hailing firm appeal fails, don't expect big impact on RVs, says Cap HPI

By Tom Seymour

Cap HPI is not predicting residual value (RV) fluctuations in the premium saloon sector in the UK as a result of Transport for London (TfL) ending Uber's operating licence in London.

TfL's decision prompted fears thousands of premium saloons might flood the used car market as ex-Uber drivers hand back vehicles they have leased but can no longer afford due to being out of work.

Uber's licence expired on September 30, but it has 21 days to appeal and drivers can continue to operate until that process expires which could take a considerable time.

Tom Elvidge, general manager of Uber in London, said if TfL's ruling stands, it will put more than 40,000 licensed drivers out of work.

"To defend the livelihoods of all those drivers, and the consumer choice of millions of Londoners who use our app, we intend to immediately challenge this in the courts," he said.

With Uber quoting up to 40,000 vehicles being operated by drivers using its app, Cap HPI said there needs to be a measured approach to de-fleeting and remarketing in the scenario that vehicles are handed back.

"It is likely that many drivers will find work with alternative app providers"

James Dower, Cap HPI



James Dower, senior editor of Black Book at Cap HPI, said: "It is likely many drivers will find work with alternative app providers and retain their vehicles. Other vehicles will be remarketed around the UK through online channels and physical auctions, so the impact of a large volume would be mitigated."

Dower told *Fleet News* demand for used cars is also buoyant and this is especially the case of petrol hybrid cars, with prices up 1.3% in August.

GMB, a union which has challenged Uber over its working practices, said the majority of drivers

using the Uber app do not purchase outright. For those that have to hand back vehicles early, they will be faced with early settlement charges by their leasing company.

However, GMB has questioned how many drivers are operating in London on the Uber app, saying the true figure is likely to be a 'tiny proportion' of the 40,000 figure quoted.

Steve Garelick, GMB secretary for the union's professional drivers branch, said: "No one's out of work just yet. Uber is appealing and for those that leave, its rivals will welcome drivers back."

"The majority of drivers hire their vehicles but they won't be on the street with a begging bowl, they will be out working."

LeasePlan signed a pan-European deal with Uber in March earlier this year. This included Uber introducing LeasePlan as a contract hire provider to drivers in the UK.

However, a spokesperson for LeasePlan said that, despite the seven month co-operation, it has no cars exposed with Uber in the UK.

A statement from TfL said: "Uber London Limited is not fit and proper to hold a private hire operator licence. Uber's approach and conduct demonstrate a lack of corporate responsibility in relation to a number of issues which have potential public safety and security implications."

This includes Uber's approach to reporting serious criminal offences and how Enhanced Disclosure and Barring Service (DBS) checks are obtained.

TfL declined to comment further pending the appeals process.

Elvidge said drivers who use Uber are licensed by TfL and go through the same DBS checks as black cab drivers.

Dara Khosrowshahi, Uber's new chief executive, met with TfL commissioner Mike Brown on October 3 to discuss the ruling. Initial talks were "constructive" but more talks are planned in the coming weeks.

ADDISON LEE LOSES CASE OVER SELF-EMPLOYED STATUS

While Uber is facing problems in London, an employment tribunal in the capital has ruled against Addison Lee.

The tribunal ruled that a group of drivers for Addison Lee should be classified as workers, rather than self-employed, and entitled to receive national minimum wage and holiday pay.

In October, the GMB union represented by the Leigh Day law firm won a similar case

against Uber. Uber is appealing the decision.

Leigh Day's Liana Wood said: "This decision will not just have an impact on the thousands of Addison Lee drivers but on all workers in the so-called gig economy whose employers classify them as self-employed and deny them the rights to which they are entitled."

Addison Lee failed to reply to requests for comment as *Fleet News* went to press.



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Model shown is C-HR Dynamic 5 door Coupe FWD Hybrid 1.8 VVT-i Auto at £28,085. Prices correct at time of going to print. 5 year / 100,000 mile manufacturer warranty subject to terms and conditions.

Renault is firmly back on fleet map six years on from big product cull

New fleet team and model line-up help French manufacturer make in-roads

By Gareth Roberts

Renault is once again gaining traction in the fleet market, thanks to a wave of new product, a new fleet team and a determination to re-establish its fleet credentials.

It is a far cry from December 2011, when the French carmaker announced it was restructuring its business. A number of models were pulled from the UK market, including Laguna and Espace, and its dealer network was cut by around a third.

By the end of 2012, its share of the fleet market had fallen to a low of just 0.9%, having been as high as 8% in the late 1990s.

Almost six years after the product cull, Mark Dickens, head of fleet operations and remarketing at Renault, is confident the brand is now re-establishing itself in the fleet market after almost disappearing from choice lists.

"Where we were then to where we are today is just chalk and cheese," said Dickens. "We now have one of the youngest model line-ups, if not the youngest out there. The fleet team has been expanded and restructured, and we're working much more closely with our dealer network to deliver consistency to our customers."

Koleos, an all-new D-segment SUV, joins new Captur, new Scenic and Grand Scenic hybrids, and an improved 250-mile range Zoe, to name just a few, with its all-new pick-up, the Alaskan, due to be launched next year.

Dickens joined the fleet team in 2014, as Kadjar began to suggest the sea-change in product to come. He set about bringing the fleet business under one roof and expanding customer-facing teams.

A team of six business sales area managers has grown to 10 to advance Renault's local fleet strategy, while a seven-strong group will manage large corporate customers. And Mark Potter, previously Groupe Renault regional director for the North of the UK, has taken on the newly created role of national fleet manager (August 2, 2017).

Dickens remains head of fleet operations and remarketing, but in addition to looking after the

Koleos is the latest model to join the Renault line-up



"The fleet team has been expanded and restructured"

Mark Dickens, Renault

central operations team, strategy, residual value management and remarketing, his role now also includes responsibility for the Motability programme and short-term rental contracts.

Patrick Whyman has been appointed national rental and mobility manager, another new role in the fleet team, with responsibility for sales to the rental industry and managing the Motability

programme. Reporting to Dickens, he has also been tasked with developing Renault UK's strategy for new mobility solutions such as car-sharing schemes, car clubs and connected vehicles.

Renault says its local fleet strategy has already achieved remarkable success, with sales of 21,939 cars and vans in 2016, an increase of 25% over the previous year.

The transacting database has increased by 73% since Renault embarked on its fleet mid-term plan at the end of 2014, and Dickens says fleet sales are up again this year, with a 7% year-on-year increase and a 3.2% market share.

Van registration are down 10%, however, due to a decision to scale back some rental business.

Dickens says he expects the carmaker to really start reaping the rewards in 12 to 24 months' time. "We're back; we're gaining more traction in the market and people are starting to listen to us once again," he said.

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ASTON BARCLAY The Car Auction Group

Aston Barclay's new
Donington Park Mega Centre

Donington centre opens as part of Aston Barclay bid to double sales

Auction company believes end-user fleets will be significant in its five-year plan

By Andrew Ryan

Auction company Aston Barclay is targeting end-user fleets as part of plans to double its annual sales to 160,000 vehicles over the next five years.

As part of this ambition, the business last month opened a multi-million pound Donington Park Mega Centre – its fifth UK site.

The centre can accommodate 400 used cars undercover, while its glass partitioned auction halls enable two sales to be run simultaneously.

Neil Hodson, chief executive of Aston Barclay, said: "Our traditional market has always been fleet and leasing companies, and it continues to be that, but the end-user fleet market is definitely an opportunity for us."

"We've sold vehicles for a number of them and they are really important to us."

Earlier this summer, Aston Barclay won the tender process to sell Addison Lee's defleeted vehicles following a change in its disposal strategy. Previously, the executive private hire company sold directly to the motor trade.

Hodson said: "Addison Lee needs to dispose of its cars, it needs to quickly turn them into cash and it wanted a great partner to do it. I'm proud it selected us. It chose us because we're small, we're flexible, we are responsive to its needs and we do things really quickly for the company."



Neil Hodson, Aston Barclay

"End-user fleet is definitely an opportunity for us"

A number of Addison's Mercedes-Benz saloons and Ford Galaxys were among the 250 used cars sold at the launch sale, with other vendors including Hertz, Moto Novo Finance, PSA, Motability and Activa Contracts.

Hodson added: "Our vision for the group – and Donington in particular – from the outset was to introduce a range of new digital technologies that were going to make the remarketing experience more interactive and bridge the gap between the physical hall and the mobile space for buyers and sellers."

"Some of the challenges the fleet sector faces are around things like inspection services, damage charges and vehicle movements."

"We are looking at how we enter that space

using technology, such as apps that help appraise cars in a better way, and we have a team of developers looking at those opportunities. So over the next three-to-six months we will launch some new products in that space."

The Donington centre features Gardx SpinCar technology which gives remote buyers and those on its buyer app a 360-degree view online of a car's exterior and interior, as well as the ability to zoom in on different aspects of the car.

Banks of six screens have been installed to show the sale's running order as well as other information about the vendor and buyer offers and incentives.

The opening of Aston Barclay's Donington facility came in the same week that Manheim opened its 'next-generation' auction centre at its Bruntingthorpe site, following a multi-million pound investment.

The upgraded facility will support sales programmes of all sizes, specialising in single 'super sales' of 600 vehicles or more.

Tim Hudson, managing director of Inventory Solutions at Cox Automotive, Manheim's parent company, said: "Bruntingthorpe is a next-generation auction centre and represents a big step forward for the industry."

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Turn up the volume – traffic up 2% as more divert to use minor roads

One in 10 business drivers point to congestion as being the number one concern

By Gareth Roberts

The volume of traffic on the UK's roads increased by more than 2% in 2016, with the latest data showing traffic is now at a record high.

Department for Transport (DfT) figures show that 325.1 billion vehicle miles were travelled on Britain's roads in the year ending June 2017.

This was 1.4% higher than the previous year, with rolling annual motor vehicle traffic now showing an increase each quarter for more than four years.

Compared to the previous 12 months, car traffic increased by 1.3% to a record high of 253.5bn vehicle miles, while van traffic increased by 3.6% to a new peak of 49.8bn vehicle miles. Lorry traffic, however, fell by 1.5% to 16.5bn vehicle miles.

For the past four years, van traffic has increased on average by 4.5% per year and has been the fastest growing traffic type in percentage terms over this period.

Record traffic levels were also seen on motorways (68bn vehicle miles), rural A roads (94.5bn vehicle miles) and rural minor roads (46bn vehicle miles).

RAC spokesman Simon Williams said: "Looking over a 20-year period there is a staggering 70% increase in van traffic which must be proof that the nation's ever increasing internet shopping habit is changing the type of traffic on our roads."

However, he added: "It is concerning to see there has been a notable increase in rural A road and minor road use. This could be a sign that major routes are struggling to cope with the volume of vehicles and motorists are seeking alternative routes to avoid jams."

It is unsurprising then that the level of concern among motorists about congestion and longer journey times appears to have remained high: this year, 8% say this is their biggest concern, up from 7% 12 months ago, according to the RAC Report on Motoring.

The issue is even more pressing among those



Motorway travel accounted for 68bn vehicle miles



"There has been a notable increase in rural A road and minor road use"

Simon Williams, RAC

who drive for work, with 11% of business drivers saying it is their number one concern.

The RAC report shows that motorways are the routes where congestion is thought to have increased the most: 61% of drivers say motorway congestion levels have risen in the past 12

months, with 27% saying the change has been considerable.

A majority of drivers also think congestion has increased on high-speed dual carriageways (57%), urban A roads (58%) and other urban routes (55%).

While a general increase in traffic volumes is largely blamed for increasing urban congestion, major roadworks (cited by 47% of respondents), middle-lane hogging (45%) and lorries overtaking other heavy goods vehicles (40%) are the main complaints on motorways.

Of the 61% of drivers who have seen motorway congestion worsen, almost half (48%) think lorries should be introduced to stop lorries overtaking other lorries.

Furthermore, among urban drivers, there is some discontent over the perceived encroachment of bus and cycle lanes into space that was previously available for all road users. Almost a third (29%) think bus lanes are most responsible for congestion in towns and cities, while 16% blame cycle lanes.

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Frankfurt Motor Show highlights the

Carmakers release headline-grabbing announcements of plans to dilute influence

By Matt de Prez

At this year's Frankfurt Motor Show we were given a real feel for how electric vehicles could become the norm for fleet operators.

The show was filled with concepts but many of the models being previewed were far more conservatively styled, with the emphasis being on what lay beneath the skin.

Headline-grabbing statements from some of the world's biggest carmakers laid out plans to dilute our need for fossil fuels in favour of newer, greener technology.

Honda said it will offer electrification across all its European models by 2025 while Volkswagen pledged to invest £18 billion in zero-emission vehicles by 2030.

What is clear is that many of the cars, and technologies, we saw at the show are likely to be on the road within a couple of years.

MODELS COMING SOON TIMELINE:

Frankfurt also played host to a number of production-ready models that have already been revealed. We've pulled some of the most important new fleet cars coming in the next six months from the Fleet News launch calendar.

OCTOBER

Citroën C3 Aircross

What is it? A contemporary compact crossover to rival the Nissan Juke

Price: from £13,995



Kia Stonic

What is it? Yet another Nissan Juke-rivalling small SUV.

Price: from £16,295



NOVEMBER

Hyundai Kona

What is it? Hyundai's first compact SUV, based on the i20 hatch.

Price: around £15,000



For more future launches go to www.fleetnews.co.uk/cars/car-launch-calendar



CHINA PUTS CHERY ON TOP

Chinese carmaker Chery has confirmed its Exeed TX SUV will go on sale in Europe within the next few years, sporting three electrified powertrain options: a hybrid electric vehicle (EV), plug-in hybrid EV or battery EV.

The first configuration to go on sale will be an ultra-low emission PHEV. This model will combine a 149PS 1.5-litre petrol engine with a 115PS electric motor.

Chery is evaluating the sales opportunity in key markets, ahead of setting up a European sales operation in co-operation with import and distribution partners.

It will be looking to establish a retail network and aftersales provision unlike rival Chinese manufacturer Lynk&Co, which will opt for a direct-to-consumer model instead.



HYDROGEN AND ELECTRIC COMBINE AT MERCEDES-BENZ

Mercedes-Benz featured what could become the next-generation electric A-Class with the Concept EQA (pictured). It's expected to cover 249 miles before needing a charge and can reach 60mph in around five seconds.

Alongside the EQA was a hydrogen-powered GLC, called F-Cell. It combines a hydrogen fuel cell with plug-in technology, offering a choice of hydrogen or electric running from the 197PS motor.

The EQA is sleeker than the current-generation A-Class hatch and its design is almost devoid of creases. At the front, the three-pointed star is still prominent and lights up with different graphics dependent on which drive mode you're in.



HONDA LOOKS TO THE PAST TO SHOWCASE THE FUTURE

One of the unexpected show-stoppers was Honda's Urban EV concept, a plucky little retro-styled hatch with a simplistic interior and fully-electric powertrain. It looks like a modern rendering of the original Civic and Honda says it will make production by 2019 – but there are no details on price, range or performance yet. We also got eyes on a hybrid version of the new CR-V, which goes on sale in the UK next year. It uses a 2.0-litre VTEC petrol engine and electric motor.



PROCEED CONCEPT DEMONSTRATES AT FUTURE OF KIA'S DESIGN

The new Kia Proceed Concept has been created by its European design centre and hints at the look of the next-generation cee'd model family.

It presents a new body type for Kia; the shooting-brake styling provides a low roofline, muscular proportions and compact footprint.

If it makes production it could plunge the manufacturer into competition with premium brands such as BMW and Mercedes-Benz.

move to newer, greener technology

of fossil fuels with electric-influenced concepts which will soon become a reality



AUDI INTRODUCES AICON AND ELAINE

Autonomy was the focus of Audi at Frankfurt this year. Two models showed what future driverless Audis could look like.

The Aicon (pictured above) is a four-door luxury coupe with no driver controls and an interior inspired by a first-class airline cabin. It uses four electric motors with 350PS and a range of almost 500 miles, although with the computer in control it's unlikely the former figure will ever be fully utilised.

Elaine uses similar tech but retains a steering wheel and is much closer to the A7-based SUV we can expect in the next few years. Three electric motors deliver 500PS, while a gigantic battery should provide more than 300 miles per charge.

MINI ELECTRIC CONCEPT

An electric Mini has been almost a decade in development, with the First Mini E concept making its debut in 2008. But we should finally see it on sale in 2019.

We expect the styling will be toned down from the concept shown while the drivetrain is likely to come from the BMW i3, so expect a range of around 190 miles.

It has been designed to perfectly balance agility and weight, Mini says. The end goal is a zero-emission car which still handles like a go-kart but can be used every day.

The concept is instantly recognisable from the front by its hexagonal radiator grille and circular headlights.

The contrasting silver and yellow colour scheme is reminiscent of the earlier Mini E.



VW I.D. CROZZ

A brace of electric cars are expected to make their way out of the Volkswagen factory gates in the next few years and the I.D. Crozz will form the basis of the brand's first all-electric SUV.

It's a four-door coupe-come-crossover which features four-wheel drive and two electric motors, which should deliver around 300PS. The concept is heading for production sometime in 2020 alongside a range of I.D.-branded vehicles by 2022.

Range is pitched at more than 300 miles.

BMW CONCEPT HINTS AT FUTURE i5 MODEL

The i-vision dynamics concept from BMW is the closest glimpse of a Tesla Model S rival we've seen from the German brand.

The four-door coupe could be on sale by 2020, wearing an i5 badge, with a range of 373-miles and a 0-60mph time of four seconds.

The concept sits on BMW's latest flexible floorplan, which allows not only fully electric, but hybrid and combustion engine vehicles on the same platform.



MODELS COMING SOON TIMELINE CONTINUED:

Seat Arona

What is it? The only small SUV from Spain, based on the excellent new Ibiza.

Price: £15,000 (estimated)



DECEMBER

BMW i3s

What is it? A

hotter version of BMW's electric city car, promising 0-60mph in less than seven seconds.

Price: from £36,975 (ex grant)



Ford EcoSport

What is it?

Facelifted version of Ford's smallest SUV. It gets four-wheel drive and a new diesel engine.

Price: TBA



JANUARY

Volkswagen T-Roc

What is it?

A boldly-styled mini-Tiguan which is expected to sell in big numbers.

Price: from £19,000



FEBRUARY

Jaguar E-Pace

What is it?

An F-Pace for people who want something slightly smaller.

Price: from £28,500



MARCH

Honda Civic diesel

What is it? Hotly anticipated diesel variant of Honda's new Civic with

emissions less than 100g/km.

