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2018

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First look: Volkswagen T-Roc
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Result, VW's first
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Model shown new Arteon R-Line 2.0-litre with optional metallic paint, 20-inch Rosario Dark Graphite alloy wheels and sunroof. Standard EU Test figures for comparative purposes and may not reflect real driving results. (4.0); combined 38.7 (7.3) – 62.8 (4.5); CO₂ emissions 164 – 116g/km. The new Arteon from £33,505. Model shown £37,170. Information



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.

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Volkswagen

The new Golf from £17,765 RRP. Model shown £27,950 RRP with optional metallic paint, 18" Jurva alloy wheels and LED headlights. Standard EU Test figures for comparative purposes and may not reflect real driving results.

Official fuel consumption figures for the new model range in mpg (litres/100km): urban 29.4 (9.6) – 68.9 (4.1); extra urban 44.8 (6.3) – 74.3 (3.8); combined 37.6 (7.5) – 72.4 (3.9). Combined CO₂ emissions 102 – 180/km.

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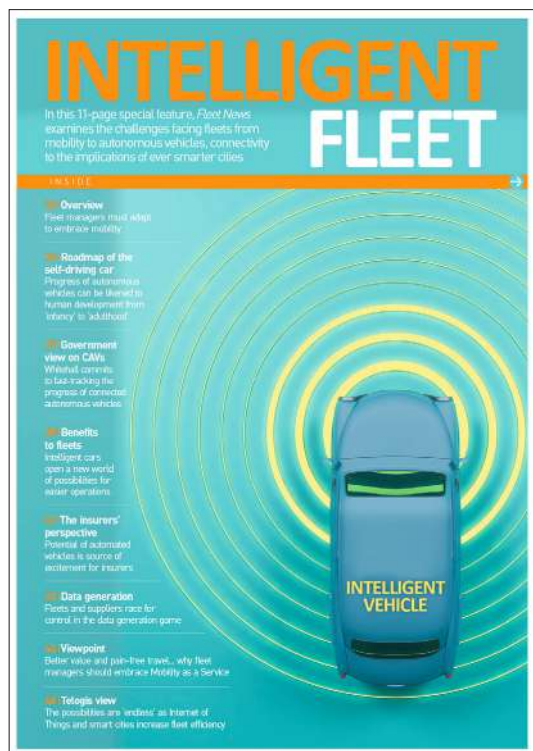


FleetNews

Cover feature
2018 Fleet News Awards launch

AWARDS 2018

Start planning your chance to win the industry's highest accolades as we celebrate the best in fleet



INTELLIGENT FLEET

In this 11-page special feature, *Fleet News* examines the challenges facing fleets from mobility to autonomous vehicles, connectivity to the implications of ever smarter cities

- Overview**
Fleet managers must adapt to embrace mobility
- Roadmap of the self-driving car**
Progress of autonomous vehicles can be likened to human development from infancy to adulthood
- Government view on CAVs**
Whitehall commits to lab-tracking the progress of connected autonomous vehicles
- Benefits to fleets**
Intelligent cars open a new world of possibilities for fleet operators
- The insurers' perspective**
Potential of automated vehicles is source of excitement for insurers
- Data generation**
Fleets and suppliers race for control in the data generation game
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Better value and pain-free travel... why fleet managers should embrace Mobility as a Service
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The possibilities are endless as Internet of Things and smart cities increase fleet efficiency

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Golf meets Tiguan in the shape of the T-Roc, Volkswagen's first compact crossover



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Industry bodies more certain of on-going benefits after Government departments offer tax clarity



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We examine the challenges facing fleet from mobility to autonomous vehicles, connectivity to the implications of ever smarter cities

Providers welcome Government clarity on salary sacrifice plans

Departments confirm only the amount given up for the car will be considered

By Andrew Ryan and Gareth Roberts

Car salary sacrifice providers have declared the benefit is alive and well after attaining what one of them described as "absolute certainty" about how the tax rules will be applied.

The Government changed the tax structure of the schemes in April, leading to confusion over how some of the new regulations should be interpreted.

HMRC and HM Treasury have now provided confirmation that the application of the new rules should consider only the amount sacrificed for the car itself and not any associated services such as maintenance, which had been a contentious point.

However, there are implications for data capture according to one fleet sector observer.

Tusker and the British Vehicle Rental and Leasing Association (BVRLA) say the 'car-only' ruling means 98% of cars will still provide savings to drivers.

Tusker said employers will also make national insurance (NI) tax savings on 54% of the cars available through its scheme.

David Hosking, CEO of Tusker, told *Fleet News*: "Our customers and the benefits industry overall

needed clarity around salary sacrifice cars. Government has always been clear when making changes to legislation that they want to protect car benefit schemes and reduce emissions.

"For us, this confirmation of the legislation provides absolute certainty that cars can continue as a cost-effective benefit of employment."

Jay Parmar, BVRLA director of policy and membership, added: "From our point of view it is business as usual. The tax has changed but the vast majority of vehicles remain unaffected."

He suggested that fleets should work with their leasing company to make sure they get the right vehicles on their fleet.

The clarification came following several months of discussions between the BVRLA, Tusker, its policy advisor EY (Ernst & Young) and both Government departments.

It means that under the new Optional Remuneration Arrangements (OpRA) legislation:

- The application of the new salary sacrifice rules should consider only the amount sacrificed for the car itself, and not for maintenance, tyres, roadside assistance etc.

- An employee who enters a car salary sacrifice agreement pays benefit-in-kind (BIK) tax on the greater of the taxable value of the vehicle or the salary being sacrificed for the car.

- Employers will also have to pay NI on the greater of the taxable value of the vehicle or the salary being sacrificed for the car.

- Ultra-low emission vehicles (those with emissions of 75g/km or less) are exempt from any tax changes. They will pay tax on the normal benefit charge.

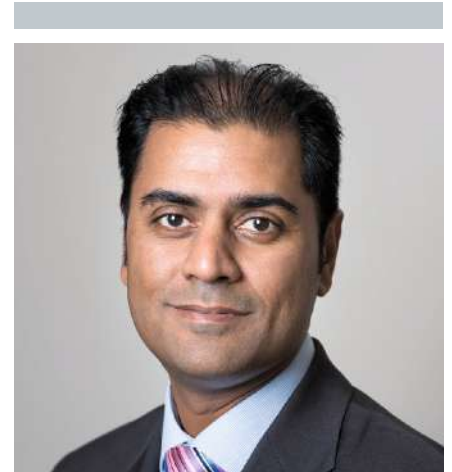
- The same OpRA rules apply where an employee has a company car (without a salary sacrifice) but where the employee could have a cash allowance instead of the company car.

The clarification was also welcomed by Zenith. Its head of fleet consultancy, Claire Evans, added: "We are pleased to see this positive development that is likely to further enhance the attractiveness of salary sacrifice car schemes."

"There are still some final areas of detail to work through but we are confident this will produce benefits for our customers and reduce the costs for drivers, limiting or completely removing the impacts of OpRA on some of the most popular low cost, low CO₂ cars."

IMPACT DEPENDS ON FLEET MAKE-UP

Caroline Sandall, director at ESE Consulting and deputy chair of fleet representative body ACFO, told delegates at ACFO's autumn seminar that it was important for fleets to understand the impact



"It is business as usual. The tax has changed but the vast majority of vehicles remain unaffected"

Jay Parmar, BVRLA



"The overall impact across the whole of the salary sacrifice portfolio might be small, but that does depend on your fleet"

Caroline Sandall, ESE Consulting

of the changes. She said: "The overall impact across the whole of the salary sacrifice portfolio might be small, but that does depend on your fleet. If you operate a salary sacrifice scheme, it's absolutely crucial that you model the impact for your profile of orders and your profile of drivers, because the impact might be different for you."

Furthermore, Sandall reminded fleets that "optimised cash" (where drivers are offered cash instead of a car) is caught by the legislation and, she said, will "impact its effectiveness".

She explained: "If you operate this type of scheme then you need to assess the impact on your fleet and your drivers, and in all likelihood it will impact in a way which makes it less (tax) efficient."

In terms of employee car ownership (ECO) schemes, Sandall said there were still some which were operating really effectively, but they will be affected by the changes to salary sacrifice.

"It impacts what you can pay in a tax-efficient way," she said. "However, you do have a little bit more time to remodel (your scheme) and see whether you can still make its design effective for you."

"There are alternatives that exist and that are being developed so it may well be that an ECO hybrid will emerge. If you've got an ECO scheme it's absolutely crucial you get some advice."

Optimised cash – money instead of a car – is ‘caught by the legislation’



NEW BENEFIT-IN-KIND BANDS CONFIRMED

This month's Finance Bill confirmed the 11 company car tax bands for ultra-low emission vehicles, which were first introduced in last year's Autumn Statement but not present in the most recent Budget.

From 2020, the appropriate percentages for benefit-in-kind (BIK) tax for zero emissions will be 2%, while those for cars with CO₂ emissions between 1g/km and 50g/km will vary between 2% and 14% dependent on the number of zero emission miles the vehicle can travel.

The measure also increases appropriate percentages by one percentage point to a maximum value of 19% for ULEVs with CO₂ emissions of between 70g/km and 74g/km (see full table for ULEVs alongside).

The appropriate percentage for a car with a CO₂ emissions figure of 75g/km or more will be whichever is the lesser of 20% plus one percentage point for each 5g/km driven by which the CO₂ figure exceeds 75g/km, and 37%.