Price: TBA



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The Power to Surprise

(5.2), Extra Urban 74.3 (3.8), Combined 64.2 (4.4), CO₂ emissions 113g/km. MPG figures are Optima Sportswagon '2' 1.7 CRDI 139bhp 6-speed manual ISG at £179 per month on contract hire. Example excludes VAT and is based payments thereafter. Excludes Shetland Islands from headline rental price T&C's apply. Prices and specification correct at time of going annum profile. For Business Users only. Kia Finance RH2 9AQ. When ordered and registered by 31st December 2017. 7 year/ 100,000 mile

THE BIG PICTURE

By Stephen Briers, editor, *Fleet News*



Did you make it to Fleet Management Live? This year's show broke all records, with more than 1,800 visitors (subject to audit) over two days at the NEC in Birmingham.

We had sports stars, namely former England goalkeeper Peter Shilton and darts champion Phil 'the Power' Taylor (who memorably was challenged by Eric Bristow – the fleet manager rather than the Crafty Cockney!); we had insightful best practice sessions which were standing room only; we had more than 100 exhibitors enjoying high quality conversations with the abundant fleet decision-makers; we enabled newcomers to 'discover fleet' in our finance, HR and procurement sessions or at the ICFM introduction session; and we had our expert fleet panel handing out free advice to operators wrestling with problems.

“Overall theme of the event was the changing face of fleet management”

Air quality was a hot topic covered by BVRLA and Energy Saving Trust in a well-attended discussion briefing, but the overall theme of the event was the changing face of fleet management.

Nowhere was this better summed up than in the technology zone, which featured many of the 'tomorrow's world' innovations that will change the way decision-makers run fleets.

Mobility, last mile solutions, connected and autonomous cars and future cities are all topics that will revolutionise the motoring landscape, although the route to the final destination is likely to involve more evolutionary steps.

Take autonomous vehicles. Self-driving cars are a revolution when viewed from where we are today. However, autonomous systems are being increasingly introduced to volume-market cars in a series of evolutionary steps. As these develop to become more able to take control of certain aspects of the drive, so the final move to full autonomy becomes itself a small step.

If you were unable to make FML, you can read all about it in our October 26 issue.

YOUR LETTERS

MOBILE PHONES

Confiscate phones – fines and points not a deterrent

EDITOR'S PICK



Edward Handley wrote:

Having read 'Tougher penalties fail to stop illegal use of mobile phones while driving' (fleetnews.co.uk, September 21), the problem is not mobile phones. The problem is hand-held personal computers (which are full of music, apps, email, text messages, photographs and all sorts of other fascinating material which people cannot bear to parted from) combined with massive levels of congestion which result in drivers spending a lot of time stationary in traffic queues.

When bored and frustrated in a traffic queue most people find the

"ting" from a smart phone irresistible.

The fine and points do not deter people because most do not think it is wrong to check their mobiles when in a queue. They know it's illegal, but they don't think it is wrong so the fines and points are not a deterrent.

The only way to stop people checking their phones is to give the police the power to confiscate them on the spot. We have our whole lives embedded in those phones and the prospect of losing them for a day, a week, or indeed forever, would scare the pants off most people.

Would that would be a cruel and excessive punishment though?

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

Matthewr88 added:

The punishment for using your phone at the wheel should be the same as drink-or drug-driving. Tests show mobile phone use impairs driving the same as being over the drink-drive limit, so I think a ban should be the result.

Ken Davis added:

In my view, until the law is changed where drivers using handheld mobile phones lose their licence for six months, you will not get any change. Second time for reoffends should be 12 months, I suggest.

TAX STATUS

Vehicle classification can be confusing

Louise wrote:

Having read 'When is a van a company car? Confusion reigns after new ruling' (fleetnews.co.uk, October 2), there is quite a lot of confusion and ambiguity over how to classify a vehicle as a car or van when the vehicle started out as a

LCV. You need to consider payload, number of seats, does it have windows, ratio of carrying passengers to cargo, main purpose of the vehicle i.e. carrying cargo or passengers. It is very confusing so I wouldn't be surprised if lots of other companies need to look at their fleets.

VEHICLE THEFTS

Reduction in police does not help

Sage & Onion wrote:

Having read 'Vehicle thefts increase by a third in three years' (fleetnews.co.uk, September 29), after years of experiencing no vehicle thefts, we have suffered three this year.

The first was recovered using the tracker but two months later the same van was stolen again and this time the thieves looked for the tracker and discarded it. We have the tracker but no van. So it looks like thieves are putting their swag under surveillance to see if they have trackers fitted.

The third theft was of a hired van. It surprises me that rental companies don't fit tracking devices. Maybe they do but just want a nice recharge instead. All three thefts were in the London area, too, which supports this research.

But another reason for increasing thefts is probably the reduction in numbers of police and visible police patrols. In the instance of the thieves looking for the tracker, the tracker reports showed that they stopped and spent about 20 minutes looking for it in a housing estate, so they risked already being tracked. They probably know vehicle theft isn't high on police priorities these days.

DIESEL DEBATE

Thank goodness for common sense

Brian Cafferty wrote:

Having read 'Diesel is a fuel of the future, says BMW corporate sales boss' (fleetnews.co.uk, September 29), thank goodness someone with a voice and common sense is standing up for diesel and putting forward a factual case.

The fake news and actions from inside and outside our industry has the capacity to inflict irreversible damage to the automotive industry and its supply chain.

Chris added:

Change is coming, regardless of manufacturers trying to protect their market share and margins. Companies

like Dyson and Tesla will have to stick to safety and emissions rules but in terms of manufacturing, they can rewrite new ways of building, reliability and costs.

Diesel will be needed for HGV, rail and shipping where alternatives are more difficult to develop. Biodiesel and ethanol availability will force existing manufacturers to take that route and engines will be developed to ensure that vegetable-based fuels can be used.

These modifications will have low development costs as we already know the challenges. The price the consumer pays is the main factor here and, if the manufacturers don't address this issue, they will play a less significant role in the market.

UBER LICENCE

Is it really about drivers' livelihoods?

Nigel Boyle wrote

Having read 'Uber to challenge TfL licensing decision in the courts' (fleetnews.co.uk, September 25), is this really about the livelihoods of drivers or the profit of Uber?

Before Uber, who were on the scene only a few years ago, many private cabs existed, quite probably with the same drivers. They will simply have to go back to business as it always was and let the black cabs have their market share back.



Contact us

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Burning question:

If you were to change your name, what would you choose and why?

Editorial

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Bri – it was my nickname at college (Bri-ers from Bri-stol). There were too many Steves

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Hercules Ivanhoe Ryan sounds like a good, strong name

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Sir Jeremy – it's not going to happen any other way

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You can call me any name you like, just don't call me late to dinner

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Anything that people can spell/pronounce easier

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Lank Fisthammer, it's my wrestling name

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Garfield – it was my nickname during a decade in Thailand. I don't especially like lasagne, but being a fat cat appeals

Finbarr O'Reilly 01733 468267

Why in hell would I want to change a name as cool as Finbarr O'Reilly?

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Anything that can't be shortened into a boy's name

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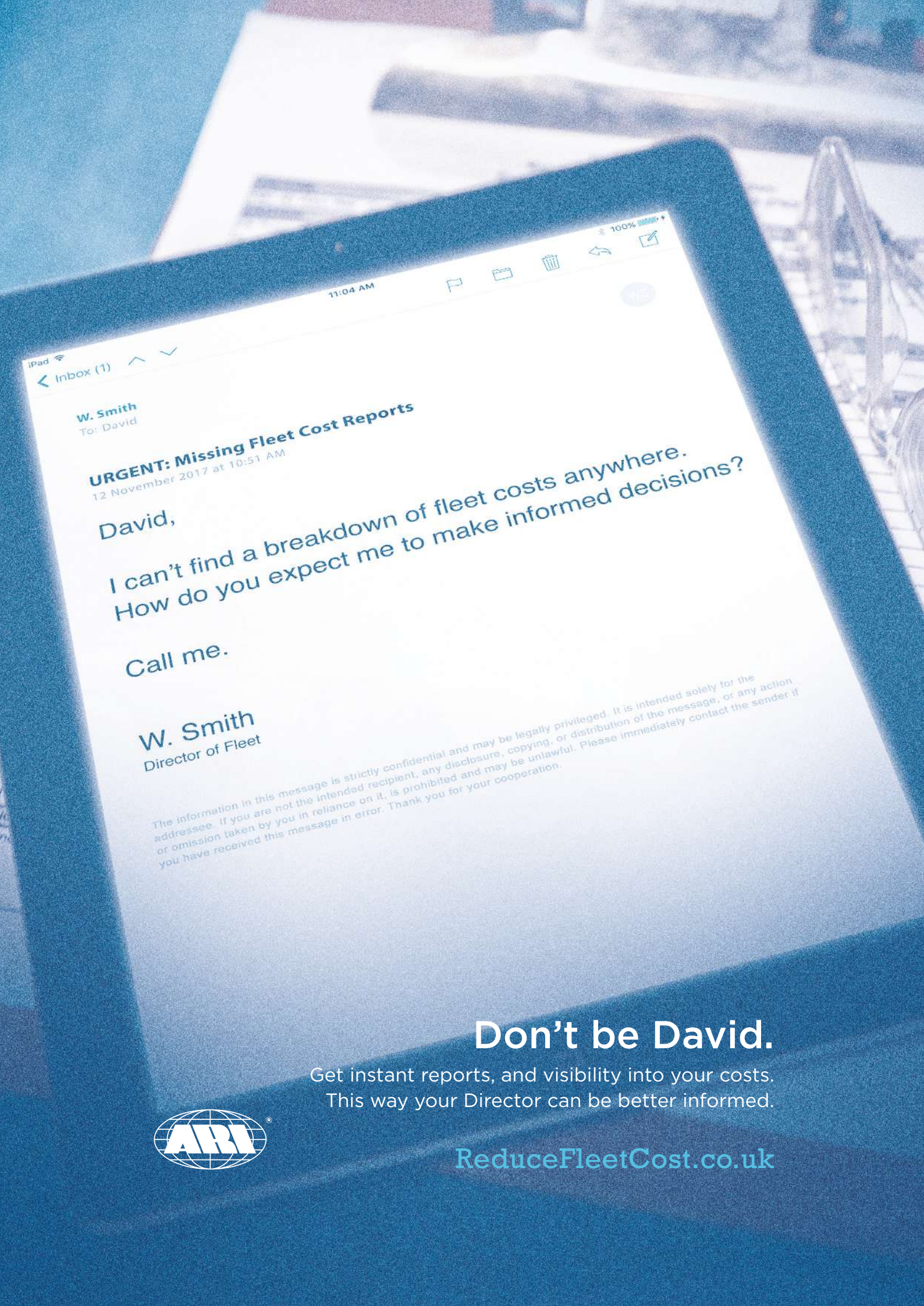
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FLEET OPINION

AUTONOMOUS VEHICLES

Find safety benefits closer to home

By Gil Ayalon

“There has been understandable excitement about driverless lorry trials that TRL will be carrying out on Britain’s roads.

I’m one of those to be excited. This technology is the future and the safety benefits could be considerable. But we need to be realistic. Driverless vehicles will not be joining fleets any time soon. Certainly no fleet director should be basing their budgets on the promise of autonomous vehicles.

My message to fleets is that if safety is their number one priority – and it should be – they can find safety improvements, as well as cost savings and other efficiencies, much closer to home than the autonomous dream.

The vast majority (90%) of collisions are caused by human error, when the driver is not paying attention at the moment of the crash and neglects to brake at all. Automatic Emergency Braking (AEB) installed on vehicles will, of course, start to tackle this problem. But factory-installed AEB adds costs to vehicle renewals and can’t happen overnight.

Fleet renewal timescales are significant. High turnover vehicles like rental cars will see the new technology built in soon. But a London bus, for example, can be on the road for approaching 15 years. It will take a long time before the latest safety technology will find its way through a bus fleet.

The cost of road fatalities in the EU amounts to around €100 billion a year. One report puts the cost of serious injuries and fatalities involving buses in London during 2015 alone at £93m. These are extraordinary figures and we must work together as an industry to tackle them.

Mobileye has developed retrofitted safety technology that provides automatic alerts to drivers if they’re in danger – at all speeds. So fleets have to do a cost/benefit analysis and make smart decisions about where to invest limited funds.

Whatever route you take now with safety, autonomous vehicles should not be a factor. Be excited about the future, but know it as exactly that – the future.

We can talk about autonomous fleet vehicles in the late 2020s – not now. There are safety benefits to find today that will save lives, save money and keep your drivers safe. Fleets need to find them.”



Gil Ayalon director for Europe at Mobileye



Paul Loughlin motoring law solicitor at Stephenson's

PHONES IN CARS

Too soon to ban hands-free kits

By Paul Loughlin

“There is a growing debate about whether the Government should blanket ban the use of mobile phones in a vehicle – even if they are hands-free.

In March, the penalty for using a mobile phone behind the wheel increased to six points and a fine, though it is still legal to use hands-free kits, which allow motorists to take calls without actually having to touch their phone.

Road safety campaigners argue that drivers take their minds off the road and become distracted whenever they are on the phone, even if it is hands-free, and a new Department of Transport (DoT) survey shows half of the public share these fears.

But, in my view, using a hands-free mobile phone properly, to make or receive a short call, is arguably no greater a distraction than speaking with a passenger. Equally, drivers already engage in necessary behaviour which is perhaps more dangerous than taking a hands-free call in the proper and legal way, such as checking the blind spot which involves completely looking away from the road ahead.

So long as the autonomy in driving remains with the driver, so does decision-making and discipline while at the wheel. There will always be distractions when driving, and self-discipline and a sensible approach should always be used.

Laws are already in place to cover where the standards of drivers using hands-free mobiles drop below an acceptable level. If talking using a hands-free phone causes a distraction which jeopardises the safety or standard of your driving – or your general control of the vehicle – you may be guilty of dangerous driving or driving without due care and attention.

Using a hands-free mobile while driving and, consequently, causing a fatal accident could also lead to a conviction for causing death by dangerous driving and anything up to 14 years in prison.

The impact the new penalties for using a mobile while driving remains unclear. If they are proved to be ineffective, there is perhaps a case for revisiting the issue. But removing mobile phones completely from vehicles now, so soon after the new penalties have been introduced, seems like an unnecessary and arbitrary step.”

“Fleets have to do a cost/benefit analysis and make a smart decision about where to invest”



“Using a hands-free mobile is arguably no greater distraction than speaking with a passenger”

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.

SOLE-SUPPLY AGREEMENTS

Q I recently appointed a leasing company to manage our fleet on a four-year sole-supply basis. However, just a few months in, I don't feel the relationship is working as well as it should or could. I don't feel like a valued customer and am beginning to wonder whether the supplier made promises it couldn't meet to simply to win the tender. As I am tied into an agreement, what is your advice?

A This is a situation I became increasingly familiar with over my years in the industry. Inevitably, when you make the decision to appoint a company on a sole-supply basis, there is always a risk the relationship may not be quite what you expect.

On occasion the supplier will indeed make eye-catching offers to win your business without necessarily considering whether they can actually deliver them. I have come across cases where the sales team failed to check with the wider business whether what they were selling was possible, given existing systems and processes!

However, I am sure you will have done sufficient due diligence on your supplier to ensure this is not the case. Therefore your challenge is more about getting them to deliver on a day-to-day basis. If they are dragging their feet in a specific area, it is still worth asking "are you delivering this successfully to other customers, and, if so, can I talk to them?"

In terms of the relationship itself, success usually lies with the account manager appointed to look after you and the way they work with you. Do they understand you, your expectations and the needs of your business? If not, how can this be addressed – for example by training them about your business? I did this successfully in my days at Whitbread. A relationship with an overstretched (often the case) or poor account manager will never succeed.

So, talk to your account manager, understand their issues and explore how they can support you more effectively. If you don't feel you are getting anywhere or you are unhappy with their performance, express your concerns to their manager. Sometimes a change of account manager can transform a relationship.

It is also worth asking yourself whether the supplier really understands you are not happy. Do you have regular meetings in place (early in a contract these should be frequent – at least once every few weeks) where you can voice concerns and agree action plans?

If you communicate your concerns effectively it should come as no surprise to the supplier if you choose to

"Does the supplier understand you, your expectations and the needs of your business?"

escalate should things not improve. Remember, you have the power to control the relationship if you choose to use it – and it is usually well worth the effort.

It is always worth looking at the agreement itself. In many cases, leasing companies prefer their customers to sign their own master hire agreement which lays out precisely how they will supply vehicles to you.

Interestingly, in many cases this does not explicitly state how many vehicles will be acquired, nor necessarily that the agreement is sole supply. Check your own agreement to understand what alternatives may be available to you if the relationship does not work to your satisfaction – and do it soon before you are committed to a large number of vehicles for the next four years. Hopefully escalation will not be necessary, and you will be able to build a long and successful relationship. Do remember, though, that there are also alternatives if this is not possible.

■ The next Ask Nigel will be in the November 9 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.

Formerly he was secretary of ACFO Midlands and was 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



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Volkswagen

Official fuel consumption in mpg (litre/100km) for the Volkswagen Arteon range: urban 30.7 (9.2) – 52.3 (5.4); extra urban 46.3 (6.1) – 70.6 correct at time of print.

FleetNews

AWARDS
2018

CELEBRATING THE BEST IN FLEET

Start planning for your chance to win
the fleet sector's greatest accolades

To former fleet manager of the year Dale Eynon, the Fleet News Awards are "the biggest in the industry and much sought after". Winning one, he says, "is a tough, but enjoyable, journey".

Paul Gatti, fleet director at Royal Mail, which won back-to-back cost initiative trophies, "strongly encourages all fleet operators to participate so you, too, can enjoy the special experience of collecting a trophy in front of your peers".

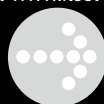
No one expects to win a Fleet News Award; fleets, suppliers and manufacturers enter in hope and anticipation which makes the announcement on the night feel all the better if they are among the 30 winners.

However, some fleets decide not to enter because they believe they have little chance of success.

Stewart Lightbody, head of fleet services at Anglian Water, recognises this attitude but believes fleets need to think again.

"I entered because I wanted to be benchmarked on what I've achieved so far – it was about a journey," he says. "To be the fleet of the year, you don't have to be perfect on everything; you just have to demonstrate where you have made a positive influence on your fleet."