Lauren Pamma, head of fleet consultancy at Lex Autolease, said: “[This] provides clarity for fleets and makes switching to electric vehicles much more appealing in the long term.”

BIK TAX RATES FOR ULTRA-LOW EMISSION VEHICLES FROM 2020

Car with CO₂ of 0g/km 2%

Car with CO₂ of 1-50g/km:

With electric range of 130km	2%
With electric range of 70-129km	5%
With electric range of 40-69km	8%
With electric range of 30-39km	12%
With electric range of <30g/km	14%

Car with CO ₂ of 51-54g/km	15%
Car with CO ₂ of 55-59g/km	16%
Car with CO ₂ of 60-64g/km	17%
Car with CO ₂ of 65-69g/km	18%
Car with CO ₂ of 70-74g/km	19%

BVRLA chief executive Gerry Keaney added: “We absolutely support the Government providing long-term clarity and support for ultra-low emission vehicles in BIK taxation.

“We would, however, like to see further support for ULEVs, particularly for second and third owners through the introduction of in-life incentives.”

Confirmation that the rules should consider only the amount sacrificed for the car was welcomed by Sandall.

She said: “That’s great because it will lessen the impact. However, that is still quite a challenge as it may prove difficult for some providers to capture that data.

“In addition, does it lift the lid on the split of different costs [for the driver]?”

Sandall revealed that discussions are still ongoing at HMRC as to whether this could be dealt with by a proportionality calculation.

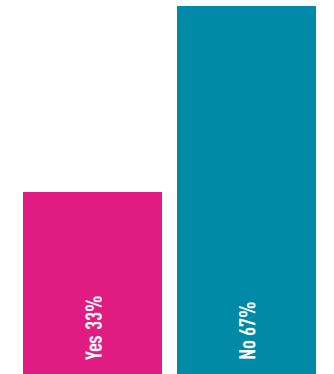
“It is something you will need to keep an eye on if you’re operating a salary sacrifice scheme, because you’re going to need to know how you can operationalise this and how that impacts the way that you use the systems and the processes of your suppliers,” she added.

“You will need to know how you’re going to gather that data and how you’re going to interpret all of that for the poor driver, because, let’s face it, salary sacrifice is a fairly challenging message to get them to understand, particularly if they’ve come out of a traditional company car scheme.”

FLEET FACTS AND FIGURES

OPINION POLL

Would you pay for goods with a contactless payment car key?



FleetNews view:

DS Automobiles has launched the first integrated, contactless payment car key. The two-in-one device integrates a bPay payment chip, which turns the key into a convenient way to pay. Our poll says a third of respondents would pay for goods using the device and, while the majority would not, we believe it could prove useful to company car drivers, but security must be watertight.

This week's poll: Do you think the P11D price of a company car accurately reflects the true value of the benefit?

fleetnews.co.uk/polls

MOST COMMENTED ONLINE

Plug-in hybrid vehicles among the ‘highest-polluting’ company cars

fleetnews.co.uk/news



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First deliveries of the revamped Mondeo are slated to start in November



Better equipment and lower tax bills head Mondeo's fleet appeal

Ford range freshen-up should also mean lower lease rates and improved RVs

By Andrew Ryan

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.

The manufacturer has reduced the number of trim levels from seven to five, with all models featuring sat-nav, digital radio, autonomous emergency braking, front and rear parking sensors, and cruise control as standard.

Ford says its changes mean annual benefit-in-kind (BIK) tax savings of up to £240 for drivers and a reduction of £100 in an employer's national insurance (NI) bill (for a 40% taxpayer who chooses a ST-Line Edition 2.0 TDCi 150).

Customers were able to order the new models from last week, with first deliveries taking place in November.

Owen Gregory, fleet director of Ford of Britain, said: "Our thinking has been influenced significantly by the needs of fleet operators and business drivers. We are seeing a lot of movement into SUVs and customers themselves are changing their own views in terms of what they

want their cars to say about them. With that in mind, we wanted to dial up a couple of elements of Mondeo's personality and make those a little bit more distinctive.

"We also wanted to take a look at the list pricing and do some adjustments there, particularly in terms of fleet customers to give them a BIK benefit as well as reducing employer NI contributions."

He added: "We want to keep Mondeo fresh, we want to keep it relevant and be responsive to where the market and customers are moving, and we really hope to continue the good progress we've made against key competitors, particularly in true fleet."

Around 85% of Mondeos are registered to fleet, and Gregory added the lower prices of the updated range also translate into lower lease rates for a higher spec car through improved residual values (RVs), according to Cap HPI.

The new Zetec Edition, which has a starting P11D value of £19,205, becomes the new entry-level model which, as well as the equipment mentioned earlier, also has 17-inch alloy wheels and electric door mirrors.

Moving upwards from this trim level, drivers can choose whether to prioritise the sporty specification of the existing ST-Line and ST-Line Edition, or the more luxury-focused Titanium Edition or range-topping Vignale.

On top of Zetec Edition's specification, extra ST-Line equipment includes front, rear and side body styling, sports suspension, start button and darkened headliner. Privacy glass and 19-inch alloy wheels are added on the ST-Line Edition.

Titanium Edition adds 18-inch alloy wheels, electrically-adjustable premium leather heated seats, traffic sign recognition, lane departure warning and automatic headlights and wipers.

Extra equipment on Vignale includes 19-inch alloy wheels, LED adaptive headlights, rear privacy glass and rear view camera.

Ford's decision to cut P11D prices follows the launch earlier this year of the Vauxhall Insignia, its key upper-medium segment rival.

Vauxhall's strategy saw it reduce like-for-like prices by up to £2,500 compared to its predecessor. This was part of its plan to offer best-in-class wholelife costs as well as help to reduce discounting and, therefore, improve RVs.



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11:04 AM

100%

M. Paul
To: David

URGENT: Downtime Issue!
25 Sept 2017 at 10:16

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Get this sorted, now.

M. Paul
Managing Director

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When is a van a company car?

Confusion reigns after new ruling

Tribunal reclassification should mean extra NI for company and BIK for drivers

By Andrew Ryan

Accountancy firm RSM has warned that many businesses and drivers could face heavy tax bills on company cars they thought were vans.

A recent First Tier Tribunal ruled that although two modified Volkswagen Kombi T5 vehicles operated by Coca-Cola were originally classed as vans for tax purposes, once it considered the characteristics of the vehicles as provided to the employee – and not just at construction – they were actually cars.

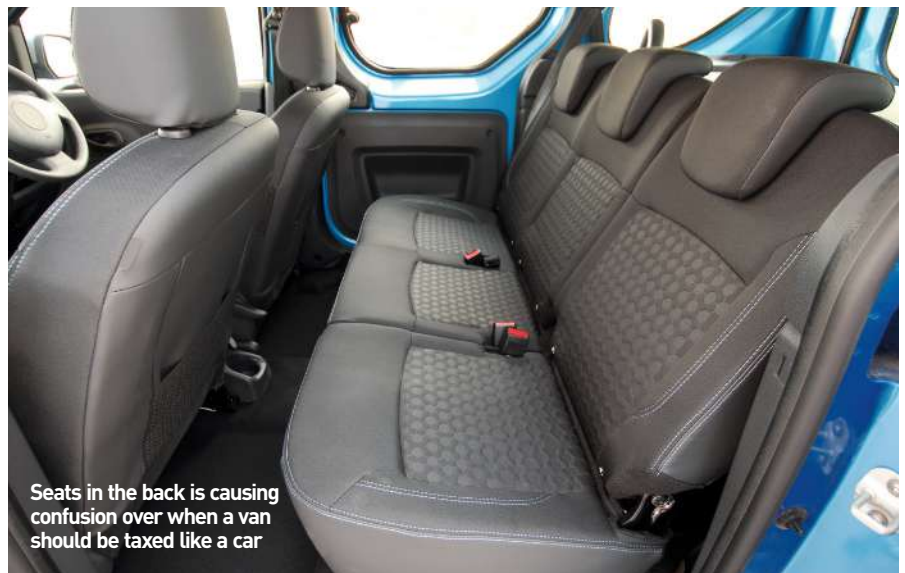
This means the company will have to pay an unspecified amount of backdated national insurance, while two drivers face unexpected benefit-in-kind (BIK) tax bills.

RSM has warned that many other businesses could find themselves in the same “hopelessly unclear” position and has urged HMRC to clarify guidance on the tax classification of vans and cars.

Graham Farquhar, employer solutions partner at RSM, said: “This is now a massive grey area. The revenue has to be clear on its guidance or it will cause confusion for employers.”

The hearing covered the 2016/2017 tax year for two drivers in relation to second-generation Volkswagen Transporter T5 Kombi vans (Kombi 2), and the 2011/12 tax year for Coca-Cola in respect of a first-generation Transporter T5 Kombi (Kombi 1), a Vauxhall Vivaro, and fuel made available to employees.

The tribunal heard that until 1997, Coca-Cola technicians had used estate cars but as the amount of equipment they carried had increased they were switched to Vivaro, Kombi 1 and Kombi 2 models.



Seats in the back is causing confusion over when a van should be taxed like a car

Fleet manager Tom Sayers told the tribunal employees were offered the choice between a panel van or a vehicle modified by a third-party contractor with rear seats, which could be used for their own private purposes.

Kombi 1 was fitted with a removable three-person bench seat in the van's mid-section as standard, which meant no goods could be carried there with it in place. The rear cargo section was approximately 3cu m and separated from the mid-section with a central partition.