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NOVEMBER 17, 2017

Deadline for entries

DECEMBER 4, 2017

**Initial shortlist drawn up for fleet category
interviews and manufacturer judging**

JANUARY 24, 2018

**Judging day for
manufacturer awards**



JANUARY 25, 2018
**Judging day for
supplier awards**

JANUARY 31 AND
FEBRUARY 1, 2018
Fleet manager interviews take place

MID-FEBRUARY 2018
**Shortlist revealed in
*Fleet News***

MARCH 14, 2018
**Winners revealed at Fleet News Awards
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Stewart Lightbody



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Graham Short



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Martin Ward



Andy Cutler



Steve Jones



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Paul Hollick

MANUFACTURER AWARDS

- Stephen Briers, *Fleet News*
- Simon Harris, motoring journalist
- Martin Ward, Cap HPI
- Andy Cutler, Glass's
- Mark Jowsey, KeeResources
- Steve Jones, LeasePlan
- Joel Lund, Arval
- Debbie Floyd, Bauer Media
- Peter Weston, Arcus

SUPPLIER AWARDS

- Sarah Tooze, *Fleet News*
- John Pryor, Arcadia/ACFO
- Debbie Floyd, Bauer Media
- Stewart Lightbody, Anglian Water
- Graham Short, Zip Industries
- Ryan Coles, Aviva

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- Stephen Briers, *Fleet News*
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- Jo Hammonds, Mears Group
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THE CATEGORIES

FLEET AWARDS

Fleet of the Year – up to 250 vehicles

2017 winner: London & Quadrant Housing Trust

Fleet of the Year – 251-1,000 vehicles

2017 winner: Enserve Group

Fleet of the Year – 1,001-plus vehicles

2017 winner: Environment Agency

Most Improved Fleet of the Year

2017 winner: London & Quadrant Housing Trust
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Safe Fleet Award

2017 winner: Skanska

Eco Fleet Award

2017 winner: Panasonic Europe
Sponsored by BMW UK

Outstanding Cost Control Award

2017 winner: Royal Mail
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MANUFACTURER AWARDS

Best Small Car

2017 winner: Citroën C3

Best Lower-Medium Car

2017 winner: Vauxhall Astra

Best Upper-Medium Car

2017 winner: Škoda Superb

Best Compact SUV

2017 winner: Nissan Juke

Best Mid-size SUV

2017 winner: Seat Ateca

Best People Carrier

New category

Best Compact Premium Car

2017 winner: Audi A3

Best Premium Car

2017 winner: Audi A4

Best Executive Car

2017 winner: Mercedes-Benz E-Class

Best Zero Emission Car

2017 winner: Hyundai Ioniq

Green Fleet Manufacturer of the Year

2017 winner: Hyundai

Most Improved Fleet Manufacturer of the Year

2017 winner: Fiat Chrysler Automobiles

SUPPLIER AWARDS

Leasing Company of the Year – up to 20,000 vehicles

2017 winner: Activa Contracts
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Leasing Company of the Year – more than 20,000 vehicles

2017 winner: Zenith
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Rental Company of the Year

2017 winner: Enterprise Rent-A-Car
Sponsored by Interactive Fleet Management

Outstanding Customer Service Award

2017 winner: The Automobile Association
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Innovative Use of Technology

New category
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Fleet Dealer of the Year

2017 winner: Swansway Group

HEADLINE AWARDS

Fleet Manager of the Year

2017 winner: Jo Hammonds, Mears Group
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Fleet Supplier of the Year

2017 winner: BT Fleet

New Company Car of the Year

2017 winner: Mercedes-Benz E-Class

Fleet Manufacturer of the Year

2017 winner: Audi UK
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Fleet News Hall of Fame Award

2017 winner: Colin Marriot

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Register by providing some basic information about yourself and your company as well as choosing a password. You can then start your entries.

Each time you select an awards category you will be given the entry criteria and what the judges are looking for.

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SOFTWARE PUTS L&Q IN CHARGE OF ITS FLEET

Fleet boss Maurice Elford made software a priority when joining L&Q. He is now a double Fleet News Award winner. *Sarah Tooze reports*

Three years ago, Maurice Elford, fleet manager at housing association L&Q, was busy drawing up a strategy which included three priorities: fleet software,

accident management and risk management (see *Fleet News*, September 4, 2014).

Elford was just four months into the job, having previously been group fleet manager at Royal Bank of Scotland (RBS), where he was responsible for a fleet of more than 4,000 company cars (the majority of which were on a salary sacrifice scheme).

Following redundancy at RBS, Elford took a year off but was tempted back to fleet management when L&Q created a role for a full-time fleet manager.

The housing association, which owns and manages more than 90,000 homes across London and the south east, had decided to bring property maintenance in-house to get better control of cost and service.

It ran a pilot scheme with 20 vehicles on two-year leases in 2013 and when Elford joined in May 2014, the fleet had grown to 63 vehicles (16 cars and 47 vans).

It has since expanded to 260 vehicles (20 cars and 240 vans).

Being in charge of a fleet that is predominantly vans and job-need vehicles rather than perk cars was initially a culture shock for Elford.

"Suddenly I was confronted with these white things with a wheel at each corner and no windows at the back, having dealt with cars all my life," he says.

However, Elford has relished the challenge, earning L&Q two Fleet News Awards earlier this year: Fleet of the Year – up to 250 vehicles (which it qualified for at the time) and Most Improved Fleet.

The first of his priorities (fleet software) was achieved relatively quickly, with Elford appointing FleetCheck, following a number of recommendations.

"I knew it (fleet growth) was coming down the track so getting fleet software in place was really important," he says.

FleetCheck has the added benefit of an app which drivers use to perform vehicle walk-around checks.

"The driver has to record the tyre tread depth and if they put in 3mm it flashes up on our system," Elford explains. "Similarly, if they input a defect it flashes up on our system. Sometimes it's a chipped windscreen or a ding in the driver's door but if a warning light has come on in the vehicle we can act on that straight away."

Defects are largely managed by fleet assistants Stacey Leigh and Danielle Pettitt, who joined the team as result of fleet expansion.

Fleet management software has meant that L&Q's fleet data is all in one place, making it easier to maintain records for MOT testing, driving licence checking, insurance checks and so on.

"We have one system that has got everything," Elford says.

He handled his second priority (accident management) by outsourcing to L&Q's lease provider, Lex Autolease. This has reduced the administrative burden and meant that both bent metal costs and third party capture are managed effectively.

All vehicles are on contract hire with maintenance agreements as it allows L&Q to invest money in new housing rather than depreciating metal.

Cars are leased over three years while vans are now leased over five years.

Elford says: "After being at L&Q for a few months I rescheduled vehicles that were on the original two-year contracts to three-year contracts and then rescheduled the existing fleet and anything we've done since on five-year contracts because our mileage is quite low for vans. That has saved us £300,000 over four years."





Maurice Elford rescheduled some contracts from two to three years after he had been with L&Q for a few months



FACTFILE

Organisation: L&Q
Fleet manager: Maurice Elford
Fleet size: 240 vans, 20 cars
Brands on fleet: Cars – various; vans – Ford, Renault and Vauxhall
Funding method: contract hire
Replacement cycle: cars – three years, vans – five years



He has also adopted “a more scientific” approach to the way vans are kitted out.

Instead of ordering them with racking included in the lease rental (as L&Q did previously), he has chosen to buy the racking, enabling it to have a second life, and has tailored the vehicle and fit-out to the specific job-function, recognising that a plumber’s requirements can be different to those of an electrician.

“The principle aim was to get the best vehicles for the job so we talked to drivers about what was best for them,” he says.

“Two things I learnt very quickly was the standard length of a kitchen work surface and the length of copper pipes is three metres, and the width of a standard bath is 700mm so when we fitted the plumbers’ vans out because they have got racking both sides we had to check that the gap between the two was 700mms.

“We now have 12 combinations of vehicles and fit-outs so we have specifications for electricians, plumbers, uPVC window repairs, multi-trade carpenters, ground-workers, roofers and so on.”

Vehicle specification is not the only thing Elford has had to get to grips with.

“Vans are very different to cars, there are different priorities,” he says. “Downtime for me was never an issue [at RBS]. If your car was off the road it was off the road, tough. But here downtime is the number one priority.”

Planned downtime is managed by using hire vehicles or swapping drivers into spare vehicles at the company’s main office at Sidcup in south-east London.

Wherever possible, through Lex Autolease, L&Q also uses mobile servicing.

“They come to us at a booked time – generally 8am,” Elford says. “Our driver pitches up at the same time, goes and does their e-learning and an hour and half later it’s all done and they’re on their way.”

Elford has also begun using independents locally rather than franchised dealers which means a vehicle may be booked in for a service in two-to-three days rather than it taking two-to-three weeks.

This has not caused any issues with Lex Autolease, provided the independent is on the 1link Service Network.

“One of the local garages we use, Smart Garage Services, is run by a charity to help get disadvantaged people back into work,” Elford says. “I got introduced to them because our chief executive spent a day with their chief executive. We’re a registered charity so we like to support other charities.”

Elford’s third priority from his initial fleet strategy (risk management) is still work-in-progress but he has made great strides after appointing a telematics provider last year.

“We’ve seen a 16% reduction in our insurance claims between April and July this year versus last year so it’s beginning to pay for itself,” Elford says.

There has also been a significant reduction in engine idling.

“Back in January this year our idle time for a week was 500 hours, now it’s down to 120,” Elford says. “We don’t expect to maintain that over the winter because the guys working outside will sit in the van and run it to get warm again but the van burns roughly 1.2 litres of fuel an hour idling so that has saved us 456 litres a week. So fitting telematics just to drop the idling and reduce CO₂ emissions is really significant.”

Drivers are emailed their individual scorecard from the telematics system on the first day of every month. It shows them the past two months so they can see whether they have improved or not. A summary report is also sent to managers.

“Some of the top performers are getting better because they want to improve on the previous month or they are on the same team and one is only a point behind the other,” Elford says.

“Those at the top who score ‘green’ every month have clearly bought into it.”

One of the offices outperforms the others but Elford thinks this might be due to the type of journeys the drivers do. It’s one of the reasons he is reluctant to introduce a reward or incentive scheme.

“I blow hot and cold on incentives,” he says. “Why should I reward you for obeying the law and doing what you should be doing? It would incentivise those already at the top, but would it incentivise those at the bottom? I doubt it.”

Elford is now at the stage where is reviewing the next part of the fleet risk programme: online assessments, which will be used to determine what level of risk drivers are and if any are ‘high’ risk what the reasons are so that can be addressed.

“I have an ambition that when all our craftsmen and women are asked what their trade is they will say: ‘...and I am a professional driver’. But we’ve got some way to go to achieve that yet,” Elford says.

“A reward would incentivise those already at the top, but would it incentivise those at the bottom? I doubt it”

Maurice Elford, L&Q



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

FIRST PURE ELECTRIC VEHICLES TO GO INTO SERVICE SOON

L&Q will soon operate its first pure electric vehicles, with two Nissan e-NV200 vans set to join the fleet in November, following a successful trial.

The vans will be used by L&Q’s caretaking service which is responsible

for keeping estates clean and tidy, and will operate in Hackney and Elephant & Castle in London.

“The drivers who tried it in Hackney loved it so we don’t have to convince them,” Maurice Elford says.

The vans will do around 10 miles per day and will be charged up overnight. Just under half (44%) of the car fleet of 20 cars is hybrid and Elford would like to see this number increase and for pure electric vehicles to join the car fleet.



Maurice Elford is now reviewing the next part of the fleet risk programme – online assessments

MOST IMPROVED FLEET OF THE YEAR



Maurice Elford collects the award from Lisa Spong, head of sales at Reflex

JUDGES' COMMENTS

From a standing start, Maurice Elford has delivered outstanding results by understanding the role of the fleet and the needs of its drivers. He has secured buy-in to new initiatives and can show measurable outcomes. The judges were impressed by the appointment of a garage which helps disadvantaged people back into work.

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FLEET OF THE YEAR UP TO 250 VEHICLES



Maurice Elford collects the award from Neil Broad, general manager, Toyota & Lexus Fleet

JUDGES' COMMENTS

L&Q has undertaken a thorough review of employee needs and how they translate into the fleet policy. It has designed solutions that meet their requirements and has the buy-in at a senior level. Diversity, inclusion and engagement are the key themes at L&Q.

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GROWTH OF 100,000? CHECK. LEX HITS FIVE-YEAR TARGET

As Lex Autolease tops 380,000 vehicles, the UK's largest leasing provider is now switching its focus towards 'sustainable growth'. *Stephen Briers* reports

This year's FN50 will be revealing for a whole number of reasons, none more so than the status of the UK's largest leasing company, Lex Autolease.

The merger of Lloyds Autolease and Lex in 2009 brought together the FN50 top two with a combined 370,000 vehicles. But it didn't stay that way for long. Contract losses and a decision to exit low margin business saw year-on-year reductions in fleet size until 2012, at which point Lex Autolease was funding 268,000 vehicles.

Since then, it has been on a relentless pursuit of growth. The strategy was given renewed urgency with the appointment of Tim Porter as managing director in mid-2013.

He set a target of adding 100,000 vehicles to the risk fleet by the end of 2017, which would take the business to 375,000 – bigger than the original merged business.

It was, by his own admission, an "ambitious plan". Nevertheless, with months still to go, Lex Autolease has achieved its goal. It now sits on just more than 380,000 vehicles, strengthening its position at the top of the FN50.

Key to the strategy was the identification of five target channels: direct (small business and personal leasing), brokers, white label manufacturer, public sector and corporate.

Attacking those channels were four business propositions: SME, business critical, major corporate and existing customers.

"We have won a lot of new customers and kept our existing ones. We made a lot of enhancements on the commercial vehicle (CV) side with business critical at the forefront," Porter tells *Fleet News* in an interview at the company's Birmingham head office.

"We also had success with the largest corporates – the ones that want to fully outsource their fleets where our proposition works best – and the SME van market. SMEs have increased their interest in good value basic vans because there were fewer used vans in the market, which was good for us and the industry."

The SME plan was fundamental to growth aspirations, with Porter recognising that adding owner-drivers to the target base would also take Lex Autolease into the personal market. "What we didn't know was how much," he adds.

The answer was 'quite a bit', helped by investment in its web portal to create an interface for the personal market as well as business users. Personal contract hire has accelerated over the past couple of years and Lex has been well-positioned to take advantage, as Porter explains.

"Driving SME is residual value (RV)-based funding methods, which means the monthly price is very attractive especially with the discounts offered upfront by the manufacturers," he says.

Surprisingly, he is yet to take full advantage of Lex Autolease's ownership by one of the UK's largest banks with a heavy presence in retail and small business finance.

"There are opportunities, we know, and we will be investing in the relationship with Lloyds," Porter says.

"To service this market, we need to provide a customer service they need. High on the list is digital. The personal customer expects a different experience online compared to the business user on selection tools. It can be very complex; we have to make it simpler and pain-free for them."

Lex Autolease made the headlines in 2014 when it signed terms to take on the running of Balfour Beatty's car and van fleet of 6,000 vehicles. It marked the start of its move into business critical fleets, those companies where vehicles are essential to their success.

It now has five business critical customers in the UK, each operating more than 5,000 vehicles, with "two or three conversations ongoing now". Some are pan-European.

"These relationships can be fully outsourced or they can be transactional, i.e. finance lease. We have done business in both forms," Porter says. "We add most value on full management, but we recognise that not everyone wants to go down that route."

Major leasing companies such as Lex Autolease were founded on corporate funding but Porter recognises that to thrive, both they and their customers have to move with the times.

"Corporate leasing is still strong – it's certainly not doomed – but we have to make sure current fleet policies are fit for purpose," he says. "This includes integrating the use of electric and hybrid vehicles which needs the right infrastructure so we can be proactive with policy reshaping."

Porter has also identified a growing market for affinity schemes among corporates.

He says: "I see this being of interest to customers whose perk drivers take cash. Instead of going to the open market, we are having conversations with pilot customers about offering affinity terms for leasing. This is especially of interest to grey fleet."

With the successful conclusion of the five-year plan achieved early, what does the next phase in Lex Autolease's strategy entail?

The company refreshes the plan every year, with a more meaningful re-draft every three or four years. That's where it is now, according to Porter. His strategic focus has

WHY LEX AUTOLEASE REMAINS CORE TO LLOYDS

Five years ago, no discussion of Lex Autolease was complete without speculation over a potential disposal by Lloyds. The common consensus was that it was not core and, as banking was under a lot of pressure, selling non-core assets made strategic sense.

Today, Lloyds' decision to retain the leasing business is paying off, and the rumourmongers have gone quiet.

"This is a market in growth and a

business type that the bank is interested in," says Tim Porter. "It is still an 'invest to grow' strategy.

"Lex Autolease is core on the basis of its growth – that was the bank's expectation and we have done it in a way to gain continued support. And, as the process of leasing a vehicle digitises and more consumers become interested in user-ship, it creates an interesting retail opportunity for us."



FACTFILE

Company Lex Autolease

Parent company Lloyds Bank

Managing director Tim Porter

Time in role four years

Risk fleet size 381,833 – 274,513 cars, 107,320 vans

No of EV/hybrid vehicles 14,000

When Tim Porter took the helm at Lex Autolease he set an ambitious five-year target that has already been hit

moved away from setting growth targets in favour of sustainable growth.

"We will see growth as a result of doing other things," he explains. "This is about exceptional customer service, digital services and automation. It is also about appropriate standards and compliance."

He adds: "A one-cycle customer is not a customer. We put a lot of effort into winning customers and we want to keep them; repeat orders are key."

A large proportion of growth will come in the regulated market. Lex Autolease is working closely with the Financial Conduct Authority (FCA) to ensure its operations are compliant for when the regulatory body turns its spotlight on leasing. Its processes mirror those of sister consumer finance house Black Horse.

Porter has identified a number of areas that will underpin future success.

The first is the returns process at end of lease. The decision to outsource the remarketing function to BCA has made the process faster and slicker, which will help the company accommodate the rise in numbers, especially from SMEs and personal leasing.

"We have to set up for success in a market where the customer operates one vehicle," says Porter.

"We put a lot of effort into winning customers and we want to keep them"

Tim Porter, Lex Autolease

He is also investing in the digital experience, with a 24/7 mobile experience covering car options and 'QODD' – quote, order, deliver and de-hire. "We have to be easy to do business with. This is where the industry has a lot of work to do," he adds.

Porter is working with a number of customers on mobility solutions. It's an area where there is no "golden nugget answer". He sees it as a continuum starting with taxis and moving up various levels through daily rental, mini-leases, two-year contract hire and extended term contract hire.

"It's all about vehicles types; we are not integrated with planes and trains yet, although we are confident that this is where it is going," he says.

Lex Autolease is funding a growing number of mini-leases for vans and has seen greater taxi use for non-essential users. It is looking

to join the dots, which is "about more than a fancy app".

Porter says: "Within the next 12-18 months, there will be a number of big firms looking at that level of 'motor mobility' where they will want to significantly change their company fleet policies."

Linked to the mobility challenge is the diesel debate. Lex Autolease already has 14,000 hybrid and electric vehicles on fleet and the number is growing rapidly.

It has also seen a move to petrol from diesel in some car categories, such as small cars. For larger vehicles, the tax regime continues to steer much of the activity while vans will remain diesel "for the foreseeable future".