Kombi 2 had three removable seats in the mid-section, and was modified with a fixed partition to separate it from the 3cu m rear cargo area.

In his conclusion, tribunal judge Guy Brannan said that as the mid-sections were equally suitable for carrying goods and passengers, they could not be regarded as goods vehicles.

He said: “In essence, therefore, the Kombis were both multipurpose vehicles.”

However, Brannan ruled the Vivaro was a

goods vehicle as it was “primarily suited to the conveyance of goods”.

It also featured a number of modifications including a second row of removable seats. With the seats removed, the load volume was virtually unchanged at 5cu m. With them in place, this fell to around 4cu m.

RSM said the tribunal's rulings could leave many employees facing heavy tax bills on company cars that they thought were vans.

It added a further consequence could be that the tax position of double-cab pick-ups is brought under review.

However, this has been disputed by Alastair Kendrick, employment taxation expert at Harwood Hutton, who said: “The tribunal's decision must not be considered a legal ruling. This would be the case if the appeal were referred to a higher court.

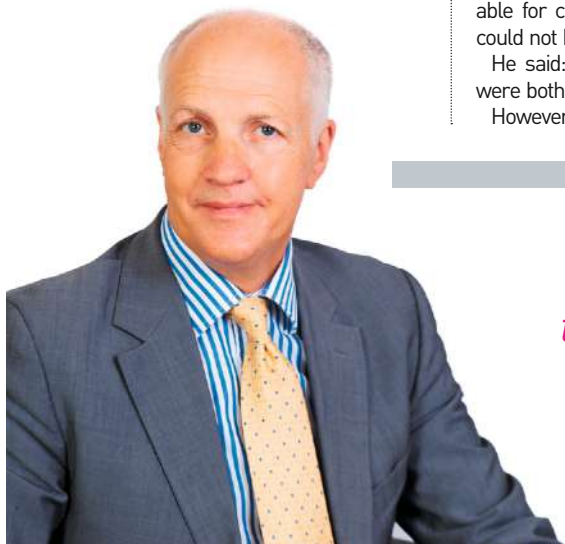
“It's a messy area, but there appears to be no intention to review and update the tax legislation.

“We would want the matter to be referred to the Office of Tax Simplification (OTS) for clarification if there were to be any suggestion of a change in the historical practice. The OTS could then seek to consult on any proposed changes. At this point in time, though, it does not seem likely.”

He said fleet operators should not be “spooked” by the tribunal ruling, but they should make sure they understand the distinction between a car and a van and apply the rules correctly to avoid unexpected tax bills and possible penalties.

An HMRC spokesman said there are no current plans to change the legislation regarding double-cab pick-ups.

Coca-Cola can appeal the ruling, but did not respond to a *Fleet News* request for a comment.



“It's a messy area, but there appears to be no intention to review and update the tax legislation”

Alastair Kendrick,
Harwood Hutton

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Model shown is Auris Hybrid Business Edition 1.8 VVT-i Auto at £23,285. Price excludes metallic paint at £545. Prices correct at time of going to print. 5 year/100,000 mile manufacturer warranty subject to terms and conditions.

Acquisition of Marshall Leasing by BOIUK will 'open doors' to growth

Once deal is complete, SME-focused company will be better placed to fulfil potential

By Tom Seymour

Bank of Ireland UK (BOIUK) has 'accelerated growth ambitions' for Marshall Leasing following its acquisition of the company from Marshall Motor Holdings (MMH) for £42.5 million.

On completion of the deal Marshall Leasing will become part of Northridge Finance, BOIUK's car and asset finance business.

Marshall Leasing, which sits at number 26 in the FN50, has a risk fleet of more than 6,000 cars and vans. It provides a range of contract hire fleet services including fleet management, risk management, contract purchase and daily rental, aimed at the small-to-medium enterprise (SME) sector.

However, Peter Cakebread, Marshall Leasing managing director, told *Fleet News*: "Bank of Ireland gives us the financial muscle to move forward and I think those growth ambitions will be accelerated. It's going to open doors for us. This deal is a good platform to allow the business to fulfil its potential."

Cakebread said it was too early to say what size BOIUK is hoping to grow the business to.

James McGee, Northridge Finance managing director, said: "Marshall Leasing has an excellent reputation in the vehicle hire market, has a strong order book, and is well positioned to achieve further growth."

The deal is subject to regulatory approval but it is hoped the acquisition will go through before the end of this year and Marshall Leasing will

work with MMH through a transitional period to help support payroll and HR.

Cakebread said: "It's the same management team and it's absolutely business as usual. Customers will still be dealing with the same teams they were before. BOIUK has spent considerable money on keeping the teams and experience in place."

"The office will remain in Huntingdon and I'm committed to taking the business forward."

Marshall Leasing has been a part of MMH since 1979 but the company said the sale allows it to focus on its core dealer group business and help reduce debt.

Daksh Gupta, MMH chief executive, said: "The strategic disposal of our leasing business is an important step for MMH."

"It further strengthens our financial position and allows us to remain focused on driving our core retail operations. In a changing and consolidating retail landscape, we see various exciting opportunities ahead which, with the support of our brand partners, we are now even better positioned to exploit."

BOIUK will keep the Marshall brand in the medium term as it has paid a one-off £500,000 figure to licence the name for a maximum of five years. Cakebread said a rebrand has not been discussed at this stage.

Northridge provides personal and commercial asset finance serving the dealer, finance broker, and corporate markets.

Cakebread said ownership under Northridge

represents a logical opportunity to grow into the personal contract hire (PCH) market to access small business owners and private buyers, but it was still too early to talk about specifics on business plans.

The MMH board said a driving factor behind the sale was the continuing consolidation in the leasing and fleet management market and scale was becoming increasingly important to underpin the 'capital-intensive' nature of the business model.

Eight of the top 10 UK motor leasing businesses are owned by banks or vehicle manufacturers. It was the Marshall board's opinion that Marshall Leasing would be better supported for future growth under different ownership.

Colin Tourick, professor of automotive management at the University of Buckingham Business School, said: "Marshall Group is a diversified trading company. Marshall Leasing was always one of the most capital-intensive parts of the group so I am not surprised about this deal."

"It is a continuation of a long-term trend. Most independent or dealer-owned leasing businesses of any scale have been acquired."

Tourick said the deal is good for Marshall Leasing, good for customers and good for MMH. "It's a tribute to the fact Marshall Leasing has been a long-term player in the market, has a strong management team, good leadership and is well respected by its competitors and clients," he said.



"Bank of Ireland gives us the financial muscle to move forward"

Peter Cakebread, Marshall Leasing



"Strategic disposal of our leasing business is an important step for MMH"

Daksh Gupta, Marshall Motor Holdings

BT doing 'everything we can' to hit 2030 emissions target

Cars are 'easier' but there is concern about availability of suitable electric vans

By Stephen Briers

The UK's second largest fleet has announced plans to phase out diesel-only vehicles and migrate to hybrid and full electric vehicles over the next decade or so.

BT operates 32,000 vehicles – 4,400 cars, 25,500 vans and 2,100 trucks – and currently has 347 alternative-fuel cars and vans on its fleet. It predicts a big uplift next year as more hybrid and plug-in electric vehicles are added to the company car choice list.

However, expectations need to be tempered; there will not be a dramatic and sudden switch to electric power as trumpeted in the national media, according to Henry Brace, managing director of the telecoms giant's in-house fleet management provider, BT Fleet Solutions.

"This isn't new, as such; we have an agenda to be at the forefront of electric technology as part of our commitment to the Tokyo agreement," Brace told *Fleet News*. "We will do everything we can to move to low or zero emission technology by 2030."

The pace of change will be part-dictated by BT's change cycles, presently seven or eight years for its light commercial fleet. It recently went through a major replacement programme, which means around half of the fleet is not due for change until 2022/23.

"Cars are easier; we will introduce more hybrid and pure EVs and we are talking to manufacturers about getting a compelling case for those," Brace said. "The nut to crack is vans and manufacturers' ability to meet demand and develop new models."

His main concern is about availability of suitable electric vans, which are lagging behind the progress in cars.

"Everyone sees the moves in the car space and thinks CVs will go in the same direction," he said.

"But electric is only viable in smaller vans at the moment. We are still looking for something in the large van space and we will be working hand-in-hand with manufacturers to ensure they develop vehicles with the payload we need."

Brace is right to add a note of caution to BT's ambitions; British Gas created its own headlines in 2014 when it revealed an EV target of 10% of



"We have an agenda to be at the forefront of electric technology"

Henry Brace, BT Fleet Solutions

its fleet by 2017, equivalent to 1,300 vehicles. It currently has around 113 and has pushed back the target to 2020 after struggling with infrastructure and the slow development of electric van technology.

Iveco has offered an electric Daily for a number of years, albeit with minimal uptake. Interest in 3.5-tonne electric vans should increase later this

year with the appearance of the Volkswagen e-Crafter and the Renault Master ZE, although it has been delayed until the start of 2018.

However, Brace predicts that the electric van market could be shaken up by a new entrant in much the same way that Tesla has disrupted the traditional car manufacturers.

Tesla has already been courting potential fleet customers with a teaser campaign about an electric truck, which it intends to reveal on October 26.

Tesla CEO Elon Musk has suggested that the vehicle would have better torque than a diesel truck, while analyst Morgan Stanley estimates that it could cost up to 70% less to run due to fuel savings, lower maintenance needs and cheaper insurance premiums.

Brace's other reservation involves charging electric vehicles at night.

He explained: "It's not the national infrastructure that I think about; it's domestic. Our employees take their vans home and that's where it costs the most, in high density housing."

Nevertheless, despite all the hurdles, BT is committed to bringing more electric and hybrid vehicles onto the fleet in as speedy a timescale as the technology allows.

"The aspiration is certainly there, but it has to be operationally and commercially viable. It will be a challenge but we are up for it," Brace said.

Royal Mail, the UK's largest fleet, is also starting to adopt electric vehicles after announcing a trial of nine Arrival electric vans.

The London-based trials began with three six-tonne trucks last month, followed by three 3.5-tonne vehicles and three 7.5-tonne trucks later in the year.

Elsewhere, global business leaders have committed to a new electric transport initiative to make EVs "the new normal", according to Helen Clarkson, chief executive officer at The Climate Group.

Among the companies committing to fast-tracking the uptake of EVs are Heathrow Airport, which recently took on 17 Nissan Leafs, Ikea, Unilever and LeasePlan, which has outlined plans to transition all its employee fleet to electric by 2021, as well as encourage customers to adopt EVs.

FleetNews



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JLR chief throws down 'mobility revolution' gauntlet to Government

CEO urges Whitehall to move more quickly or face the 'harsh' dangers of failure

By Sarah Tooze

Jaguar Land Rover (JLR) CEO Ralf Speth has urged the Government to act more quickly if it wants to be at the forefront of the 'mobility revolution', which will see a shift from the internal combustion engine to autonomous, connected, electrified and shared vehicles.

"In this new mobility revolution, if there is not a nimbleness in response, the danger of failure is too harsh to contemplate," he said in his keynote speech at the JLR Tech Fest in London.

Speth said that JLR's "journey" had already started with the launch of Jaguar's first electric SUV, the I-Pace, next year. He announced plans for a portfolio of electrified vehicles across the model range from 2020, as well as revealing details of the brand's vision for mobility in 2040 with the Future Type concept and a voice-activated artificial intelligence steering wheel, known as Sayer [see fleetnews.co.uk, September 7].

"We are not just preparing for the future, but delivering it," Speth said.

I-Pace, Jaguar's first electric SUV, will launch next year



However, he challenged the Government to match his company's efforts and those of the whole automotive industry.

"Dates are set by UK Government for the banning of diesel and petrol vehicles by 2040, but with no detailed plans behind this bold statement," he said.

"We as a company can deliver electric vehicles. Where is the network of charging points that they will require to function? Indeed, where is the power grid that will allow us to build them?"

"We know the levels of connectivity that will be needed in the future to allow autonomous vehicles, freeing individuals, increasing productivity, reducing accidents. We know of the 5G network the rest of the world is working upon to enable it. Where is it here?"

Speth's comments come as research commissioned by Addison Lee suggests that the number of rapid charging points planned for London is not sufficient to enable more high mileage taxi and private hire fleets to switch to electric.

London has plans for 75 rapid charging points by the end of 2017, rising to 300 by 2020 but the research suggests at least 2,135 rapid charging points are needed to enable 25% of the capital's fleet of taxis and private hire vehicles to go elec-

tric. Addison Lee's fleet alone would need to be supported by 330 rapid charging points.

The report's author, economist Rebecca Driver, said: "Due to their high mileage, converting a single private hire vehicle to electric will have the same impact on vehicle miles as switching 10 privately-owned cars."

"The positive impact this would have on London's air quality is dramatic but a large scale rapid charging network is also a necessary precondition for fleet operators seeking to invest in electric vehicles."

At 'The Electric Switch' debate at the JLR Tech Fest, Richard Bruce, head of the Office for Low Emission Vehicles (OLEV), suggested the UK was to "some extent" ready today for the switch to electric vehicles, with 110,000 EVs on the UK's roads and around 11,000 charging points and 1,000 rapid charging points.

"It all depends on the speed of uptake," he said, suggesting that if uptake rapidly shot up the UK might not be ready but if it is "more proportionate" then "we probably will be".

"The energy companies know it's coming, the infrastructure companies know it's coming, there is lots of investment going into rapid charge points," he said.



"We are not just preparing for the future, but delivering it"

Ralf Speth, Jaguar Land Rover

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Models shown are Fiat Tipo Elite and Fiat 500X Cross. **LEASYS**



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(7.4) – 83.1 (3.4). CO₂ emissions 171 – 88 g/km. Fuel consumption and CO₂ figures based on standard EU tests for comparative purposes and may not reflect real driving results.

THE BIG PICTURE

By Stephen Briers, editor, *Fleet News*



What is stopping you entering the Fleet News Awards? Is it the amount of time needed to fill in the entry form? We estimate you might need to set aside an hour or so to do your

business justice – and you have until November 17 to get the entry in. That's more than 1,000 hours away!

Don't think you have a chance of winning? Neither did many of our previous winners, some of whom we had to cajole into entering after visiting their operations and being impressed with the quality of their work.

“Being a Fleet News Awards winner – or even being shortlisted – opens doors”

And, even if you do not win, there's the chance to be highly commended, or simply to measure your progress against your peers. Or just to be invited free to the prestigious Fleet News Awards evening at the Grosvenor in London on March 14 and network with colleagues while sipping a glass of wine or two.

Whatever the obstacles that have prevented you from previously entering, now is a perfect time to begin hurdling as we begin the gradual build up to our 30th Fleet News Awards next year.

Entries are now open online, so take a look at the categories and see which ones are right for your business. We've made some changes, including renaming 'cost initiative of the year' as 'outstanding cost control' to recognise fleets which are doing a great job simply keeping a lid on costs, and a new 'eco fleet' category for those taking steps to address environmental concerns.

Being a Fleet News Awards winner – or even being shortlisted – opens doors. It builds your profile within your business, helping you to get future initiatives off the ground, and could provide a fillip to your career prospects.

I look forward to reading your entry!

YOUR LETTERS

TRAFFIC FLOW

Another tax on motorists and where will money go?

EDITOR'S PICK



Chris wrote:

Having read 'Councils seek increased powers to counter congestion' (fleetnews.co.uk, September 19), this is yet another tax on the motorist.

Will we see the money raised by these taxes invested in local transport schemes or repairing roads or improving road infrastructure? If history is anything to go by, I doubt it.

Why would people rather sit in their car in a traffic jam that use public transport? Because, despite the jams, it is quicker, more convenient, cheaper and more reliable.

Governments, UK-wide and local, have an appalling track record of

providing cheap, reliable public transport, hence only those that have to use it and have no choice, do so.

Billions of pounds of revenue previously raised from vehicle-related sources over many years have not, on the whole, been spent on either improving infrastructure nor public transport. Why would anyone believe it would be now?

Had this revenue been invested in the way that, say, Germany has over the past several decades, we would now have a public transport system people would want to use instead of having to use their cars as there is little realistic alternative.

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

INDUSTRY INSIGHT

The oracle of our industry

Mike Don Carolis wrote:

Having read 'Volkswagen fleet and press presentation, T-Roc premier and a classic car show' (fleetnews.co.uk, September 18) Martin Ward's round-up of news in Thinking CAP continues

to be a breath of fresh air.

Brief, informative, straight to the point and as honest as the day is long. Tells it like it is.

He has to be the 'oracle' of our industry, keep going Martin, great job.

FRANKFURT SHOW

Honda's CR-V Hybrid looks promising

Bob the Engineer wrote:

Having read 'Honda announces electric vehicle commitment at Frankfurt motor show' (fleetnews.co.uk, September 12) the CR-V Hybrid looks promising.

A bit disappointing that the Honda has only one drive motor (unlike the Outlander PHEV's two) so can only be FWD and not 4WD.

Confusingly, Honda refers to the alternator as a 'generator-motor' when it's neither providing motive power and is not a generator, as such, given the power comes from the petrol engine.

It's simply a large alternator to turn engine rotation into electrical power for the battery and/or the single drive motor.

HYBRID VEHICLES

Why were so many fleet managers duped?

30-mile range wrote:

Having read 'Plug-in hybrid vehicles among the highest-polluting company cars' (fleetnews.co.uk, September 20), why has it taken so long to realise this?

The 'success' of the Mitsubishi Outlander PHEV is due to one thing; low BIK for the driver. PHEVs may be viable for low mileage office-based commuters but for most high mileage company car drivers they are more expensive than an equivalent diesel, with mpg in the mid-20s not uncommon.

Take away the electric motor and the Outlander PHEV is a virtually worthless mid-sized petrol SUV. How come so called professional fleet managers were duped? Or is it just ticking the 'we operate a green fleet' box like the majority of public sector fleets. Environmentally friendly? Probably not, expensive and poor value, almost certainly, but that 'green' box is ticked so our conscience is clear.

EMERGENCY SERVICES

Not breaking rules of the road could cost lives

Winston wrote:

Having read 'High-speed chases not worth risk, federation warns police officers' (fleetnews.co.uk, September 6) the police, ambulance and fire crews have a difficult enough job to do without having these restraints placed on them.

Let's focus on the real issue – the lack of appropriate punishment for offenders and, especially, repeat offenders.

If any of us is unfortunate enough to need an ambulance or fire engine, we want it now not 10 minutes later because the highly competent and trained driver isn't allowed to break the normal rules of the road – 10 minutes could cost lives.