Porter's concern is the impact on RVs saying "80% of our fleet is diesel and if the used value dips more than we anticipate, that will be a problem for the whole industry".

However, he adds: "We see a strong market still. We don't see any 'U'- or 'V'-shaped challenge, but we have provisions within our fleet to cope with that. We are taking a prudent approach to risk management. We seek to be competitive but we aren't the most price attractive because that is an RV risk."

"We want to provide an end-to-end experience for all customers. That's when people buy and re-buy."

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*Stephen Joseph, chief
executive, Campaign
for Better Transport*



Are we there yet? Why the era of mobility is drawing near

*Richard Cuerden,
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TRL Academy*



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CROSSOVERS

In the past decade the popularity of crossovers has increased substantially at the expense of others. In this 10-page section we explain what a crossover is and how it has progressed

INSIDE



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When rugged SUV meets conventional saloon you have a crossover and more and more makers are launching them

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For years picking diesel has seemed to make sense but now petrol, hybrid or plug-in hybrids are worthy alternatives

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Three bosses of fleets explain the growing appeal of crossovers to their company car drivers

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We run the rule over six of the newest crossovers – from T-Roc to Karoq. Our testers give their verdicts

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Want to wait for a wider choice? A brief guide to nine models that are due to launch in the UK in the next year or so



WHEN RUGGED SUV MEETS CONVENTIONAL SALOON

In the past decade the crossover has come on in leaps and bounds while sidelining people carriers

Crossover is one of those car industry jargon words, probably coined for marketing presentations to the board, that we're all expected to understand. But it doesn't describe its subject particularly well.

It defines a car that spans two different sectors, but now typically refers to vehicles that have the rugged appearance of an SUV, but are closely related to a conventional saloon or hatchback, and have limited off-road ability.

Around 15 years ago, when a car's CO₂ emissions began to play a role in how much benefit-in-kind (BIK) tax a driver was liable for, traditional SUVs with higher fuel consumption and CO₂ emissions than other types of vehicle began to look expensive. At the time, MPVs or 'people carriers' were still popular, with cars such as the Renault Scenic and Vauxhall Zafira, which both defined the trend for compact versions as alternatives to traditional family hatchbacks and estates, selling in significant volume.

Over the years that followed, while a number of vehicles could claim to fit into the 'crossover' template, the real sector growth began with the launch of the Nissan Qashqai in 2007.

There had been an evolution of 4x4s long before the Nissan was introduced, with the Mercedes-Benz ML, BMW X5 and Lexus RX introduced in the mid-1990s (although the Lexus didn't reach Europe until 2000). While these cars were high-end models not accessible to most drivers, research had shown the majority of customers buying large 4x4s didn't need to drive off road – they liked the higher driving position and the status the car had over traditional saloons or estates.

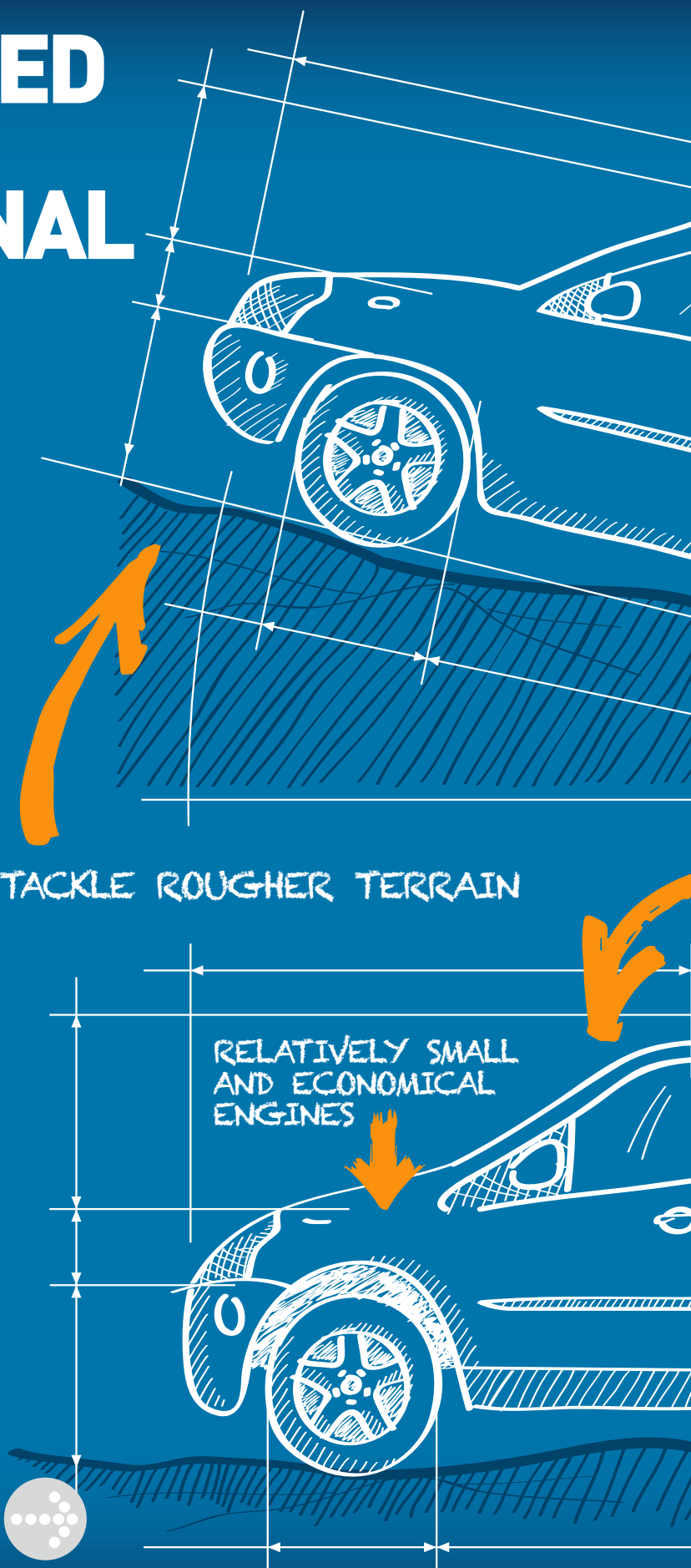
There were also more affordable offerings in the Toyota Rav4, Honda CR-V and Land Rover Freelander, while Honda's HR-V was perhaps the earliest mainstream car in the current crossover mould, with the abbreviation. Although equipped with four-wheel drive as an option, the handbook advised its wading depth as 'surface water only'.

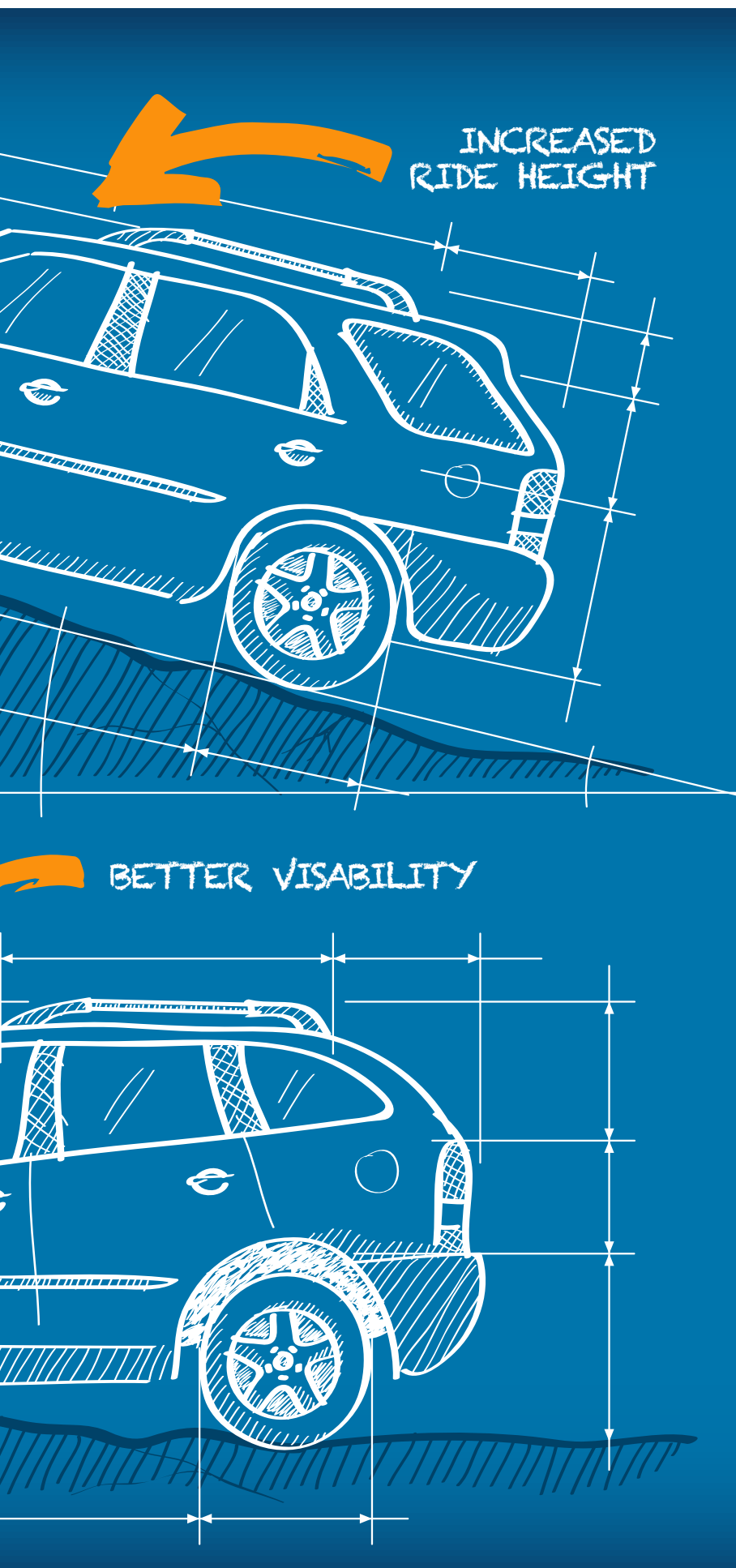
In the 1990s we also saw the introduction of what were existing estate cars with raised ground clearance, a robust-looking body kit and four-wheel drive.

The Subaru Legacy Outback (later, Subaru Outback), Volvo V70 XC, and Audi A6 Allroad were early examples.

4X4S GAIN TRACTION

By the time these cars had been introduced, Europeans were buying upper-medium, or D-sector cars in large numbers. They accounted for huge volume, particularly in fleet, but also with a significant share of private buyers.





SPONSOR'S COMMENT

By Sarah Symcox,
Business Sales Operations Manager, Volvo



New XC40 completes global Volvo line-up for fast-growing premium SUV segment

On 21 September, Volvo Cars announced the expansion of its SUV line-up with the launch of its new XC40 small premium SUV.

The arrival of the XC40 means that, for the first time in its history, Volvo Cars has three new, globally-available SUVs in what is the fastest-growing segment of the automotive market, paving the way for further growth in terms of sales and profitability.

In terms of technology, the XC40 brings the award-winning safety, connectivity and infotainment technologies known from the new 90- and 60-series cars to the small SUV segment. Like its larger siblings, the XC40 highlights the transformational effect of these new in-house-developed technologies on the Volvo brand and its profitability.

These technologies make the XC40 one of the best-equipped small premium SUVs on the market. Safety and driver-assistance features on the XC40 include Volvo Cars' Pilot Assist system, City Safety, Run-off Road Protection and Mitigation, Cross Traffic Alert with brake support, and the 360° camera that helps drivers manoeuvre their car into tight parking spaces.

The XC40 also offers a radically new approach to storage inside the car. Ingenious interior design provides XC40 drivers with, among other things, more functional storage space in the doors and under the seats, a special space for phones (including inductive charging), a fold-out hook for small bags and a removable waste bin in the tunnel console.

If you'd like to keep up to date with the latest news on the new XC40, visit volvocars.co.uk/vq





In 2000, upper-medium cars outsold SUV or crossovers (termed 'dual purpose' by the SMMT – Society of Motor Manufacturers & Traders) several times over.

MPVs or people carriers were also selling in significant numbers. Cars such as the Renault Espace, Chrysler Voyager, Volkswagen Sharan and Ford Galaxy were appealing as multi-purpose vehicles – family cars suitable for the school run, business journeys and weekend activities.

Unlike other European markets, UK customers preferred seven-seat versions of the C-sector MPV, and where they were offered with a five-seat alternative, such as the Renault Grand Scénic, Ford Grand C-Max, and Citroën Grand C4 Picasso, they were outselling the less accommodating variants by around two to one.

Much of the appeal seems to be in getting the most ability and features for the money. But that didn't discourage manufacturers from downsizing the format to the B-sector.

Perhaps a significant moment in how 4x4s were perceived occurred in 2006. The cars had been the source of debate for some time and were vilified in environmental circles.

National newspaper *The Independent* published a front-page story with the headline 'Enemy of the people' and a photo of a 4x4. The story said doctors had joined calls to penalise drivers, suggesting they were more likely to use hand-held phones while driving and less likely to wear seatbelts because of the greater feeling of being safe while on the move thanks to the elevated cabin position.

It seemed 4x4s needed a change of image, but this change was coming. The Nissan Qashqai arrived in 2007, and while four-wheel drive versions were available, the range was predominantly front-wheel drive.

It gained the attention of company car drivers not only through its ability as a more practical family car, but also that its CO₂ emissions were comparable to those C-sector and D-sector models in the same price bracket.

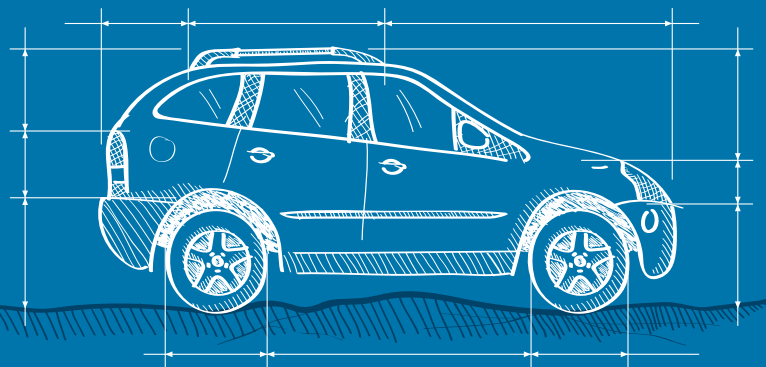
A year after the Qashqai's launch, Nissan introduced a seven-seat version, which was able to steal sales from seven-seat MPVs. CO₂ emissions were similar to five-seat versions of the Qashqai, and its SUV shape made it more appealing than an MPV.

While Nissan helped start a trend in the C-sector with the Qashqai, three years later it applied the same principle in the small car sector with the Juke.

BREAKING PREMIUM BOUNDARIES

One of the first budget brand models to make an impression in the large 4x4 sector was the Kia Sorento in 2003. It looked a little like the Lexus RX300, and could also be used as a 4x4 workhorse with a separate chassis and good towing ability.

But fast forward to 2015 and the third-generation Sorento, which has evolved to monocoque construction – like a car rather than an authentic 4x4 – and a seven-seater, enabling Kia to drop the Sedona large MPV.



While entry level models with five seats started at less than £30,000, the higher grade KX3 and KX4 models were around £36,000 and £41,000 respectively, breaking new ground for Kia in its target audience.

While many in the automotive media thought Kia was being too ambitious, within a few months, the former budget brand was reporting that more than 50% of Sorento sales were of the higher KX3 and KX4 variants.

Cars such as the Hyundai Santa Fe, Škoda Kodiaq and SsangYong Korando are capable of blurring what people see as the boundaries between mainstream and premium because they are crossovers.

THE FUTURE

Perhaps Peugeot illustrates the most overt example of the decline of MPVs alongside prospering crossovers.

In 2008 it launched the 3008 – a direct rival for the Renault Scenic and an alternative to the Citroën C4 Picasso. Two years later it launched the 5008 as a rival for the Renault Grand Scenic and Vauxhall Zafira.

In 2016, the second generation 3008 had been transformed into an SUV, while the new 5008, launched this year, has become a seven-seat version of the 3008.

And Peugeot has seen fit to add 'SUV' to the marketing of both models, although neither features four-wheel drive.

Citroën has discontinued its C3 Picasso this year to be replaced by the C3 Aircross SUV, while Ford recently announced it would not be replacing the B-Max, but has a B-sector crossover in the Ecosport (arguably a less sophisticated car than the B-Max). Vauxhall has joined a partnership with new parent PSA to boost its crossover range alongside the successful Mokka X, with the Crossland X and Grandland X.

According to the SMMT, in the decade from 2006-16, crossovers (dual purpose vehicles) grew by 149.1%. In the same period, upper medium cars (which includes premium models such as the BMW 3 Series, Audi A4 and Mercedes-Benz C-Class) declined by 34.8%, with mainstream favourites such as the Ford Mondeo, Vauxhall Insignia, and Volkswagen Passat falling victim to the rise of crossovers, the growth of premium brands and downsizing.

"In the decade from 2006 to 2016 crossovers grew by 149.1%. In the same period upper medium cars declined by 34.8%"



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WHICH ENGINE? HYBRID CHALLENGES DIESEL

For years, picking diesel has seemed to make most sense but a combination of reasons is bringing petrol, hybrid and plug-in hybrids into the mainstream

The progress path for SUVs and crossovers hasn't always run smoothly. Many were priced out as company cars following the onset of CO₂-based company car tax in 2002.

If their suitability as mainstream company cars was threatened then, they received a further setback in the 2008 financial crisis and recession as businesses became keener to scrutinise costs and cut back where possible.

In addition there was always the redeployment issue that made fleet operators cautious. If a member of staff chose a thirsty SUV as their company car then left, it would have been a difficult vehicle to reassign to another member of staff.

The 4x4 would have seemed a high-end alternative to a traditional company car, but taking on higher fuel costs and tax liability would have provided a reality check for anyone tempted to accept one.

However, during the past 10 years we have seen options that are competitive with mainstream hatchbacks for cost and tax liability. In addition, some work out even cheaper if used the right way.

For most of the time company car drivers have had these vehicles available, choosing the diesel variants has made most sense. But, more recently, the option of hybrids has

"One of the reasons a diesel car in 2017 might be less appealing than a decade ago is the increasing front-end price factored into depreciation costs"

become a factor in influencing user-chooser decisions.

One of the reasons a diesel car in 2017 might be less appealing than a decade ago is the increasing front-end price factored into depreciation costs.

In 2007, cars were required to be compliant with Euro 4 emissions rules. The Euro 6 emissions rules now in force are more stringent, and require many diesels to carry a higher level of exhaust after-treatment, which adds to costs.

These features deliver no additional benefit to the fuel economy or CO₂ emissions of diesel cars, which are factors in the running costs to a used car buyer. It means a higher cost up front because this extra technology will not result in any uplift in the resale value, as fuel costs are not affected and annual road tax is based on CO₂.

On top of this given diesel has been making headlines for all the wrong reasons recently, it would be realistic to expect a softening in residual values (RVs) should any official action be taken to discourage customers from choosing diesel.

Currently, diesel can have an advantage in pence-per-mile costs for businesses, but the 3% supplement on company car tax against some petrol models with comparable CO₂ emissions often tips the benefit-in-kind (BIK) tax balance in favour of petrol.



HYBRID V DIESEL COMPARISON (4YR/80,000 MILES)

	Lexus RX 450h SE	Mercedes-Benz GLE 250d Sport	Kia Niro 1.6 GDI 2 auto	Kia Sportage 1.7 CDRi 2
Fuel	Hybrid	Diesel	Petrol	Diesel
Power (PS)	313	204	139	114
P11D value	£48,440	£50,735	£22,990	£22,530
CO ₂ emissions (g/km)	120	155	88	119
BIK tax band (2017/18)	23%	33%	17%	25%
Annual BIK tax (20%/40%)	£2,228/£4,456	£3,349/£6,697	£782/£1,563	£1,127/£2,253
First year vehicle excise duty (VED)	£150	£500	£90	£160
Subsequent VED	£440	£450	£130	£140
Class 1A NIC	£1,537	£2,310	£539	£777
Residual value	£16,475	£16,400	£7,500	£7,750
Depreciation (ppm)	39.96	42.92	19.36	18.48
SMR (ppm)	5.61	7.89	3.32	4.17
Fuel (ppm)	9.82	11.21	7.17	8.75
Running cost (ppm)	55.39	62.02	29.85	31.4



PETROL V DIESEL COMPARISON (4YR/80,000 MILES)

Fuel	
Power (PS)	
P11D value	
CO ₂ emissions (g/km)	
BIK tax band (2017/18)	
Annual BIK tax (20%/40%)	
First year VED	
Subsequent VED	
Class 1A NIC	
Residual value	
Depreciation (ppm)	
SMR (ppm)	
Fuel (ppm)	
Running cost (ppm)	

In our comparison (see below), the Seat Ateca 1.0 TSI works out just £32 more expensive than the 1.6 TDI over four years/80,000 taking into account service, maintenance and repair (SMR), depreciation and fuel costs.

However, the petrol version presents a £133 saving in employers' national insurance (NI) contributions in the current tax year, and will continue to be lower than the diesel in future years. It also has a near £200 saving in BIK this year for a standard rate taxpayer.

The Peugeot 3008 diesel would appear to have a greater advantage over the petrol equivalent, but over a fleet life-cycle, it would still be a much closer comparison than several years ago.

These kinds of patterns can be found across the C-sector SUV landscape, with petrol and diesel costs often separated by a few pounds, with the petrol version frequently delivering lower BIK tax.

In larger crossovers, it's far more difficult to find petrol versions on UK price lists to make similar comparisons, although the fact that few petrol models are offered suggests that diesel is the preferred choice and has a greater cost advantage on these vehicles.

However, it's likely that a hybrid crossover has lower tax liability and is cheaper to run than a diesel version.

Our comparison showing the Lexus RX hybrid with a diesel Mercedes-Benz GLE is something of a mismatch, as the diesel is around the same price as the hybrid, but is rather less powerful, although the Lexus is the best performing example in the range for low CO₂ emissions and is in entry-level SE specification.

However, with CO₂ emissions of 120g/km and no diesel supplement, the costs advantage over the diesel crossover is significant.

Comparing the Kia Sportage – the best selling crossover in the UK last year – with the similar sized Niro hybrid also suggests hybrid models are now cheaper to operate than diesel in smaller crossovers.

"Plug-in hybrid choices are growing, but simply looking for any plug-in crossover might not offer a significant advantage over diesel"

The number of hybrids is growing, with Toyota offering a high-end hybrid version of the Rav4, while its C-HR is not available with a diesel engine.

Plug-in hybrid choices are growing, but simply looking for any plug-in crossover might not offer a significant advantage over diesel.

So far, there are only two plug-in hybrid compact crossovers – the Kia Niro PHEV, recently added to the Niro range, and the Mini Countryman Cooper S E hybrid. The Mini is geared more toward performance, while the Kia is a mainstream alternative.

The Mitsubishi Outlander fills the gap between compact and premium plug-in hybrids, and is typically cheaper to run than diesel versions of the Outlander for low- to medium-mileage drivers, as long as they take advantage of charging the battery.

There is a greater benefit in plug-in hybrids achieving CO₂ emissions of 50g/km or less in terms of BIK tax bands. While there are a number of large crossovers with plug-in hybrid options, only a few fall into the lowest BIK band, and the difference is significant when it comes to costs for company car providers and drivers.

Our comparison over four years/40,000 miles shows that, although the BMW X5 plug-in hybrid is priced lower than the Volvo XC90 T8, the Volvo's sub-50g/km CO₂ emissions give it a significant tax and cost advantage over the X5.

Plug-in hybrid cars have been in the news recently because a study found that many drivers didn't bother recharging them and instead relied on the petrol engine. This resulted in far worse fuel economy than shown in official figures, and an expensive vehicle to have on a fleet.

Evidence suggests there could be savings in switching from diesel to petrol, petrol or diesel to hybrid, or even plug-in hybrid, as more choices become available and electrified technology becomes more common and the price premium falls. But driver education is key in realising those savings.



PLUG-IN HYBRID COMPARISON (4YR/40,000 MILES)

Seat Ateca 1.0 TSI Ecomotive SE Tech	Seat Ateca 1.6 TDI Ecomotive SE Tech	Peugeot 3008 1.2 Puretech Allure	Peugeot 3008 1.6 BlueHDI Allure
Petrol	Diesel	Petrol	Diesel
115	115	130	120
£22,010	£24,115	£24,080	£25,930
120	119	117	104
23%	25%	22%	22%
£1,012/£2,025	£1,206/£2,412	£1,060/£2,119	£1,141/£2,282
£160	£160	£160	£140
£140	£140	£140	£140
£699	£832	£731	£787
£7,850	£9,000	£7,275	£8,150
17.7	18.89	21.01	22.23
4.09	4.31	4.64	5.02
10	8.55	9.62	7.61
31.79	31.75	35.87	34.86

	Volvo XC90 T8 Twin Engine R Design	BMW X5 xDrive 40e M Sport
Power (PS)	407	313
P11D value	£64,300	£59,650
CO ₂ emissions (g/km)	49	78
BIK tax band (2017/18)	9%	17%
Annual BIK tax (20%/40%)	£1,157/£2,315	£2,028/£4,056
First year VED	£0	£90
Subsequent VED	£440	£440
Class 1A NIC	£799	£1,399
Residual value	£29,175	£25,825
Depreciation (ppm)	87.81	84.56
SMR (ppm)	5.95	6.75
Fuel (ppm)	8.46	16.32
Running cost (ppm)	102.22	107.63

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CONNECTIVITY ON THE MOVE

And for an intuitive way of working, the XC60's Sensus Connect touchscreen interface is now the familiar smartphone portrait format. The Volvo On Call app delivers new connected services where drivers can send locations from calendars to the car's navigation, find fuel stops, and more. While the app's redesign makes it simpler to monitor up to ten fleet cars.



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STEWART LIGHTBODY, ANGLIAN WATER



Anglian Water has around 25 SUV/crossover vehicles on its fleet, just more than half with senior management and the rest on the essential user fleet.

While this is a small proportion of its 760-car fleet (of which 700 are essential user), head of fleet Stewart Lightbody forecasts growing demand from his company car drivers.

"There is a desire from our essential user population to have something different," says Lightbody. "SUVs give them practical space for both business and their family. They look cooler, they are stylised and they feel premium. In our business, we will see more come onto the fleet."

SUVs can also offer a solution to employees who suffer back problems or mobility issues.

"We have some SUVs in our essential users for occupational health reasons because they are ergonomic and we have an ageing workforce," Lightbody says. "They find SUVs and crossovers easier to access; they sit up high and upright with a clearer

view of the road. So when they have back problems, the first vehicle we go for is a crossover."

There are disadvantages, of course. SUVs are bigger vehicles and therefore typically consume more fuel and have higher CO₂ emissions. As Anglian Water's policy is pay and reclaim on the advisory fuel rate, this isn't a problem on cost; it's the drivers who will be affected.

However, as Lightbody points out: "This can often be addressed by changing their driving style."

He has implemented a CO₂ cap of 139g/km, which eliminates the most polluting vehicles. And, as hybrid technology becomes a more common option over the next few years, SUVs will become increasingly efficient.

"Hybrid and electric is a real opportunity. The Jaguar I-Pace, for example, will be a game-changer. It looks good, goes well and is electric – I believe it will appeal to a lot more people."

While list prices are often higher than comparable estate and family cars – usually the vehicle alternatives to SUVs – residual values are also preferential.

"We often see a price premium at resale so we can make SUVs work from a wholelife cost point of view," Lightbody says.

He should know; Lightbody himself is an SUV convert. He drives a Mitsubishi Outlander PHEV. "It is our only family car so it has to do everything for work and home. It ticks all the boxes," he adds.

"When staff members have back problems, the first vehicle we go for is a crossover"



Mitsubishi Outlander PHEV

DAMION BENNETT, GE UK



GE UK has around 2,000 vehicles on its fleet with crossovers taking close to a 10% share. Bennett says staff prefer having access to a choice list that offers a variety of models.

He says: "We find GE employees like a good mix and, by having a diverse list of vehicles, it helps with the reallocation fleet that we operate as part of our cost savings. Employees particularly like the two-wheel drive variants as these offer the driving position of an SUV without the hefty BIK."

The strategy has not produced any disadvantages, and increasing availability of models, especially wearing premium badges, are likely to ensure continued appeal. Choice is growing within the brands currently offered to GE staff.

Bennett adds: "Manufacturers are introducing more and more crossover-type vehicles that offer the styling and practicality of an SUV and that very fact would suggest they are in demand."

"GE recently added JLR as a pilot and the Range Rover Evoque, Land Rover Discovery Sport and Jaguar F-Pace have proved extremely popular. Staff are even willing to contribute heavily to drive such vehicles."

"Employees particularly like the two-wheel drive variants as these offer the driving position of an SUV without the hefty BIK"

PAUL TATE, SIEMENS



Around 20% of the 3,000-car Siemens fleet are crossovers, and commodity manager Paul Tate points to the introduction of the Nissan Qashqai in

2007 as a pivotal moment for crossovers and their appeal.

He says: For us, crossovers have been popular, offering drivers a lot of car for the money. It started with the Qashqai and Nissan appeared to set the standard with this car that others have tried to emulate."

But he adds that CO₂ and costs have been crucial in ensuring vehicles have been good choices as company cars, as well as ensuring reasonable and acceptable times from order to delivery.

"There is demand but CO₂ needs to be at a level that still makes these vehicles an attractive, along with the right SMR and lead times," Tate says.

HOW SIX OF THE BEST CROSSOVERS

From the T-Roc to the Karoq here are some of the newest contenders for fleet decision-makers to consider adding to their company car lists

VW T-ROC

The Volkswagen T-Roc compact crossover will arrive in December priced from £19,000.

A rival to the Nissan Juke and Mini Countryman, the T-Roc is expected to be one of Volkswagen's top selling models, with 25% of registrations going to fleets.

Chunky proportions and a wide stance suggest the T-Roc errs on the sportier side of the SUV sphere. The entire roof, including the A-pillars and exterior mirrors, may optionally be painted in one of three contrasting colours.

Volkswagen says interior space is among the best-in-class. There is ample room for five adults and a 455-litre boot. Fold the rear seats and this expands to 1,290 litres.

A full spectrum of active safety technology is available, including Front Assist with Pedestrian Monitoring, City Emergency Braking, Blind Spot Detection and Park Assist.

Petrol derivatives are expected to account for 80% of sales.



KIA STONIC

Smash-hit success with SUVs is tipped to give Kia a flying start in an emerging sector for more compact all-purpose cars when its latest model reaches the showrooms later this year.

The Korean firm believes the reputation it has won with the Sportage and Sorento in the medium and large SUV segments should pave the way for the Stonic, its new challenger for crossover vehicle sales.

Based on the Rio platform, the B-segment Stonic will rival the Nissan Juke, Renault Captur and Vauxhall Mokka.

Advanced high strength steel makes up more than half the materials used in the Stonic and electronic stability control and vehicle stability management will be standard.

Options include autonomous emergency braking with pedestrian recognition and forward collision alert, blind spot detection with rear cross traffic alert, lane departure warning, high beam assist and a driver attention warning system.



HYUNDAI KONA

Hyundai is poised to challenge rival car manufacturers with a new compact SUV later this year, with an EV version due in 2018.

The Kona will target the Nissan Juke and Peugeot 2008 plus newcomers such as Vauxhall Crossland X and Citroën C3 Aircross.

It fills a gap in the range left by the ix20 compact MPV and follows the evolution of the market toward SUVs.

The Kona will initially be available with a choice of two petrol engines: a 120PS three-cylinder 1.0T (with a target CO₂ of 119g/km and fuel consumption of 53.3mpg) and a 177PS four-cylinder 1.6T. The former has a six-speed manual transmission and the latter a seven-speed dual-clutch auto.

Next year, the Kona will also have a new 1.6-litre four-cylinder turbocharged diesel engine available with 115PS (six-speed manual and front-wheel drive) and 136PS (seven-speed dual-clutch auto, either four-wheel or front-wheel drive).

Prices are likely to start from £17,000 for the 120PS petrol model, and closer to £19,000 for the 115PS diesel.



VERS SHAPE UP TO SCRUTINY

CITROËN C3 AIRCROSS

The Citroën C3 Aircross is effectively a replacement for the C3 Picasso. This is the first time we've seen Citroën's bold grille and two-tier lights front end translated into an SUV, and it works well. A combination of up to eight body colours, four roof colours and four colour packs are available.

Citroën says the C3 Aircross has the most spacious interior in its segment as well as class-leading comfort. Its 2.6m wheelbase is large for a B-sector SUV.

A choice of three petrol engines start with a normally aspirated 82PS 1.2-litre and a turbocharged version producing 110PS. Both come with a five-speed manual gearbox, with a six-speed auto option on the latter. A 130PS version of the engine is offered with a six-speed manual.

Diesel options are a 100PS 1.6 BlueHDi with a five-speed manual gearbox and a 120PS version with a six-speed manual and stop/start.



JAGUAR E-PACE

Jaguar is taking advantage of an insatiable appetite for crossovers and SUVs among car buyers by adding a second to its line-up ahead of the electric I-Pace next year.

The E-Pace is smaller than the F-Pace, but aims to offer customers more space and emotional appeal than an Audi Q3 or BMW X1. A single 2WD model will be offered in a range dominated by all-wheel drive variants, with a choice of four-cylinder petrol or diesel engines.

The E-Pace is targeted at a young demographic who might prefer a more engaging drive, so the styling also owes as much to the F-Type sports car as it does the F-Pace. The headlamps are a similar shape to the F-Type's, while a line on the rear haunches mimics the curved rear quarter of the high-performance coupé and roadster.

There are two model lines, standard and R-Dynamic, each available with S, SE and HSE equipment grades.

The E-Pace has excellent rear leg room and headroom for a car measuring less than 4.4m in length.



ŠKODA KAROQ

Škoda's new Karoq SUV is set to replace the much loved Yeti, which has served the company well over the past eight years. The Czech company thinks it will be a bigger draw for user-choosers than the outgoing car. First UK deliveries are expected in January 2018.

The Karoq's shape is as conventional in modern SUV design language as the Yeti was distinctive. Its suspension has been designed mainly for on-road agility, but with a degree of sophistication that allows it to perform off-road, too.

Four-wheel drive is optional on some and standard on the 190PS diesel. The 4WD versions can be chosen with an off-road mode.

Those who feel the Karoq is destined for rougher terrain can choose the 'rough road package', which protects against mechanical damage when grounding and prevents dust, sand or mud from getting into the engine bay or cable harnesses.

The electronic differential lock provides additional ride stability. It allows the driver to pull away smoothly and comfortably on road surfaces with varying grip.





CROSSOVERS COMING SOON

The first crossovers tended to be family car or executive saloon alternatives, but manufacturers are now exploiting the opportunity to produce more affordable, compact versions.

Market analysts believe the so-called B-SUV segment, with models such as the Vauxhall Mokka X and Nissan Juke, will double in size over the next 10 years.

Some manufacturers are still introducing their

first C-SUV models 10 years after the first Nissan Qashqai, with brands famous for their 4x4s – Jeep, Land Rover and Toyota – ensuring they have toned-down, two-wheel drive examples.

At the higher end, manufacturers new to the segment have found the lure of extra sales tempting, with Jaguar, Bentley, Maserati and Alfa Romeo introducing their first crossovers.

Rolls-Royce will perhaps be one of the most unlikely brands to join the segment in the near

future, as well as Lamborghini. There are also reports of Ferrari eyeing up an opportunity to launch a crossover.

While the car industry does move in cycles and trends, it's difficult to predict an end to the current craze around crossovers. North America was around 10 years ahead of Europe in identifying the trend and catering for it, and it shows no signs of slowing down on that side of the Atlantic.



AUDI Q8

Audi's flagship crossover has been shown in concept form so far, and at the 2017 Geneva motor show was powered by a 'mild hybrid' powertrain, where an electric motor assists the engine to reduce fuel consumption, and its battery is recharged on the move.

HONDA CR-V

There will be a new Honda CR-V in 2018, but the manufacturer will be ditching diesel engines 14 years after they first appeared in the crossover. The car will be able to cover short distances propelled by its electric motor. It will also be offered with a 1.5 Turbo petrol engine.



MITSUBISHI ECLIPSE CROSS

Slightly larger than the ASX, this Qashqai-sized crossover should give Mitsubishi's range more mainstream appeal. Only a 1.5-litre turbo-charged petrol engine has been announced so far, but we could see a plug-in hybrid during its lifecycle, and a diesel is also likely.

DS 7 CROSSBACK

DS Automobiles has struggled to be considered a premium brand, but the medium-sized DS 7 Crossback could use the less badge-conscious crossover sector to gain traction. Initially it will be front-wheel drive only.



JAGUAR I-PACE

Little is known about specifications for the production car, but this crossover family hatchback alternative will have an all-electric powertrain. In concept form the I-Pace had 400PS, so we can expect performance at the higher end of the sector.

SEAT LARGE SUV

Seat will launch its third SUV in 2018, similar in size to the Škoda Kodiaq. Its name hasn't been revealed, but the company has confirmed it will be one of four Spanish place names: Alboran, Aranda, Avila or Tarraco. It follows the compact Arona launched in 2017.