Ben Cowell added:

A plug-in hybrid has more weight of batteries to carry round, so when only running on fossil fuel there will be a weight penalty and associated increase in fuel consumption. The problem with all fuel economy tests is that existing tests use such a light throttle that every vehicle is much better than 'real life' or the forthcoming emissions tests.

Peter Egerton continued:

Usually PHEVs will balance between electric and petrol power dependent on the situation. So it's not all-electric and then all-petrol.

For example, from a standing start the electric motor will work hard initially then the petrol engine will come in. At constant speed the electric motor will come back in to maintain the vehicle's speed.

It's possible drivers aren't fully charging their cars and are only using the petrol engine.

Contact us

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Email – fleetnews@bauermedia.co.uk

Burning question:

What is the favourite material object you own?

Editorial

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My vinyl record collection – priceless, but too big to save in a fire

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An item of jewellery which I inherited

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A signed photograph of Norwich City midfielder Jeremy Goss scoring against Bayern Munich

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My 5.7-litre Chrysler 300C

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My Mac – I used to work on PCs and hated them

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A wooden bowl I made

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FLEET OPINION

SHARED MOBILITY

Fleets need to adapt to city living

By Shaun Sadlier

“ You might have heard an often-quoted statistic. In 2007, half the world's population lived in cities but by 2050, it is estimated, that proportion will have reached two-thirds.

In fact, this shift has already happened in the UK. More than 75% of people reside in areas that can be described as urban and that percentage is increasing. This presents a question for our fleets: “How do we operate successfully in the cities of the future?”

Arval recently sponsored a book by renowned mobility expert Lukas Neckermann that examines this very problem – and he raises many interesting points.

The challenges Neckermann identifies are predictable and even familiar. In the current urban environment, traffic too often creates congestion and impacts on air quality. He argues that smog-filled cities that are too difficult to get around and with no green spaces will see a high rate of desertion. People will leave them in favour of better cities.

In line with this thinking, he believes that, as successful cities grow, they will become more politically important, that the mayors of the biggest could rival heads of state for influence. This could influence the legislation that affects fleets.

One result of this is a trend that is already under way and which he expects to accelerate in the short-to-medium term – the move towards restricting access to cities for transport.

In the longer term, Neckermann sees no alternative to complete reimaging of city infrastructures that are pedestrian-centric. This means car-free zones, separating paths and infrastructure for commercial traffic, integrating accommodation for shared mobility, autonomous vehicles, and last-mile solutions such as bikes, scooters and shared-ride vehicles.

Within this environment, fleets will still have an important role in business operation but one that will undoubtedly change. Journey planning, car sharing and pool vehicles are just some of the options companies are already looking at.

It certainly makes for interesting reading and in the context of Government policy is already forming part of the discussions that we are having with fleets about the future direction of their travel strategies. **”**

“Fleets will still have an important role in business operation but one that will undoubtedly change”



Shaun Sadlier, head of the Corporate Vehicle Observatory, Arval



Chris Harris, national sales manager, Multifleet

CUSTOMER SERVICE

Understanding the meaning of service

By Chris Harris

“ This was the scenario – I was sitting in a final tender evaluation meeting alongside my then sales director when the potential client's procurement director posed the final question: “What is the one USP that makes you stand out from the competitors?”

I knew the answer, and I sat back waiting for my sales director to deliver it. However, when it came, it hit me like a bolt of lightning.

“Service, but that is probably the same answer that 10 other companies have given you. However, we truly deliver it,” he said.

It hit me for six, and really got me thinking that the word service is so overused. The company I worked for then was recognised by its customers, its peers and the industry for delivering the best service. So how could 10 other companies use the word service as if it were a rite of passage?

There are teams of sales people out there delivering the same message, irrespective whether they, or their company, can actually deliver.

Service is a small word but it means so much. It can cause anxiety, frustrate and break relationships, on the other hand it can also build trust and deliver long-lasting relationships.

According to The Institute of Customer Service this is what service means: “A world where customer experience makes a positive and sustained impact on individuals, organisations and the economic wellbeing of the UK.”

For too long, customer service had been seen as an afterthought, part of aftersales activity. Instead, it is integral to the success and failure of organisations, and we are dedicated to increasing recognition of its importance.

Service means to listen, have empathy, understand what your customer needs, what they do. Take ownership of their requirements, offer a viable solution and see it through. Don't pass problems on, go the extra mile and do the right thing, put them first and help grow their business and yours.

So, the next time you are sitting with a supplier and the word service is about to be delivered, ask yourself can they really deliver – and meet – the expectations of what service truly means? **”**

“On the other hand service can also build trust and deliver long-lasting relationships”



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'THREE-YEAR TELEMATICS CONTRACTS ARE NUTS'

Quartix MD Andy Walters explains his approach to payment plans and why 'true' safe driving speed is the best measure of risk. *Stephen Briers* reports

Telematics has been around for a quarter of a century, yet despite the obvious benefits, experts estimate that just one-third of the vans operated by fleets in the UK have a system installed, with a far lower proportion for company cars. It equates to around 550,000 of the 1.7 million company vans.

Many of the early adopters simply wanted to know where their vehicles were and whether they could save fuel by travelling fewer miles or by preventing employee fraud.

Today, more often than not, telematics is being adopted to address driver behaviour from a safety and risk management perspective, according to one of the UK's leading suppliers Quartix.

With 78,000 fleet vehicles under subscription in the UK (and almost 100,000 globally), Quartix has a market share of around 13% and is seeing a rapid acceleration in growth.

Installations have risen five-fold since 2010, with a 44% rise in the first half of this

year alone. It is consistently carrying out more than 2,000 new installs per month in fleet (with another 5,000-6,000 in the private insurance market).

Managing director Andy Walters co-founded Quartix in 2001. He believes small- and medium-sized enterprise (SME) fleets are still wedded to the vehicle location and utilisation elements of telematics but most other companies are now embracing the broader data-set to tackle incidents and efficiency, both related to driver behaviour.

"Risk management is where our focus is now," he says.

Walters "re-set" the business at the start of the year, recruiting Ed Ralph as chief operating officer and Lynne Austin as director of UK fleet operations. The appointments signalled his intention to put fleet back at the core of the business.

"The insurance business has taken up a lot of our time and I was having to be a jack of all trades," he says. "The two appointments mean we are now refocused on fleet."

Walters has also accelerated product development, improving both the real-time dashboard and fuel card integration via a

partnership with FleetCheck. He is working on an API (application programming interface) which opens up the operating system) to enable customers to pull data from Quartix telematics into their other IT systems for full integration.

The investment is increasing the conversion ratios, with the majority of business wins first-time telematics users.

"It is still the case that two-thirds are customers that were without tracking, but there are also the ones leaving a tracking provider to come to us and even those who are coming back," he says.

As fleet priorities shift towards driver safety, Quartix has devised a new approach to tackling speed-related risk, which looks beyond the conventional view that the regular speeders present the gravest danger.

It has created a safe speed database with stats from all its 180,000 vehicles (fleet and private) pegged to the speed limit. But the driving style score isn't measured against the speed limit; it's measured against the speed of other road users.

"Even if the speed limit is 60mph, our distributions might reveal that the average speed is 45mph," Walters explains. "Our figures show that the upper 95 percentage above the average driver speed are 20 times more likely to be involved in an accident, despite still being beneath the actual speed limit. It's a different way of looking at risk based on the true safe driving speed, and fleets are starting to use it more."

Such innovative thinking is where Quartix claims its differentiation with rival telematics suppliers. Walters also points to its payment plans – Quartix was the trailblazer in flexible pay-for-use agreements with no contracts, and often provides a system rent-free for the first three months to encourage uptake.

"We have always pushed the flexibility of our contracts, with open and transparent pricing on our website," Walters says. "They are there for everyone to see, including our competitors. That was unusual in 2001 and it's unusual today."

He has strong words for the actions of some rivals who "quote on the basis of what they think they can get away with", adding: "And then they [fleets] also go for three- or five-year terms, which is nuts. We always





FACTFILE

Company Quartix

Managing director Andy Walters

Launched 2001

Head office Newtown, Powys

Live installations 78,000 (UK); 100,000 (global)

Number of customers 10,000+ fleets; 12 insurers

run on a 12-month contract, which they can cancel on 30 days' notice. It means we have to be good at customer service."

Quartix introduced the no-commitment flexible contract in 2008 and it helped to double its conversion rates. Fleets – people in general – are more willing to take a 'risk' with a new supplier, product or service if they know they can back out at a moment's notice. The greatest unknown when signing a contract is always customer service: companies talk the talk, but they don't always walk it.

"Customer service is always an unknown quantity for a new customer; it's hard to show during the sales process. People often don't appreciate it until they go somewhere else," says Walters. "We've had quite a few fleets this year that have come back to us after leaving for a competitor on price."

Service isn't always the obvious things, either. Walters cites the many phone calls Quartix receives from anxious customers who have left the telematics system installed in cars that have gone to auction.

"They ask 'can we go and get it?', and we always do," he says.

"We have always pushed the flexibility of our contracts, with open and transparent pricing"

Andy Walters, Quartix

Van fleets remain the major impetus behind the growth in telematics sales; they account for 70-80% of Quartix's business. Cars tend to be added to an existing van contract; few fleets lead a telematics policy with them.

Its customer base ranges from companies with two or three vehicles to those running hundreds. SMEs and owner-drivers are a surprisingly big part of its business, helped by the concise, digestible reports generated.