BMW X2

We've only seen a concept car version of the X2 so far, but we know it will share engines and technology with the X1 and we can expect four-wheel drive versions. The X2 is likely to offer a choice of 2.0-litre petrol and diesel engines with outputs from around 150-230PS.

INFINITI QX50

A new QX50 will appear in 2018 and should be a far more appealing prospect than its V6-only predecessor. New petrol engine technology will make its debut, but it's also likely to be offered with four-cylinder diesel engines from Mercedes-Benz.



VOLVO XC40

The final crossover in the latest generation of Volvos, the XC40 will target cars such as the Range Rover Evoque, BMW X1, Audi Q3 and Jaguar E-Pace. Launching with a choice of petrol and diesel variants, a plug-in petrol-electric hybrid is likely to follow.



ARONA SET TO BOOST SEAT FLEET GROWTH

Range will cover 80% of market sectors after small SUV is launched

In association with



'WE ARE MORE FORMIDABLE AS A FLEET PLAYER NOW'

Growth of product range means SEAT will soon cover bigger percentage (80%) of market sectors and signs point to figure increasing. *Andrew Ryan* reports



EAT has been one of the UK fleet sector's biggest success stories in recent times. It has enjoyed four consecutive years of growth in this marketplace, with registra-

tions for the first seven months of the year 37% up on the same period in 2016.

Within that increase, SEAT's true fleet registrations have grown 62%, with the Ateca SUV's popularity and influence on the product range key to that.

"We can't underplay the effect Ateca has had in growing the awareness and desirability of the brand," says Peter McDonald, head of fleet and business sales at SEAT UK.

"It is a fantastic car which has won many industry awards, and we've seen unprecedented demand for it.

"At the moment, demand for the SUV in retail and true fleet is so strong that it can take all the allocation available to us, but the positive news is this has meant the Ateca's residual values (RVs) are incredibly strong.

"Another great thing about this demand is that it hasn't come at any cost to us by taking registrations from our other models.

"We also had record order take on Ibiza and Leon, so we've seen more awareness and desirability for the overall SEAT range."

Before the Ateca's launch last year, SEAT's range covered 50% of market sectors, but by the end of the year – after small SUV Arona is launched – this will increase to 80%. This will rise even further by the end of next year after the brand launches its flagship large SUV.

The Arona will be the first SEAT to enter the small SUV segment, and McDonald says this will further help the manufacturer grow in the fleet sector.

"Small SUV is the fastest growing part of the true fleet marketplace," he adds. "It's not mature yet and while some of our competitors have got an equivalent model it is not all

of them. So this is a really important car for us to broaden our range and drive desirability. It is something customers are genuinely interested in.

"We've got really high hopes for Arona. We've been able to show by our growth that as we've brought more product into our range, it's made us more formidable as a fleet player, it's grown our capability in the marketplace and we think Arona will only help us sell more of our products."

McDonald says the manufacturer has taken a considered view to ensure the growth is sustainable and will not adversely affect RVs.

"The real development is that we've reduced our rental volume so we protect our residual values by consciously reducing our short cycle business," he says.

"With Ateca we haven't done any rental on the car since we launched it and we don't have plans to."

SEAT aims to cut its rental registrations by a third. But it has seen significant growth in Motability, with registrations in this channel growing 277%, to 2,500 units in the first six months of 2017 compared to the same period last year.

"This is part of our RV management," says McDonald. "We've intentionally switched some volume



from rental into Motability because Motability represents a really good residual value management proposition.

"The car is kept by the customer for three years and it is serviced by the dealer network.

"For a manufacturer like ourselves, Motability is a very good organisation to support as it allows its customers to be more mobile and it leads to fewer cars coming back into the market than short cycle business.

"Our dealers are really behind it and aware of how to approach the Motability market. We have increased our advertising and marketing spend in the marketplace as well."

SEAT's dealer network is also key to another area the manufacturer is making a concerted effort in – making the brand more accessible and easier to deal with for fleet customers.

The manufacturer has two dealer programmes aimed at improving its service and support to fleets.

Twenty-five dealers are currently involved in the local business development programme, launched in 2014. This sees them employ experts in understanding taxation and small fleet business requirements.

This was supplemented earlier this year by Fleet Excellence, which is designed to help dealers support and meet the requirements of larger fleets. Sixteen dealers are currently on the programme.

"This is an investment programme that

"We are targeting the top 10 (of biggest brands) next year – 10th is probably the right place to be"

Peter McDonald, SEAT

supports the dealers financially on the basis they can meet the qualifying criteria around customer satisfaction, invoice management, forecasting and accuracy – the things big fleets care a lot about – and is concentrated on our large dealerships that manage larger fleets," says McDonald. "That's working really well."

SEAT has also recently expanded its successful four-day test drive initiative (see penultimate spread), which improves the accessibility of demonstrator vehicles for businesses, and included more models, while it will also launch a revamped fleet website with a new wholelife cost calculator in Q4.

Another innovation introduced was the use of virtual reality to give a virtual hand-over to 42 new Leon owners at Red Bull.

Using a VR Gear headset and Samsung smartphone, the drivers were given personalised video tours of their new cars ahead of receiving their vehicles so they could familiarise themselves with them.

"All of their staff were able to understand the controls and how the car works in a really good way, a motivational way, and everyone walked away fully understanding how their car works," says McDonald.

"We want to do more things like that which make life easy for our customers."

The Arona will also play a key part in the manufacturer's aim of making the lives of fleet operators and company car drivers more straightforward – it will feature a simplified trim range to minimise any confusion caused by the new worldwide harmonised light vehicles procedure (WLTP) regulations (see panel below).

These initiatives, together with the improved range of cars, will help SEAT continue to grow in the fleet sector, says McDonald.

"At the moment we are the 13th biggest brand in true fleet, up from 19th last year, and in the middle of most months we are in the top 10," he adds.

"Our order take is actually ahead of our registrations. We've only just launched new Ibiza, and we get Arona this winter, so we have belief that our sales results will only improve: we are targeting the top 10 next year – 10th is probably the right place to be."

KEEPING ARONA SPECS SIMPLE TO AVOID EXTRA ADMIN WHEN WLTP TEST KICKS IN

SEAT's desire to keep things simple for fleets has influenced the way it approached setting the trim levels for the Arona.

The range has six fixed trims which have all the equipment added to them the "majority of customers expect", so all the driver has to do is specify equipment grade, engine and colour.

Under the forthcoming worldwide harmonised light vehicle test procedure (WLTP), options added to a car will affect its official fuel efficiency and CO₂ ratings.

"This could mean end-user customers and leasing customers managing a huge amount more complexity than they do today," says head of fleet and business sales Peter McDonald.

"Our way of managing that is by creating the right vehicles for the marketplace, already with the right specification on them rather than having to choose options and then go through the complexity of finding out what the CO₂ implications are.

"Arona is the first time we've done that and we believe it's industry-leading. We will take a lot of learning from that and potentially apply it to other models in our range."

FR Sport is one of the six trim levels on the Arona



Meet the Arona

The SEAT Arona is the Spanish brand's third new car launched in 2017, after the upgraded Leon and the new Ibiza. The small SUV joins the range as the little brother to the highly-acclaimed Ateca, while the manufacturer's SUV family will be completed with the launch of a large SUV next year (more overleaf). Arona is the first SEAT model in the compact crossover segment, which has increased four-fold since 2015. It is also the fastest-growing segment in the UK true fleet market, with around 40,000 registrations last year.

DESIGN

The Arona shares many styling cues with its striking big brother, Ateca. Its robust front follows the same structure as the larger model, with a three-dimensional look that's more pronounced without being aggressive.

"We wanted to give the Arona the distinct feel of a crossover, a sturdy car for everyday life, for the urban jungle," says Alejandro Mesonero, design director at SEAT.

"That's why it features such strong protection in the bumpers, the wheel arches and the dark coloured rubber side skirts, as well as the roof rack and the aluminium look-like protection at the bottom of the bumpers."

In addition to its rack, the roof evokes the aesthetics of all-terrain vehicles.

Based on the Volkswagen Group's MQB A0 platform, with a length of 4,138mm, the Arona is 79mm longer than Ibiza and is 99mm taller.

As a result, Arona offers not only more ground clearance for greater off-road capability, but also more front and rear headroom, as well as a larger boot with a 400-litre capacity.

The driving position is also higher which gives an impressive view of the road ahead as well as making it easier to get in and out of the car.



XCELLENCE Lux interior has all instruments angled towards the driver

INTERIOR

The interior's horizontal proportions emphasise and enhance the car's size, giving an even greater feel of roominess and space inside, as well as increased sophistication.

The High Console Concept also gives the console more prominence, which affects the safety and ergonomics since every element is positioned so that the driver barely has to look away from the road while driving.

All instruments are angled toward the driver, while all controls are within reach to allow for easy adjustments and increased safety.

The fabrics, shades and colours are exclusive to Arona.

The entry level Arona SE



POWERTRAINS

All engines in the Arona range have direct injection, a turbo, and feature an automatic stop/start system.

There are three petrol engines. The first is the three-cylinder, 95PS 1.0 TSI linked to a five-speed manual gearbox. Next is the same engine but with a 115PS output, which comes with a six-speed manual or the dual-clutch seven-speed DSG transmission. The third is the new four-cylinder, 150PS TSI with active cylinder deactivation technology connected to a six-speed gearbox.

As for diesel options, the efficient and reliable 1.6 TDI will be available with 95PS and 115PS. The 95PS version can be paired with a five-speed manual transmission or seven-speed DSG, and the 115PS with a six-speed gearbox.

TECHNOLOGY

Arona features many safety and infotainment technologies usually found only in cars from the class above. Available equipment includes Front Assist, Adaptive Cruise Control, Hill Hold control, Tiredness Recognition System, Auto lights and wipers, Multi-Collisions Braking, keyless entry and start system, high-quality rear camera, an eight-inch black panel touchscreen and Connectivity Hub with wireless phone charger and GSM signal amplifier.

The Arona also offers an optional Rear Traffic Alert, Blind Spot Detection and Park Assistance System, which works for both parallel and angled parking.

Front Assist, which includes autonomous emergency braking is standard throughout the range, while every model in the line-up above the entry-level SE will have the eight-inch multimedia screen.

"We wanted to give the Arona the distinct feel of a crossover, a sturdy car for everyday life"

Alejandro Mesonero,
SEAT

TRIM LEVELS/EQUIPMENT

The Arona is available in six trim levels. The range begins with the SE trim with a P11D of £16,340 which comes equipped with bi-colour roof, 17-inch alloy wheels, and LED daytime running lights as standard.

For an additional £990, the next model up is the SE Technology which includes an enhanced media system with eight-inch touchscreen, satellite navigation, a wireless charger and rear parking sensors.

The range then branches into two arms: comfort and sport.

Sport begins with FR with a P11D of £19,680 and comes equipped with everything in the SE Technology as well as sporty exterior styling, upgraded upholstery and interior trim.

Above that, FR Sport offers stand-out style, adding 18-inch machined alloy wheels, alcantara upholstery and dynamic chassis control with a P11D of £20,450.

Within the comfort arm, the XCELLENCE is the next trim level. From £20,825 P11D, this model offers adaptive cruise control, full LED headlights, blind spot detection and rear traffic alert on top of the equipment in the SE Technology. The range-topping XCELLENCE Lux trim offers the ultimate in comfort and luxury with alcantara upholstery, 18-inch alloy wheels, park assist and rear view camera for a P11D of £21,880.

FUNCTIONAL TO HIGH-END: TRIM LEVELS FOR EVERY DRIVER

Model	CO ₂ (g/km)	VED band	MPG	Recommended basic	Recommended OTR	P11D value	BIK 2017/18
Arona SE 1.0 TSI 95PS	111	G	57.6	£13,616.67	£16,555	£16,340	21%
Arona SE 1.0 TSI DSG-auto 115PS	113	G	56.5	£14,783.33	£17,955	£17,740	21%
Arona SE Technology 1.0 TSI 95PS	111	G	57.6	£14,441.67	£17,545	£17,330	21%
Arona SE Technology 1.0 TSI DSG-auto 115PS	113	G	56.5	£15,608.33	£18,945	£18,730	21%
Arona FR 1.0 TSI 115PS	113	G	57.6	£16,400.00	£19,895	£19,680	21%
Arona FR 1.0 TSI DSG-auto 115PS	113	G	56.5	£17,300.00	£20,975	£20,760	21%
Arona FR Sport 1.0 TSI 115PS	114	G	56.5	£17,041.67	£20,665	£20,450	21%
Arona XCELLENCE 1.0 TSI 115PS	113	G	57.6	£17,354.17	£21,040	£20,825	21%
Arona XCELLENCE 1.0 TSI DSG-auto 115PS	113	G	56.5	£18,187.50	£22,040	£21,825	21%
Arona XCELLENCE Lux 1.0 TSI 115PS	114	G	56.5	£18,233.33	£22,095	£21,880	21%



"Arona has surpassed its bigger brother (Ateca) in terms of early interest"

Hywel Evans, SEAT

'Fantastic' traction as launch nears

New small SUV – Arona – will improve SEAT's already strong fleet offering

The arrival of the Arona small SUV will strengthen SEAT's already attractive proposition in the fleet sector, says the manufacturer. "We are really excited by the Arona in terms of what it is going to do for our fleet offering," says Hywel Evans, product manager for Arona and Ateca for SEAT UK.

"The market has seen a trend of company car drivers making the switch from saloon and hatch into SUV, and Ateca and Arona helps us move with that market shift.

"Previously as a brand, our fleet success has been driven and built around Leon – and Leon is a fantastic car and has done brilliant things for us – but the introduction of Ateca and now Arona means we've got that strength in depth.

"We can have conversations around offering a really strong portfolio to fleet customers who want a really deep, lasting relationship with one brand."

Evans says the manufacturer has seen a high level of interest in the Arona ahead of its launch this winter.

"When you look at the styling of the car and some of the equipment that's in it, there are some real synergies with Ateca, but what's really exciting from my perspective is that it has surpassed its bigger brother in terms of early interest," Evans says. "Its early traction has been fantastic."

Arona will be available with a wide choice of petrol and diesel engines, as well as manual or DSG gearboxes, and Evans expects petrol uptake among fleet customers to be high. "Some of our big fleet customers are taking petrol models for the first time and we are expecting to see a swing towards petrol on Arona, possibly more so than we have on other models," he adds.

FOUR-DAY TEST DRIVE SCHEME GETS MUCH POSITIVE FEEDBACK

More than 1,000 people have now taken part in SEAT UK Fleet's four-day test drive scheme.

Under the initiative, which now covers Ibiza, Ateca, Leon and Alhambra models, the extended tests can be booked either online or by telephone.

"We've got a concentrated campaign to make life easy for user-chooser customers and small fleet customers to get a proper test drive experience," says Peter McDonald, head of fleet and business sales at SEAT.

"You can simply go on to our website or make a phone call to book a test

drive. There is eligibility criteria, but it is really simple and straightforward, and the intention is to make our products as accessible to as many people as we can.

"We will provide a car and deliver it to the customer's address and pick it up after four days: they can have a four-day unaccompanied test drive, which we've had some really good feedback on.

"Our cars are good, but to get confidence in a vehicle you need to spend time with it, in it with your family as well as a variety of different usages, and the test-drive scheme allows for that to occur."

FLAGSHIP SUV TO LAUNCH IN 2018

SEAT'S SUV family will be complete by the end of next year when it launches its flagship model.

The large SUV, which will be available in five- and seven-seater versions, will be positioned one segment above the

successful Ateca.

"This will add another layer to our portfolio, so if you wanted a car bigger than Ateca we will have one in our range," says Peter McDonald, head of fleet and business sales at SEAT UK.

SEVEN AWARDS AND COUNTING FOR ATECA

Since its launch last year, the SEAT Ateca has won numerous industry awards including:

- Fleet News Best Mid-size SUV 2017
- Honest John Car of the Year 2017
- What Car? Best Small SUV 2017
- Auto Express Crossover of the Year 2016
- Autobest Best Buy Car of Europe 2017
- Car Dealer Power Car of the Year 2017
- UK Car of the Year Awards – Best Crossover



How to keep a fleet running, whatever the weather.

During the winter months, many fleet managers put the performance of their fleet at risk by failing to prepare their vehicles for the challenging weather conditions. Research* suggests that the cost of having a van off the road is between £700 and £1,000 per day, however, during the most trying period of the year for fleets, Goodyear Tyres argues that a simple tyre change could make all the difference.

To ensure that they are prepared, fleet managers should take action before the winter weather takes hold. All Season tyres, which provide extra safety in wet, snowy and icy weather conditions, can greatly reduce the risk of downtime and ensure that fleets continue to move throughout the winter.

For most fleets, summer tyres are the norm. However, these tyres don't provide any benefit when we have inclement weather, such as heavy downpours, ice or snow. This may only be for a few weeks a year, but in those weeks, fleets are down, money is being lost and customers are unhappy with the service they receive.

All season tyres are designed to cope with a wide variation of weather conditions, getting fleets from A to B, whatever the weather.



For fleet managers who are investing in a change of tyres to tackle the unpredictable winter weather, All Season tyres will help to improve drivers' safety and fuel economy, as well as meet legislative obligations if driving abroad.

Safety

The number of accidents involving cars on UK roads in winter is considerably higher than that in summer. While these can't all be put down to the use of summer tyres in winter conditions, there's no doubt that using appropriate tyres can significantly reduce the likelihood of an accident. All Season tyres, in particular, offer increased traction, braking distance and handling on snowy, icy and wet roads.

Fuel economy

One of the most important considerations for fleets is fuel economy. Thanks to their all-weather compound and a flatter contour that spreads pressure evenly, All Season tyres provide greater rolling resistance on snowy and icy roads, which allows them to go further on less fuel. The savings that fleet managers may see as a result can have a significant impact on their all-important budgets.

Legislative obligations

In many European countries, such as Finland and Austria, it is compulsory to equip vehicles with winter tyres. While this does not extend to the UK, fleet managers who send drivers to the continent must ensure that their vehicles are equipped with tyres that are suitably designed to tackle winter weather, in order to be compliant with the local regulations.

for more information please contact David Morris at david_morris@goodyear.com



"We deliver our resources to a breakdown more often than our competitors and have a can-do attitude to our customers"

Stuart Thomas, The AA

WINNER: THE AUTOMOBILE ASSOCIATION

Anywhere, anytime capability of The AA is winner with judges

It's best known for its roadside assistance, but The AA is well aware that to prosper it needs to be valued for a whole lot more

By Jeremy Bennett

Going the extra mile to provide 'heroic service' is how The AA describes its approach to customer service. And this is the case whether you are stranded on the A432 close to Bristol – or in Norway on the edge of the Arctic Circle. It was the "anywhere, anytime capability" of this 112-year-old business that continues to innovate and expand its services to private motorists and fleet customers that the judges recognised in awarding it the Customer Service Award.

The AA is the UK's largest breakdown provider and is a long-standing fleet supplier in the UK motor industry. Through its manufacturer contracts it services 65% of all new vehicles sold in the UK as well as providing support to a number of FN50 leasing companies.

Its average small-to-medium enterprise (SME) customer is retained for around 10 years, while overall retention is 82%. SMEs make up 32% of The AA's fleet book.

An instant customer feedback score is recorded at the roadside once a vehicle breakdown has been dealt with and satisfaction is "consistently above 97%". But a dedicated business support unit is on hand to resolve the 3% of cases where things have not gone as they should.

The AA is acutely aware of growing levels of customer

service expectations – the more you measure and publish it, the more people expect to see it at high levels and always improving.

So in 2015 and 2016 it has spent £140 million on core systems such as customer relationship management and call handling, including enabling greater digital interaction with customers, while accepting many will use a phone to make contact with The AA in the first instance.

The AA also launched a multi-fit wheel for fast puncture repairs. It is now planning to roll out an app to fleets which will deploy a breakdown service with a touch of the screen. Already available to private drivers, it also offers a variety of driver-related functions, from route planning to finding the cheapest fuel and parking spaces.

And in 2016 The AA won the breakdown contract for the UK's largest leasing company Lex Autolease.

"It saw in us the service delivery, driven by basic facts such as having more vehicles on the road, we operate using our own proprietary systems, we deliver our resources to a breakdown more often than our competitors and have a can-do attitude towards our customers," said Stuart Thomas, head of fleet and SME services.

He and Kirsty Pendleton, head of SME marketing, talked to *Fleet News*.

Fleet News: Innovation is key in The AA. But where does innovation come from within the business?

Stuart Thomas: It comes from throughout the business. Operationally it can be from the breakdown crews or from customers at the roadside. Our Fuel Assist service (replacing the wrong fuel in a car and getting it restarted) was customer-led. But we always ask ourselves what don't we fix at the roadside – or what happens if we can't? The multi-fit tyre came about this way, providing interchangeable hub and studs for 90% of cars that don't carry a spare.

We also have a membership services team tasked with looking at developing services for the private and fleet customer. For example, it set up the vehicle inspection service for BCA, involving about 250,000 vehicles per year, plus the MotorCodes inspection service.

FN: How is The AA moving from handling a crisis, a breakdown, to being able to prevent it – from diagnostics to prognostics?

ST: For drivers, the Car Genie service (a device plugged



Stuart Thomas, head of fleet services and SME at The AA (left), receives the award from Škoda UK head of fleet Henry Williams





Stuart Thomas (seated, centre) and his team from The AA celebrate their awards success

into a car's onboard diagnostic port that highlights faults, checks the battery, vehicle location and crashes via alerts to a smart phone) is an example of this approach.

Kirsty Pendleton: Ten thousand members of the AA were given Car Genie in a trial and a couple of customers are using the corporate version, AA Fleet Intelligence (a joint venture with TrakMate). The vast amount of data is proving invaluable in seeing how it correlates with breakdowns and the instances of fault codes. We can predict and potentially prevent more breakdowns.

At the moment, a third of the data can be passed to a fleet manager or a driver – take action now and you can avoid a problem. It could be fault code related or battery drain, for example.

But we don't swamp fleets in data, we single out the information they need to know now.

Prognostics is transformational – shifting the focus from being there in an emergency to preventing the emergency.

FN: How will this change the way you present the business to fleet customers?

KP: We don't think of ourselves as a breakdown organisation – or the fourth emergency service necessarily. We're an organisation that keeps you moving. And we do that through interacting with fleets much more than at the roadside. Our other services include car hire, telematics services, route mapping and interacting with downtime management systems with the biggest leasing companies. We're meeting the need to be a much more end-to-end, holistic business. Longer-term we'll be much less relevant if we are only seen as roadside rescue.

FN: What are the biggest challenges for fleet managers?

KP: We've just published research, with BT Fleet, the Operational Fleet Insight report, looking at the issues preying on the minds of operational fleet managers across a number of sectors. There is a lot of emphasis on alternative fuels and the prospect of diesel being phased out. A number of fleet managers revealed they weren't fully aware of the costs of vehicle downtime.

ST: Among mid-sized fleets there is a lot of confusion

around Government policy – the green agenda, electric versus diesel, the impact of Brexit and tax regime clarity.

But the report reveals a consensus that new technologies can provide greater efficiencies in logistics and long-term cost savings with the use of detailed telematics.

We will give practical advice to support decision-making. We have a duty to provide thought leadership to ensure decisions are made on a factual basis, not a knee-jerk one.

FN: The percentage score given at the roadside of satisfied drivers is above 97%. How do you respond to those who are unsatisfied?

ST: A negative response goes to an outward bound team – the service lab – that calls the customer and then passes the issue to the business support team to investigate and report back with a solution or a fix. Some mistakes are down to human error, sometimes systems-based and others situational – we can't be there when expected because a motorway is blocked, for example.

FN: How important is the roadside interaction with drivers to developing the business?

ST: It's the foundation. If we weren't good at it, nothing else would matter. And it gives us the right to talk about everything else we can work with our customers on. A patrol will always consider the needs of the driver at the roadside, often going beyond the terms of conditions of the fleet contract, which we can resolve later.

A standout example of The AA's customer service, noted by *Fleet News* judges, involved the rescue of the minibus close to the Arctic Circle in 2016. Nicola Hackett, business development manager, said: "One of our largest customers had decided not to include European cover in its contract. In January one of its minibuses broke down in Norway. We attended in around an hour and a hire vehicle was provided. Following diagnostic work it wasn't clear if the fault could be claimed under warranty, but regardless, we covered the cost of retrieving and repairing the vehicle as well as the cost of the courtesy minibus."

FACTFILE

Breakdown calls per year?

3.5 million, a million of which are business motoring related

On motorways? The AA attended more than 130,000 breakdowns on motorways in 2016

Number of roadside crews 3,000

Call outs A breakdown service will get to each call out in just over 45 minutes on average

Fixes The AA fixes more than eight out of 10 cars by the roadside

Reach One in three drivers in the UK is with The AA

JUDGES' COMMENTS

The AA impressed the judges with its "anywhere, anytime capability" – it was even able to respond to a call-out close to the Arctic Circle. Its customer satisfaction scores are consistently high despite it facing a challenging customer service environment. The judges also praised its use of technology and its wide range of services.

CITROËN C3 AIRCROSS

Small SUV has plenty of features for drivers seeking something distinctive

By Andrew Ryan

The small SUV market is booming – both in terms of registrations and the number of different vehicles in the sector. In the UK, B-segment registrations have risen 50% since 2014 and are expected to increase another 40% by 2020. Across Europe, they are expected to double from 1.1 million in 2016 to 2.2m by 2020.

This surge in interest has benefited models such as the Nissan Juke – the current Fleet News Awards small SUV of the year – and the Renault Captur. In addition, a growing number of manufacturers are preparing to enter the market with the Volkswagen T-Roc, Kia Stonic, Hyundai Kona and Seat Arona among those on the way.

Another new arrival is the Citroën C3 Aircross, which is on sale now with first deliveries taking place next month (November).

Taking many of its styling cues from the bold C4 Cactus, the C3 Aircross is attractive, rugged and distinctive.

The two-tier front lights remain, but an obvious omission is the airbump-cushioned body protection which was such a large part of the C4 Cactus: designers felt their inclusion would make the C3 Aircross appearance too cluttered.

Even without them, protective skid plates at the front and rear, and black plastic wheel arches help give the C3 Aircross a rugged look, while its raised ride height (it has a ground clearance of 17.5cm, 2cm more than the C3 supermini on which it is based) adds to this.

£749
amount of BIK paid by 20%
tax payer on diesel version



For full running costs,
visit [fleetnews.co.uk/
running-costs](http://fleetnews.co.uk/running-costs)

The model is available with a choice of five engines – 82PS 1.2-litre petrol; 110PS 1.2-litre petrol; 130PS 1.2-litre petrol; 100PS 1.6-litre diesel; and 120PS 1.6-litre diesel. Plus there are three trim levels, Touch, Feel and Flair.

CO₂ emissions begin at 104g/km for the 110PS 1.6-litre BlueHDi diesel models and it is this powertrain option, together with the 110PS 1.2-litre PureTech petrol producing 115g/km of CO₂, which will have most fleet appeal.

Official combined fuel economy is 70.6mpg for the 110PS 1.6 BlueHDi and 56.4mpg for the 1.2 PureTech model, and both sit in the 22% benefit-in-kind (BIK) tax bracket, which gives a 20% taxpayer an annual bill of £749 for the diesel model and £703 for the petrol (Feel trim).

Touch equipment grade is available only with the 82PS 1.2-litre petrol engine, and features 16-inch steel wheels, split rear folding seats, digital radio with Bluetooth connectivity, lane departure warning, remote central locking, cruise control, air conditioning and automatic lights.

Feel adds 16-inch alloy wheels, LED daytime running lights, fog lights with cornering function, Mirror Screen with Android Auto, Mirror Link and Apple CarPlay, seven-inch touchscreen, electrically adjustable and heated door mirrors, and privacy glass.

Flair adds 17-inch alloy wheels, bi-tone roof, a style pack in a choice of four colours, Citroën Connect Box emergency and assistance system, satellite navigation, dual zone air conditioning, rear parking sensors, keyless entry and start, and a sliding 60/40 split folding rear bench seat.

P11D prices range from £13,870 for the 1.2-litre

“Its ride and handling dynamics are set up for comfort over sportiness. The SUV offers a smooth ride”



The Feel trim comes with a seven-inch touchscreen as standard



82PS Touch model to £19,525 for the 1.6 BlueHDi 120 Flair.

Citroën expects to register 14,000 C3 Aircross models in the UK next year, with 45% going to fleet.

C3 Aircross is available only with front-wheel drive, although the manufacturer's GripControl technology is offered as a £400 option if drivers want to increase their off-road capability.

This allows drivers to select tailored modes for different driving conditions to increase traction. It also includes hill descent assist.

However, for most drivers this will be an unnecessary expense, as they will spend almost all of their time on the tarmac – a surface the C3 Aircross impresses on.

Its ride and handling dynamics are set up for comfort over sportiness, which means the SUV offers a smooth ride with only some really poor road surfaces upsetting its composure.

The 110PS petrol engine is refined, providing plenty of low-end power, while the C3 Aircross also offers an impressive amount of practicality.

There is plenty of room inside for four six-footers, and its 410-litre boot sits in the middle of the sector: the Juke offers 354 litres and the Captur 455.

However, this rises to 520 litres on the C3 Aircross if the split folding rear seats are slid forward – part of a £490 family pack on Feel trim level and standard on Flair.

The cabin is largely unchanged from that in the C3 supermini, which means it features many of the new Citroën design cues and feels well built, although there are some hard plastics on view.

However, as an overall package the C3 Aircross impresses.

Despite the increasingly competitive nature of the sector, its styling and all-round ability means it should offer plenty of appeal to company car drivers looking for something distinctive.

COSTS

P11D price	£15,985
BIK tax band (2017/18)	22%
Annual BIK tax (20%)	£703
Class 1A NIC	£485
Annual VED	£160 then £140
RV (4yr/80k)	£4,400/28%
Fuel cost (ppm)	9.43
AFR (ppm)	11
Running cost (ppm)	26.83

SPEC

Power (PS)/torque (Nm)	110/205
CO₂ emissions (g/km)	115
Top speed (mph)	103
0-62mph (sec)	15.9
Fuel efficiency (mpg)	56.5

KEY RIVAL

Renault Captur 0.9 TCe 90 Dynamique Nav	
P11D price:	£16,690
BIK tax band (2017/18)	21%
Annual BIK tax (20%)	£701
Class 1A NIC	£484
Annual VED	£160 then £140
RV (4yr/80k)	£4,800/29%
Fuel cost (ppm)	9.62
AFR (ppm)	11
Running cost (ppm)	27.70

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



Styling owes a lot to the C4 Cactus but with the airbump-cushioned body protection omitted

THINKING CAP



By Martin Ward, manufacturer relationships manager

cap hpi

Friday/Monday To Majorca for a long weekend break in the sun, with 'er indoors, and well deserved I thought. The car hire queue was huge, around 1.5 hours, but once at the front it was pretty quick to get our Opel Astra, which was big enough for the two of us. The car park opposite was a hive of activity with so many rental cars coming and going. Manufacturers are forever saying they are cutting down on rental sales. I find this hard to believe as the demand is so high, and none more so than in the UK where tourism is on the up, and demand for hotels and car rental is huge.

"(Alfa) has turned up the flame in quality control"

Wednesday Invited to be a judge again in January at the Fleet News Awards. Blimey doesn't time fly? Only seems like yesterday we were in Peterborough judging this year's entries. Next thing you know we will all be in London in March for the annual event.



Thursday/Friday

Over to Belfast for the UK press launch of the Alfa Romeo

Stelvio, Alfa's first real SUV. It looks pretty, with some lovely, crisp lines, all in proportion. We drove the diesel first, and it was good, and the second day was the turn of the 2.0 petrol that produces 282PS. This engine really suits the Stelvio and we achieved 34.4mpg on our test route on a variety of roads, in both Northern Ireland and over the border in the south.

Prices look reasonable starting from £33,990. The quality is up to a high level and the recently re-vamped and modernised plant in Cassino, about an hour from Rome, has turned up the flame in the quality control department.

Fit, finish and materials are really very good. The drive is great with plenty of buttons to press for a different driving style.

Fleets will buy quite a few of these Alfas and anyone lucky enough to get one, will be happy with this stylish, Italian, iconic brand.

MAN TGE

Volkswagen influences allow the TGE to MAN up and take on the world's best

The electro-mechanical steering adjusts dependent on the speed



By John Maslen

As far as challenges go, they don't come much tougher than the one facing MAN as it launches its new TGE against the world's best van manufacturers. However, MAN's truck and bus heritage, along with its ownership structure within Volkswagen Group, gives it a significant head-start both in terms of build quality, range, technology and design. In addition, the TGE, offered in weights from 3-5.5 tonnes, will be produced at the same €800 million (£710m) plant in Poland as the Volkswagen Crafter.

But while the models share a platform, there are critical differences for buyers, according to the company.

The commercial vehicle focus of MAN is seen as a key differentiator, with its dealer network dedicated to minimising downtime. In response to bus and truck sector demands, the 65-site dealer network is open six days a week for more than 16 hours a day on average and that coverage will be extended to van fleets.

The TGE will come in three lengths and three heights, with capacity ranging from 9.3-17.4 cu m, in a range of panel vans and chassis cabs, offering various combinations of front-wheel drive, available now, followed next year by rear-wheel drive and all-wheel drive.

In the critical 3.5-tonne segment, all three drive options will be available.

Power comes from a 2.0-litre diesel offering 103-180PS,

"The 65-site dealer network is open six days a week for more than 16 hours a day on average"

SPEC

Gross vehicle weight (tonnes)	3.5
Power (PS)	142 @ 3500-3600rpm
Torque (Nm)	340 @ 1600-2250rpm
Load volume (cu m)	9.9
Payload (kg)	1,496
CO2 emissions (g/km)	n/a
Fuel economy (mpg)	n/a
Basic price (ex-VAT)	£28,500 (est)

KEY RIVAL

Renault Master SM35 Energy	145
Gross vehicle weight (tonnes)	3.5
Power (PS)	145 @ 3500rpm
Torque (Nm)	340 @ 1500rpm
Load volume (cu m)	9
Payload (kg)	1,601
CO2 emissions (g/km)	183
Fuel economy (mpg)	40.4
Basic price (ex-VAT)	£28,980

mated to the wheels through a six-speed manual or eight-speed auto gearbox, with the 142PS model expected to be the best seller.

The strong start provided by its Volkswagen Group parentage is evident when driving the TGE.

The cabin is solid and well designed; built with the driver in mind, there is plenty of storage for documents and drinks, with a clever compartmentalised approach at the back of the dashboard to stop items sliding around on corners, while a folding table on the middle seat is a worthwhile option. USB ports add to the flexibility in the cabin.

The electro-mechanical steering can adjust the level of assistance provided, so it is light at low speeds, but weights up well during cruising, providing the right level of feedback through the multi-function steering wheel.

Engine noise from the free-revving unit in the 3.140 version tested is subdued and there is plenty of power available from the 142PS engine, although the TGE 3.100, with 103PS, would also be a good choice for fleets requiring less power, as it also pulls strongly from low revs.

In the six-speed manual version, the engine provides a wave of torque through the easy-shifting gearbox. However, it will be well worth reviewing the eight-speed manual as more models become available, particularly for city use.

Payloads on the 3.0-tonne models are just in excess of 800kgs, while the 3.5-tonne model takes just more than 1,300kgs, with the rear payload area free of obstructions and offering plenty of mounting points.

Prices start at £23,990 for the 2.100 103PS 3.0-tonne and £26,490 for the 3.100 103PS 3.5-tonne model, including a three-year unlimited manufacturer's warranty.

There is a wealth of options that can increase the final cost, ranging from upgraded seats that provide truck levels of comfort, to improved lights and electronic upgrades, including trailer assist and parking assist, that allow hands-free manoeuvring, as the electro-mechanical steering takes over.

Two new trim levels bring the total to seven for the Mazda 2



1.5 90PS GT

MAZDA 2

Compelling smaller car with G-Vectoring produces smoother, less fatiguing drive

By Stephen Briers

Mazda has added two top grade trim levels to the revised Mazda 2 to satisfy fleet and retail drivers' increasing preference for high specification small cars.

GT sits above Sport Nav and adds LED headlights/daytime running lights, rear roof spoiler, leather trim, heated front seats and scuff plates as standard, while the range-topping GT Sport adds reversing camera. It takes the line-up to seven, starting with the SE at £12,695.

Jeremy Thomson, Mazda UK managing director, said: "In fleet, it is becoming very popular for drivers to buy up in the spec range. We have drawn down some features from the 3 and 6 to satisfy demand for a more premium car in this segment."

Although not a major fleet seller – Thomson expects 20% of the 8,000–10,000 annual sales to go to user-choosers and contract hire – the Mazda 2 has a lot to offer customers looking for a compact car.

Interior space is good for front and rear passengers, with plenty of head and legroom, while the boot capacity of 280 litres is sufficient for most everyday uses (and is comparable to key rivals like the Polo and Fiesta).

Engines are unchanged: 1.5-litre petrol in 90PS (62.8mpg, 105g/km) and 115PS (56.5mpg, 117g/km) power outputs, plus the 75PS petrol in the entry-level SE and SE-L (60.1mpg, 110g/km). The 1.5-litre diesel was dropped a while ago due to lack of sales.