Their needs are less complex, typically about understanding capacity, utilisation and vehicle location. In contrast, larger fleets

require greater sophistication with in-depth data to enable them to tackle efficiency and accidents through driver behaviour and risk management.

"We can help them with exception reporting by providing leader-boards and league tables rather than them having to sift through all the data," says COO Ed Ralph. "We can also provide guidance to fleets if they have vehicles in the red zone."

The next step for telematics is in self-install products. Quartix launched its on-board diagnostics (OBD) system in May and is the process of rolling it out. The driver simply plugs the unit into the OBD port.

Walters predicts self-install systems could account for 20% of his fleet volume in the coming years due to its simplicity of use and the fact that nothing is hard-wired. He believes they are preferable to mobile phone apps – which Quartix offers to customers free of charge – due to the drain on the battery from continuously running GPS.

"This will broaden the way we can get data into our platform," he says. "It also changes our proposition from being a black box provider to being a provider of a solution."

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".

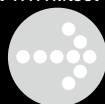
No one expects to win a Fleet News Award; fleets, suppliers and manufacturers enter in hope and anticipation which makes the announcement on the night feel all the better if they are among the 30 winners.

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."

Entries to the 2018 Fleet News Awards are now open. Go to the website at www.fleet-newsawards.com to find out how you can join the high profile, prestigious award winners' club



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AWARDS 2018 TIMELINE

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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
black-tie ceremony, Grosvenor Hotel, London**



“THE FEELING OF PRIDE AND SATISFACTION FROM WINNING AN AWARD SHOULD NEVER BE UNDERESTIMATED, ESPECIALLY ONE SO PRESTIGIOUS AS A FLEET NEWS AWARD”

Paul Gatti, fleet director, Royal Mail

MEET THE JUDGES

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Stewart Lightbody



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Graham Short



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Martin Ward



Andy Cutler



Steve Jones



Jo Hammonds



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

FLEET AWARDS

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- Caroline Sandall, ACFO
- Jo Hammonds, Mears Group
- Paul Hollick, ICFM

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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
Sponsored by Škoda UK

Innovative Use of Technology

New category
Sponsored by Nissan Motor (GB)

Fleet Dealer of the Year

2017 winner: Swansway Group

HEADLINE AWARDS

Fleet Manager of the Year

2017 winner: Jo Hammonds, Mears Group
Sponsored by Fiat Chrysler Automobiles

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

ENTER ONLINE

Entries for the 2018 Fleet News Awards should be submitted via our dedicated website.

Go to awards.fleetnews.co.uk and click on the link at the top of the page 'Awards categories and entry process' to learn more about the entries and start your journey to the awards.

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.

When writing your submission pay close attention to the word count (replacing last year's character count). Also note, in order to be fair to all entrants, attachments can no longer be submitted as part of any entry.

Please ensure you save your entry. It will be saved in a 'My Awards' area that you can return to at any time before submitting your entry to *Fleet News* ahead of the deadline – Friday, November 17. You have two months to enter.

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Developing a sustainable commercial approach

Matt Goodstadt, managing director for transport at Civica, discusses the future of public sector transport and the commercial opportunities which lie ahead

What particular trends are you seeing in the current fleet market?

The pace of change is really accelerating with new technologies having a huge impact on the future of UK transportation. We are now seeing the widespread use of telematics information; for example from insurance companies to manage premiums, electric vehicles hitting the mainstream, the idea of autonomous HGVs for trunk haulage and huge retailers such as Amazon considering robot carts and drones for local deliveries. As a technology supplier within the fleet sector, it's certainly an exciting time for Civica to be developing the automated technology and software our customers need to remain competitive in the future.

How are your public sector transport customers faring in today's climate?

The constant challenge to 'do more with less' is pushing some to the limit. In fact a recent report from the Local Government Information Unit, surveying councils in England and Wales, found that more than 40% anticipate making frontline services cuts which will be evident to the public, while three-quarters had little or no confidence in the sustainability of local government finances.

While simply maintaining frontline services is an achievement in itself, the majority of public sector organisations are already embracing more commercial ways of working, and intensifying their endeavours beyond cost cutting to also commercialise certain services as part of a drive to increase revenues. In my opinion, transport is, and will continue to be, a key area for commercialisation, generating new income



“Those with a healthy appetite for risk and attitude to change will fare best”

and helping to plug this funding gap. Today's transport departments have the necessary infrastructure and technical skills in place to operate within a range of commercial ventures.

What would be the strongest approach to new services and income generation?

It's paramount that public sector organisations find the right strategy which will deliver genuine and reliable returns while supporting community priorities.

Organisations must think innovatively, consider the role of trading and make the most of existing assets and partnerships. They should also review opportunities to share and sell services among peers as well

as how digital technology can drive efficiencies and new revenue streams.

Local transport departments have the skills and infrastructure to offer a range of complex services to businesses and citizens alike. They can handle most types of vehicle and plant repair and are used to delivering complex agreements. They also have vast experience within specifying and procuring vehicles and can offer a full fleet-managed service to other public and private organisations.

Local authorities could also take away the administrative pain of driver licence checks, as well as opening their pool fleets for short rentals, especially if located in

busy urban areas.

It's vital to conduct a full review of existing technology within any transport department, to see what development is needed to deliver better services, such as online quotes, cashless payments, and, more importantly, market services in our mobile-first, social media-driven world.

What do you most enjoy about working at Civica in the transport industry?

The transport industry is fast-paced and constantly changing in this digital era and it's really exciting to be at the forefront of driving digital innovation for the sector. At Civica, I get the opportunity to working with a diverse range of transport customers to develop new software and products which meet their needs – both now and for the future – alongside supporting their continuous journey towards ever-more sustainable commercial models. Ultimately, those with a healthy appetite for risk and attitude to change, while setting a clear commercial vision and resourcing for growth, will fare the best in our future public sector landscape.

For more information email matt.goodstadt@civica.co.uk or visit www.civica.com/tranman

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INTELLIGENT FLEET

In this 11-page special feature, *Fleet News* examines the challenges facing fleets from mobility to autonomous vehicles, connectivity to the implications of ever smarter cities

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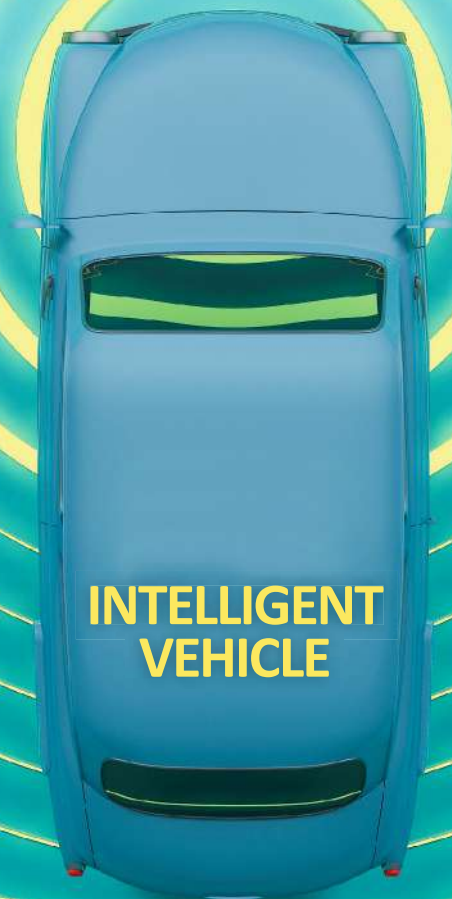
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The possibilities are 'endless' as Internet of Things and smart cities increase fleet efficiency



FLEET MANAGERS MUST ADAPT TO NEW MOBILITY CHALLENGES

While many companies may choose to retain the fleet manager job title, reality is that mobility manager is becoming more apt

Business travel is changing as technology opens new mobility horizons for fleet managers and their employers. While the company car will still be king, the way it is used faces fundamental changes as new technology and transport choices take a more significant role in corporate mobility strategies.

A wealth of new opportunities for business transport have been enabled by lower software and hardware costs, the almost universal use of smartphones that are as powerful as older desktop computers, the rise of the connected car and a growing number of multi-modal services.

Companies can start to make more intelligent travel choices, based on a range of options rather than employees simply heading for the company car park.

Ian Forbes, head of the Government's Centre for Connected and Autonomous Vehicles, says: "No one can predict the future and that includes connected and autonomous vehicles. However, what's really important is first of all recognising that change is coming, second being clear on what you want from that change and third being able to adapt in response to the information when it arrives."

There are also sound economic reasons for embracing intelligent mobility.

Rising traffic levels are leading to increased congestion, while a growing urban population is prompting Government and local authorities to consider strategies to encourage alternative forms of travel to the private car.

Employees are also playing a critical role in the development of mobility services, as their acceptance of new travel options will be key to their success.

Even the company car itself is facing fundamental changes, as it becomes more connected, intelligent and autonomous.

Fleet managers will already be familiar with the latest generation of features in cars, ranging from adaptive cruise control to self-parking and even smartphone apps which allow certain parts of the car to be externally controlled.

New developments that will become more common include keys being replaced by apps, which can allow drivers to share use of a car without handing over a physical key. New autonomous features will allow drivers to summon cars to their location in certain circumstances.

There will also be an ecosystem of services that develops around this new era of corporate mobility, ranging from in-car payment systems to communication and entertainment services.

Olaf Schilgen, who is responsible for future technologies, electromobility, external affairs and sustainability at Volkswagen, says: "We have 300 different models. We can't change all the models in five years; that's not possible because the customer won't change that fast either."

"You always have to think about the customer and the customer has to change as well if you want to sell new products."

"We cannot move faster than our customers and we should not move slower. Interest is spreading. It is going faster than we thought maybe a few years ago."

The key to the development of these services and technologies is data.

Cars now generate many gigabytes of data on each journey from a number of sensors that will play a critical role in enabling new autonomous technologies to work.

Modern telematics systems mean basic data about vehicle performance and movement can be shared with fleet management systems and employers.

As autonomous technologies develop, systems will need to communicate with other vehicles, road infrastructure and process vast amounts of data in real-time.

Data also forms the foundation of intelligent mobility



SUPPLIERS DEVELOP NEW MOBILITY SERVICES

Industry suppliers are adapting their services for the new mobility environment.

Alphabet, for example, has recruited a new team of field-based mobility consultants to provide fully-integrated mobility services to clients.

Since the beginning of the year, the company has been working to merge its daily rental and extended offerings.

Alphabet head of mobility services Nick Butler has recruited a new team of mobility consultants to work with commercial teams.

This enables them to incorporate corporate car sharing and rental in a single service.

Butler says: "We've transformed the way that Alphabet delivers our rental services to customers and we've

instilled a mind-set across the whole business that rental is absolutely integral to our mobility offering.

"In the past, rental was seen as a peripheral, add-on service rather than a core offering like leasing and fleet management. But there's been a sea-change in the industry and among forward-thinking customers that rental is an absolutely fundamental piece of the mobility jigsaw.

"I think it reflects a wider market shift for businesses to outsource their rental requirements to expert providers and enable their employees to self-service and access services on demand. This, in turn, means that businesses need less admin resource in-house and so can focus on their own core, value-adding activities."

"We cannot move faster than our customers and we should not move slower"

Olaf Schilgen, Volkswagen



MAIN REQUIREMENTS FOR INTELLIGENT MOBILITY

Intelligent mobility is a new way to think about journeys.

It attempts to meet user needs through efficient and seamless journeys, with a broader perspective than focusing on specific transport modes or infrastructure.

Instead, the focus is on what people and businesses value, enabling commercially viable solutions to be developed for effective, efficient and reliable use of networks, vehicles and transport services.

Intelligent Mobility requires:

- Understanding of the needs, preferences and behaviours of people and businesses;
- The exploitation of data;
- Exploiting technology such as the Internet of Things, sensors and autonomous systems;
- Transport networks that operate freely and reliably, offering the right capacity and seamless interchange;
- A strong commercial market with reliable suppliers that constantly innovate

new oil. Data is the foundation of a new value chain. I see the underpinning data as being absolutely fundamental."

For years, analysts have talked about the rise of the mobility manager, but modern technology means every fleet manager now needs expertise that goes well beyond basic vehicle management to encompass telematics, car-sharing services, data management and software systems.

Technological development also means managers can encourage the greenest option of all by not travelling, through the use of conference calling or software such as Skype.

The coming years will bring a number of challenges as connected cars offer increasing levels of autonomy to drivers, while also providing greater insight on vehicle movement patterns.

As a result, while company employees may still retain the job title of fleet manager, the days of the mobility manager are already here.

■ Get the latest on mobility in the Technology Zone at Fleet Management Live, NEC Birmingham on October 3-4. Go to www.fleetmanagementlive.co.uk to book your free ticket.

services, which provide a constant stream of information about availability of alternative transport, from car sharing to trains and even bikes, with instant booking available through a single platform.

Paul Campion, chief executive officer of the Transport Systems Catapult, says: "Both connected, autonomous vehicles and what is commonly known as Mobility as a Service (MaaS) are dependent on data.

"I have heard the expression being used that data is the

CORPORATE MOBILITY ECOSYSTEM

OEM \Rightarrow Leasing companies \Rightarrow Travel management companies
 Software platform providers \Rightarrow Fleet management providers
 Public transport operators \Rightarrow Integrated solution providers
 Vehicle rental companies

Source: Frost & Sullivan

THE LONG ROAD TO AUTONOMOUS FLEETS

From 'infancy' through 'adolescence' and on to 'adulthood' the progress of autonomous vehicles can be likened to that of human development

Autonomous cars will be driving between London and Oxford as early as next year, but it could be a decade before they arrive in company car parks, experts believe.

There is a global race to develop connected and autonomous vehicle (CAV) technology as governments believe it will play a key role in future industrial and business development and officials want the UK to lead the way.

Hundreds of millions of pounds is being poured into CAV projects that will bring autonomous vehicles onto the UK's roads.

Already, fully autonomous cars are driving around the streets of Oxford under a Government-funded project run by the Driven consortium and by next year there will be trials of a fleet of driverless vehicles travelling between Oxford and the capital and back.

Vehicles will be operating at Level 4 autonomy – meaning they have the capability of performing all safety-critical driving functions and monitoring roadway conditions for an entire trip, with zero passenger occupancy.

No CAV trial at this level of complexity and integration has been attempted anywhere in the world.

Graeme Smith, CEO of Oxbotica and a former director of telematics with Ford, is leading the project.

He says: "We are also starting to think about ecosystems of vehicles, how might fleets of vehicles work together in an environment, how might they interact, what might these vehicles chatter about, what information will they exchange.

"Our intention is to test these vehicles both in Oxford and in London and sometime next year we will start to run a fleet of six-10 vehicles backwards and forwards between Oxford and London.

"We have a very ambitious schedule, but we are already on the road testing and doing real-world validation."

However, it is a big leap from closely monitored trials to fleets of vehicles being a common sight throughout the UK's road network.

Industry analysts suggest autonomous vehicles are still decades away, despite several manufacturers including advanced autonomous elements in their current cars.

A pioneer is Tesla, which has led the global race to autonomy for years with its Autopilot system that allows autonomous driving while the driver is behind the wheel. It includes a 'summon' function on the key fob so a driver can tell the car to drive a short distance to their location, for example, out of a tight parking space.

But Tesla's experience also highlights the reasons why development will take so long, following a series of incidents while Autopilot was engaged, including several fatalities.

In the first reported autonomous vehicle fatality in Florida, US, a Model S in autopilot mode failed to distinguish a large, white 18-wheel truck and trailer crossing the highway in bright sunlight.

Tesla pointed out that the handful of cases represent the tiniest fraction of a percentage of miles travelled on Autopilot and that the system is much more likely to prevent incidents. It also said the system is a driver aid and drivers must be ready to take control of the wheel at all times.

Therefore, the process of exhaustive testing required

THE SIX LEVELS OF AUTOMATED DRIVING SYSTEMS – FROM 0 TO 5

In 2014, the Society of Automotive Engineers (SAE) outlined six levels of automated driving systems, ranging from complete human control to full autonomy. This classification has been adopted globally as a benchmark for the development of self-driving cars.

Level 0 – full driver control (today)
An automated system issues warnings, but has no vehicle control.

Level 1 – hands on (today)
The driver and an automated system share control over the vehicles, but the driver must be ready to take full control at any time. An example of this is cruise control, where the driver controls the steering and the vehicle maintains speed.

Level 2 – hands off
The automated system is in full control for accelerating, braking and steering. The driver must monitor and be prepared to intervene at any time. Although it is called 'hands off', driver contact with the wheel is typically mandatory.

Level 3 – eyes off
The driver can safely turn their attention away from driving tasks. The vehicle will drive itself and handle any situation that requires an immediate response, even emergency braking. The driver must still be prepared to intervene when called upon.

Level 4 – mind off
Like Level 3, but no driver attention is required. The driver may safely sleep or leave the driver's seat. Self-driving is supported in limited areas or under special circumstances. Outside of these circumstances, the vehicle must be able to abort the trip and would park the car if the driver does not regain control.

Level 5 – wheel optional (2040)
No human intervention is ever required in any circumstances or environment, including isolated areas. One example would be a driverless taxi or shuttle.

"We tend to think autonomous vehicles will be on streets worldwide overnight, but it won't happen that way"

Karl Iagnemma,
Nutonomy

before a vehicle becomes safely truly autonomous will take years and it may be decades before self-driving vehicles can be used outside the tightly-controlled confines of pre-defined ride hailing routes and other public transport uses.

According to Mobileye chief communications officer and senior vice-president Dan Galves, autonomous cars are "precocious children" equivalent to the early stage equivalent of human development.

He told a recent Michelin Movin'On conference it would be 2020 before they became 'adolescents' that still require substantial training and 2025 before they are 'fully-grown'.

When that happens, the benefits could be enormous. For example, studies suggest autonomous vehicles are anticipated to reduce fatalities by 99%, taking road deaths in the US from around 40,000 to below 350 fatalities per year.

This suggests that insurers, as well as legislators, could have a major role to play in encouraging acceptance and uptake by heavily reducing premiums for autonomous vehicles or even refusing to insure non-autonomous models.

Karl Iagnemma, co-founder and CEO of driverless fleet software firm Nutonomy, says: "We tend to think autonomous vehicles will be on streets worldwide overnight, but it won't happen that way."

However, fleets still need to consider their strategic approach to the new technologies arriving on vehicles.

STAGES OF AUTONOMOUS VEHICLE DEVELOPMENT

2025 ADULTS

Autonomous vehicles are fully-grown. Manufacturers can remove the safety monitor, enabling the cars to drive with full autonomy. Cars will know where to find parking and park themselves. Shared autonomous cars will circulate and return every day to the same parking spot.