The 90PS petrol is a perky unit but needs to be worked hard on hilly roads, often running out of puff in third gear on steeper inclines. The 115PS gives that extra little boost, but there is the compromise on efficiency.

However, given the need to work the 90PS engine harder, real-world emissions are closer, according to Equa Index – 47.3mpg for the 90PS versus 43mpg for the 115PS, a gap of 4.3mpg compared to the official difference of 6.3mpg.

The biggest change to the car is the introduction of Mazda's G-Vectoring system, which constantly adjusts power delivery

COSTS

P11D price	£16,200
BIK tax band (2016/17)	20%
Annual BIK tax (20%)	£648
Class 1A NIC	£447
Annual VED	£140
RV (4yr/80k)	£5,000
Fuel cost (ppm)	8.49
AFR (ppm)	13
Running cost (4yr/80k)	23.52ppm

SPEC

Power (PS)/torque (Nm)	90/148
CO₂ emissions (g/km)	105
Top speed (mph)	114
0-62mph (sec)	9.4
Fuel efficiency (mpg)	62.8

KEY RIVAL

Ford Fiesta 1.0 100 Ecoboost Titanium
P11D price £17,690
BIK tax band (2016/17) 21%
Annual BIK tax (20%) £743
Class 1A NIC £513
Annual VED £160, then £140
RV (4yr/80k) £3,600
Fuel cost (ppm) 9.24
AFR (ppm) 11
Running cost (4yr/80k) 30.28ppm

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



and vehicle weight while cornering, improving handling and control.

The company claims that, as a result, G-Vectoring produces a smoother, less fatiguing drive. We agree.

On a seemingly endless loop of hairpins and dogleg twists during the test drive, the car soaked up everything we threw at it with assured confidence. Five hours of challenging driving, punctuated only by lunch, sailed by without fatigue encroaching – unusual for a car of this size.

Pricing is unchanged, save for the two new top trim options, which are £16,395 on-the-road for the GT – a premium of £800 – and £16,995 for the GT Sport.

The additional equipment offered in both more than offsets the higher price which, when translated into the monthly lease and benefit-in-kind, will be negligible anyway. That's not surprising given Mazda's keenness to increase registrations of smaller, more efficient models.

"It is important to optimise the number of cars we are selling to manage our total CO₂ emissions across Europe, given the EU fines," said Thomson. "Having a compelling smaller car is important to us."



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SUZUKI SWIFT

Low weight allows the Swift to score a welcome hat-trick



By Matt de Prez

Suzuki is one of the only manufacturers to offer a hybrid powertrain in the small car segment, giving it an immediate advantage as the market makes the shift towards electric.

What is particularly interesting about the Swift's hybrid system is its simplicity. As the world's biggest carmakers are announcing plans to offer electrification across all models in the next few years, this is the type of technology many of them will be using.

It's described as a mild-hybrid because it doesn't – unlike many other hybrids currently on sale – have the ability to run solely on battery power.

Instead it uses an Integrated Starter Generator (ISG) which acts as both a generator and starter motor. It assists the engine during vehicle take-off and acceleration, and also generates electricity through regenerative braking.

The idea is that a much smaller engine can be used, with the motor picking up some of the power deficit. So, despite only having a three-cylinder 1.0-litre engine, the Swift performs like it has a much larger powerplant.

CO₂ emissions are reduced too; hybrid models emit 97g/km instead of 104g/km. Because of the price difference this doesn't manifest itself in any company car tax savings, but it does come exclusively in the highest trim level.

It costs £14,499 and comes with a staggering array of equipment including adaptive cruise control, reversing

"It's nimble, it brakes sharply and despite a modest 111PS output, it accelerates strongly"

camera, climate control, electric folding mirrors and keyless entry/start.

It's not short of safety tech either, with lane departure warning, forward collision warning and autonomous emergency brake as standard.

Previous Swift's have been praised for their agility and this new model is no different. The steering is direct and well-weighted which complements the suspension setup to give a fun, but confident, drive.

By keeping weight down Suzuki has scored a hat-trick: improved acceleration, improved efficiency and improved handling.

The whole car tips the scales at just 925kg. When you get behind the wheel, this makes a huge difference. It's nimble, it brakes sharply and despite a modest 111PS output, it accelerates strongly.

However there does have to be a sacrifice for all this technology, performance and efficiency and it's in the overall fit and finish of the car. The interior is filled with hard plastics, all the touchpoints are less tactile than in rivals, and you lose simple comforts like a centre armrest.

Our other gripe is with the infotainment system. It's a touchscreen with DAB, Bluetooth, smartphone connectivity and sat-nav, but the graphics look like Ceefax pages and the touch response is slow. The sound quality is also poor when you push the volume past halfway, a disappointment in a car clearly designed to appeal to a young market.

We couldn't match the claimed fuel economy figure of 65.7mpg during our week-long test, but with mixed driving the Swift still returned an impressive 55mpg. On motorway trips it struggles to bring home the numbers, partly due to a lack of sixth gear. But around town – where the car is more at home – higher numbers are easily achieved as the electric motor does more of the work.

THE RIVALS

- Toyota Yaris 1.5h Icon Nav
- Nissan Micra 0.91G-T N-Connecta
- Vauxhall Corsa 1.0 Turbo 90 SE

P11D PRICE

Swift	£14,824
Micra	£15,940
Corsa	£16,040
Yaris	£18,175

BIK TAX AND CO₂

Yaris	13%/75g/km
Swift	18%/97g/km
Micra	18%/99g/km
Corsa	20%/105g/km

FUEL COSTS

Yaris	6.22ppm
Swift	8.11ppm
Micra	8.30ppm
Corsa	8.68ppm

DEPRECIATION

Swift	13.22ppm
Micra	14.93ppm
Corsa	16.08ppm
Yaris	17.40ppm

SMR

Micra	2.84ppm
Corsa	3.02ppm
Yaris	3.04ppm
Swift	4.23ppm

RUNNING COSTS

Swift	£20,448/25.56ppm
Micra	£20,856/26.07ppm
Yaris	£21,384/26.73ppm
Corsa	£22,224/27.78ppm

VERDICT

The Swift has the lowest wholelife costs thanks to its low price and strong residuals. It isn't the cheapest for the driver, but for £50 extra per year it offers more equipment and a better drive than the Yaris.

Winner: Suzuki Swift

Running cost: KeeResources (4yr/80k)



MAZDA 6 2.2D
SE-L NAV

As a four-door saloon, the Mazda 6 is something of a rare breed. Hatchbacks and estates have proved the popular choice in recent years so Mazda's decision to favour a saloon seems surprising.

While the previous Mazda 6 had a 500-litre boot, this latest model has a narrower opening and can carry just 483 litres behind the rear seats, smaller than some of its competitors.

Pop the rear seats down however, and the Mazda can carry 1,632 litres of luggage – a figure that's much more competitive with the best in class.

The fact is, despite its large size and length, Mazda has prioritised style and agility in the Mazda 6 over space for your luggage. I'm not about to complain about that.

Gareth Roberts

BMW 5 SERIES
520D M SPORT

We've been averaging around 45mpg in our long-term BMW 520d M Sport, but its Eco Pro driving mode may improve that.

This does a number of things to boost efficiency. The most obvious one is that the dials on the instrument panel turn pale blue and the rev counter is replaced by a real-time fuel economy gauge.

It also displays driver advice prompts such as by using sat-nav it advises to lift off the accelerator when approaching either a roundabout or an area with a lower speed limit to cut fuel use.

Less visual, but also important, are the changes to the car's driving dynamics. The throttle response becomes less sensitive, while the point when gear changes occur is also optimised.

Andrew Ryan

Finally made it – the Jaguar is a welcome addition to our fleet



JAGUAR XF

PORTFOLIO 2.0D 180PS RWD

Many great options but some are not suitable for fleet

COSTS

P11D price	£37,295†
BIK tax band	24%
Annual BIK tax (40%)	£3,580
Class 1A NIC	£1,235
Annual VED	£160 then £140
RV (4yr/80k)	£12,150
Fuel cost (ppm)	8.17
AFR (ppm)	11
Running cost (ppm)	45.85

SPEC

Engine (cc)	1999
Power (PS)	180
Torque (Nm)	430
CO₂ emissions (g/km)	114
Manufacturer mpg	65.7
Real-world mpg*	45.7
Test mpg	51.8
Max speed (mph)	136
0-62mph (sec)	7.5
Current mileage	1,732

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

* Data supplied by Equi index
† excluding options

By Stephen Briers

After a slight delay – we originally expected the car to arrive two months earlier – our new Jaguar XF long-term has arrived.

Why the delay? Due to the sheer volume of cars going through the order and prep process caused by rising customer demand for the September plate-change.

Our model-year 18 car has undergone a minor refresh, largely consisting of additional optional equipment. These include safety features such as Forward Traffic Detection and Forward Vehicle Guidance, gesture boot opening and a dual-view screen on the Touch Pro infotainment system, which allows the front passenger and driver to view different content simultaneously.

There are also new Ingenium 2.0-litre petrol engines (200PS, 250PS and 300PS), but with emissions from 154g/km, they are largely irrelevant for the fleet market, even as a high-level user-chooser car. Ditto for the new 240PS diesel with emissions of 139g/km (rear-wheel drive) and 144g/km (front-wheel drive).

Instead, we have the 2.0-litre 180PS turbocharged Ingenium diesel engine in mid-range Portfolio trim. Optional extras include blind spot and reverse traffic monitor (£525) and parking assist pack with surround camera (£1,690),

increasing the base price from £37,510 to £48,770.

As safety assistance systems, these are worthwhile additions. At a combined cost of £2,215, they will pay for themselves several times over if they prevent a serious crash.

However, several additions are unnecessary from a fleet perspective, such as sunroof (£990), 19-inch, seven-split-spoke alloys (£840), gesture boot lid (£665), soft-door close (£505), digital TV (£890) and 'Santorini Black' colour (£705).

Our six-speed manual, rear-wheel drive car has official fuel consumption of 65.7mpg and CO₂ emissions of 114g/km. A quick peek at the Equi Index figures on the *Fleet News* website shows real-world economy of 45.7mpg – a 30% shortfall. We're currently averaging a more palatable 51.8mpg.

Initial thoughts are largely positive. The XF is spacious and comfortable. Handling is sharp and precise.

JaguarDrive Control allows the selection of eco, normal, dynamic or rain/ice/snow modes. The latter dampens acceleration and applies gradual traction in slippery conditions.

The best option around town is normal due to the sharper throttle reaction (dynamic sharpens this further and increases steering weighting). Eco encourages fuel-efficient driving but is best for motorway journeys; the noticeable resistance on the accelerator pedal makes quick responses impossible.

TEST TIMELINE



End

VAUXHALL INSIGNIA GRAND SPORT

1.6D ECOTECH SRI VX LINE NAV

Good looking, well specced and fuel efficient



Our test model includes the VXR styling pack consisting of sports-style front and rear bumpers, side sills and visible tailpipe

COSTS

P11D price	£26,125
BIK tax band	24%
Annual BIK tax (20%)	£1,092
Class 1A NIC	£753
Annual VED	£160 then £140
RV (4yr/80k)	£6,875
Fuel cost (ppm)	8.17
AFR (ppm)	9
Running cost (ppm)	31.93

SPEC

Engine (cc)	1,600
Power (PS)	136
Torque (Nm)	320
CO ₂ emissions (g/km)	114
Manufacturer mpg	65.7
Real-world mpg*	47.9
Test mpg	56
Max speed (mph)	131
0-62mph (sec)	9.9
Current mileage	984

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

* Data supplied by Equi index

By Luke Neal

We first drove the Insignia Grand Sport back in March. It's certainly a good looking car and editor Stephen Briers said at the time: "We were always a fan of the underrated Insignia's exterior and the new car retains its position as one of the best looking in its class."

Our long term vehicle is an SRI VX Line Nav, costing £22,960 on the road. It comes well equipped with Navi 900 IntelliLink system and driving assistance pack one, which consists of: forward collision alert with automatic city emergency braking, following distance indicator and lane departure warning with lane assist. It also has the VXR styling pack (sports-style front and rear bumpers, side sills and visible tailpipe) and of course, Vauxhall OnStar.

We also opted for additional extras of head-up display, intelligent headlights, DAP 4, wireless charging, eight-inch instrument display, brilliant paint and winter pack four (heated front seats and windscreen) pushing the price up to £26,125.

Under the bonnet is a 1.6-litre

diesel engine which develops 136PS and 320Nm of torque. It isn't the most efficient unit in the range (that's the 1.6 110PS turbo diesel with CO₂ emissions of 105g/km). But with CO₂ emissions of 114g/km and combined fuel consumption of 65.7mpg it's likely to be the best balance of performance and efficiency.

Inside, the dashboard is home to two eight-inch screens, the first is the touchscreen Navi 900 IntelliLink display which controls the audio functions, navigation, bluetooth and vehicle settings as well as Apple Carplay and Android Auto.

The second is a digital instrument display which, along with the speedometer and rev counter can be customised to display fuel economy, average speed, tyre pressure information and oil life.

The interior has a premium feel, there is a good blend of leather and soft-touch materials, smart metallic detailing and 'mood' lighting.

There is plenty of legroom for both front and rear seat passengers and the boot's 490 litres feels cavernous.

Economy-wise it's returning an average 56mpg (just 10mpg below the official figure).

HONDA CIVIC 1.0 VTEC TURBO SR



Technology in cars is meant to be getting 'smarter' but I still find myself experiencing problems with manufacturer-fit sat-navs.

For the third time in the past few months, the Honda Civic's sat-nav has misinformed me about a road closure.

The first time it happened, on a journey to Newbury, I followed its diversion and then later discovered online that the road had not been closed (see *Fleet News*, August 17).

So, when it warned me that the A47 was shut on the way back to Peterborough from a holiday in Norfolk last month, I was immediately sceptical.

This time I had my husband with me and he checked online before we did a lengthy diversion.

Surprise, surprise, the A47 wasn't closed.

The third error came just last week on the way back from Nottingham with *Fleet News* photographer Chris Lowndes.

The road in question this time was the A52. Again, the sat-nav wanted us to take a diversion that would add extra mileage and time to our journey.

The error might have been explained by the fact that I spotted a sign informing us the A52 would be closed that night.

But we were making the journey at lunchtime.

Driving on the supposedly 'closed' road doesn't lead to the sat-nav correcting itself, either. Instead it puts it in a spin. The road on the map turns black and red and 'periodic closure' flashes up on the screen.

I can't help thinking that if this were an autonomous car it would have sent me on a needless diversion. Three times. In three different parts of the country.

The sat-nav grumble aside, the Civic continues to impress us, with its 1.0-litre petrol engine returning 48mpg (based on the trip computer) and its 478-litre boot (with the rear seats up) providing ample storage.

Sarah Tooze

TEST TIMELINE



End

AT A GLANCE – THE REST OF OUR FLEET



Ford S-Max 2.0 TDCi 150 Titanium AWD

Having covered 12,000 miles at an average 41 mpg, the *Fleet News* fuel price calculator tells us we've spent £1,598 on diesel.



Renault Mégane 1.5 DCI Dynamique S-Nav

We had a 150-mile round trip to replace a windscreen as the forward camera could not be calibrated locally.

TONY CHALK

HEAD OF FLEET AT POLICE SCOTLAND

Steeped in the motor trade, Chalk is the head of the second biggest police fleet in the UK which all seems a long way from an apprenticeship with a Ford dealership at the age of 16

The advice I would give to my 18-year-old self is to constantly update your training. Have as many training courses and as much further education as you can.

The first thing I would do if I were made Prime Minister for the day is pay nurses the correct salary for the job they do.

My favourite film is *The Wizard of Oz* because it is pure fantasy and reminds us of how important family is.

My hobbies and interests are walking with my three Yorkshire Terriers. We walk for miles and stop off for a beer on the way back. They have a bowl of water!

My first memory associated with a car was going on deliveries with my dad in a Bedford TK Flatbed truck. I used to sleep on the bunk behind the driver.

The three vehicles I would like in my garage are the new Audi R8 Spyder V10 Plus. I already have a black 1978 year Suzuki 750 E motorcycle and a Piaggio 100cc Scooter.

The book I would recommend to others is *The Winning Streak* by Walter Goldsmith and David Clutterbuck. It may be old but it teaches you the main eight principles in management.

The pivotal moment in my life was when my parents got divorced. I was 15 and I learned how to fend for myself and work hard.

I want to be remembered as a family man who has raised two fantastic children. Also going from an apprentice mechanic to one of the most high profile fleet jobs with a national police force.

My pet hate is cyclists who think they own the road and do not pay attention to the highway code.

First fleet role

I was born into the motor trade as my father owned a small car sales and vehicle repair garage below our house. At 16, I started an apprenticeship at a Ford dealership and stayed for 12 years.

Career goals at Scotland Police

To successfully install telematics in 3,000 vehicles, which will give me a tool for measuring vehicle utilisation. It will also assist in keeping people safe, with the right vehicle in the right place at the right time.

Biggest achievement in business

When Police Scotland was created in 2013, I designed and merged the 10 legacy police fleets (3,500 vehicles) into one, making it the second largest police fleet in the UK behind the Metropolitan Police.

Biggest career influence

My old boss at Northgate Vehicle Rental, Ken Emmerson, was an amazing person whose negotiation skills with suppliers was incredible. He never lost a deal.

Biggest mistake in business

Not learning the art of delegation early enough. You can achieve so much more through people.

Leadership style

I like to think I empower my staff to make decisions that are good for the organisation and support them if it does not always go to plan. I am Chair of The National Association of Police Fleet Managers (NAPFM) which teaches you the importance of strong leadership.

If I wasn't in fleet

I would follow my brother's example and become a paramedic with Scottish Ambulance Service. I feel it would be so rewarding to know you have helped people when you drop off to sleep at night.

Childhood ambition

I have always wanted to have a career in the motor trade. I also always wanted to be a truck driver. It must be amazing to go to different places every day, seeing different people.



Next issue: Paul Turner, founder and executive chair, APD Global Research

FleetNews PORTFOLIO

WHAT WE DO IN YOUR INDUSTRY

Fleet News magazine

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

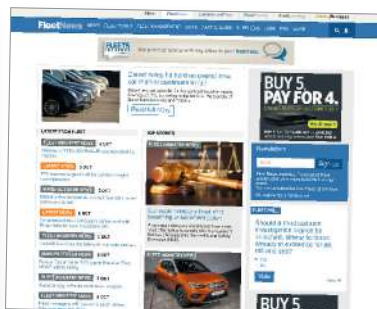
Commercial Fleet magazine

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



Fleet events

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



Driving Business magazine

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

Websites and newsletters

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

Fleet Leasing magazine

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

Bespoke publications

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



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