2020 ADOLESCENTS

Autonomous vehicles look like normal cars. They will be produced at a reasonable cost but will still require a considerable amount of training.

2017 INFANTS

Autonomous cars have huge sensors on the roof and a safety monitor in the driver's seat. If something happens, the driver takes over.



Source:
Michelin
Movin'On

PROJECTED AUTONOMOUS VEHICLE TIMELINE

2017

Testing already taking place in major cities. Semi-autonomous systems available on growing range of cars.

2020s

Testing in 100 cities worldwide, autonomous trucks on the roads. Driver-assistance features grows to a multi-million pound sector.

2030s

Significant ramp-up of autonomous vehicle development. Up to 25% of miles driven in some countries could be autonomous. Millions of autonomous vehicle sales globally.

2040s

Combination of autonomous fleets and personally-owned cars – 75% of cars will be autonomous.

2040s

The number of injuries and fatalities from road incidents is reduced by 90%.

2060s

Cities restrict human driving

Source: Nuttonomy/Michelin Movin'On

For example, there are training and disciplinary procedures to consider when drivers use the current generation of connected and semi-autonomous vehicles safely and correctly.

With modern smartphones able to connect directly to vehicle systems and display their screens on the dashboard, driver distraction can become a real risk as the connected world fights for their attention behind the wheel.

An additional concern is servicing.

Modern cars now feature a range of complex software, coding and sensors, which requires careful calibration.

If these sensors become misaligned during servicing,

drivers could put their trust in an autonomous vehicle that is incapable of keeping them safe.

Windscreen replacement is a particular area of concern, as safety technologies, such as autonomous emergency braking (AEB) and lane-keeping assist, use radar, laser or camera sensors which are often located behind a car's windscreen. The same applies to more convenience-oriented features such as adaptive cruise control.

Vehicle safety consultancy Thatcham Research says windscreen-mounted ADAS technology is currently fitted to approximately 6% of vehicles on UK roads, with this proportion likely to rise to 40% by 2020.

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Volkswagen leads the way in van safety technology

Just a short time spent in the Intelligent Technology Zone at Fleet Management Live will be an eye-opener. But how do you decide what will have a genuine impact on your bottom line?

Safety first

Safety has to be at the top of any fleet agenda: aside from corporate responsibility, keeping your vehicles and drivers safe will save you money in reduced insurance premiums, accident and repair costs and downtime. This is especially relevant to those running vans for whom the vehicle is an essential tool.

Safety as standard

Earlier this year, Volkswagen became the first commercial vehicle brand to fit all its vans with autonomous emergency braking (AEB) systems (Front Assist with City Emergency Braking), meaning all customers buying a new Caddy, Transporter or Crafter are guaranteed safety as standard.

Director of Volkswagen Commercial Vehicles, Carl zu Dohna, said: "Producing safe, reliable vans has been at the heart of our brand for more than 60 years. But technology is advancing at a pace and we're continually seeing more and better ways to keep drivers safe on the road. We're proud to be the first to fit AEB as standard to all our



vans. This means safer vehicles on our roads, leading to fewer accidents, lower costs for operators and potentially fewer lives lost."

What the experts say

Not only does AEB have the potential to reduce the number and severity of accidents, it has also been proven to cut third party injury insurance claims by 45%. On average, vehicles fitted with autonomous braking systems have an insurance premium reduction of 10% compared to those which don't.

Peter Shaw, chief executive at Thatcham Research, said: "Volkswagen is a trailblazer and should be applauded for being the first manufacturer to fit AEB as standard on all its vans in the UK. The truth is that we are seeing a year-on-year rise in deaths and serious injuries involving vans which this technology can help to avoid."

Tried and tested

Thatcham Research undertakes independent crash testing of vehicles and applies vehicle risk data to insurance group ratings. The all-new Crafter was tested at the end of July and, as a result of the successful performance of its standard AEB systems at all speeds, saw a reduction in

group ratings by up to four groups. This means the starting group for the Crafter range is now 34.

The science bit



Using a built-in radar, Front Assist recognises critical distances to the vehicle ahead and ensures safe stopping both by warning the driver, preparing the brakes for full application, and, if necessary, by automatically applying the brakes so the vehicle stops before reaching the obstacle.

The system also includes City Emergency Braking, which provides assistance at less than 18mph, automatically applying the brakes and ensuring that a collision, or at least its speed and severity, is reduced.

'Volkswagen is a trailblazer'

Peter Shaw, chief executive at Thatcham Research

KEY FACTS:

- Volkswagen leads as first van manufacturer to fit autonomous emergency braking (AEB) as standard
- Feature cited as 'probably the most significant development in vehicle safety since the seat belt'
- AEB shown to cut rear-end crashes by nearly 40%
- Potential to save lives, cut accidents and reduce costs



Commercial Vehicles

For further information on Volkswagen Commercial Vehicles' award-winning range of products and services or to find your nearest Van Centre, please visit www.volkswagen-vans.co.uk

GOVERNMENT COMMITS TO FAST-TRACKING CAVs

Ministers are keen for the UK to establish itself at the forefront for development and testing of connected and autonomous vehicles



The Government is creating one of the world's most open environments for the development, testing and deployment of connected and autonomous vehicles (CAVs), according to a leading official.

Ian Forbes, head of the Centre for Connected and Autonomous Vehicles (CCAV), a Government body, says innovators, industry, academics and Government are working together to create a globally competitive development ecosystem, which will ensure new technology hits the road as quickly as possible.

"Our objectives are to improve road safety, to improve the efficiency of our road network, to improve travel experiences and, as part of our industrial strategy, to ensure UK companies are at the cutting edge of new vehicle technology and new mobility services," he says.

"Ministers have been very clear that they want the UK to be one of the most open countries in the world for the development and the deployment of CAVs.

"On the regulatory side, we will need to look at vehicle safety approvals, driver licencing, insurance, crash investigation, criminal liability, taxi licensing and so on.

"This is a big undertaking and quite a lot of elements of transport law and other law are going to require reviewing. So we need to be selective about where we start and focus on what is important."

In 2015, the Government launched a code of practice for the testing of automated vehicles on public roads in the UK, one of the first countries in the world to develop one.

There has also been an extensive review of insurance and domestic legislation, meaning trials of CAVs can be undertaken on public roads.

Forbes says: "In the UK, the driver rather than the vehicle is insured. In the world of automated vehicles this could cause messy legal wrangles if there was a crash while the vehicle was driving in automated mode."

Last year, the Government set out proposals for how an insurance system might work for highly automated vehicles. The industry responded with alternative ideas, asking the Government to force insurance companies to pay out claims.

The alternative proposals suggested that when someone takes an insurance policy to cover a vehicle that can drive itself without human oversight, part of that policy should also cover automated driving. In the event of a crash involving

"In the UK, the driver rather than the vehicle is insured. In the world of automated vehicles this could cause messy legal wrangles"

Ian Forbes, CCAV

automated mode, the insurance company that issued this policy should have first instance liability. i.e. when an innocent party experiences harm, that insurance company should be compelled to pay the claims.

In return, the insurance company would have strengthened rights to reclaim damages from the party that was ultimately responsible whether that's the manufacturer, the supplier or someone else in the system.

This approach means there is no gap in coverage for innocent victims. Claims will be paid quickly and for the consumer it would be very similar to the system that operates now.

It also means any complex legal action will be between corporations rather than individuals.

A new UK Automated and Electric Vehicles Bill will enter the UK Parliament soon to establish this framework along with new measures on electric vehicle charging points.

Forbes says: "This might not be the only change to insurance law necessary for CAVs and it will not solve all the liability issues, particularly those relating to criminal liability.

"But it is a very important milestone designed in collaboration with a growing expert community gathered around this subject in the UK, something it might not have been possible to do in another country."

The Government is investing more than £100 million, matched by industry, into research and development to build capability in CAVs, primarily through competitions set up to encourage collaborative research projects.

In one programme, bidders had to propose trials to demonstrate Level 4 autonomy in both urban and inter-city driving, which would have to involve an element of zero occupancy driving and tackle difficult environmental conditions, all within 30 months.

The Government is working on creating a co-ordinated network of real-world test beds and also funding a new dedicated CAV assessment centre.

"Targeted Government investment could upgrade these environments to be a one-stop shop for development that could stand on the global stage," says Forbes. "Last November, we announced a further £100m for new CAV testing infrastructure, to be matched by industry and focused on ensuring the UK's comprehensive and globally competitive capability."

Bids for first £55m are being assessed and a second phase will launch shortly.

INTELLIGENT CARS OPEN NEW WORLD OF POSSIBILITIES FOR FLEETS

Increased connectivity will assist simpler SMR, make it easier for vehicles to know dangers that lie ahead and make things like car-sharing second nature

New levels of control and convenience will be the two key benefits to fleet operators from the transition to increasingly connected and autonomous vehicles (CAVs).

For fleet managers, the shift will take the benefits seen from the current generation of telematics systems to new levels, allowing for unprecedented access to data and insight.

This will drive a wave of innovation in vehicle management as companies are able to rethink their approach to employee mobility.

For example, increasingly connected vehicles can constantly update fleets on their condition, while also receiving over-the-air updates to fine-tune their systems.

As autonomy increases, vehicles will be able to self-service at local garages without drivers losing valuable working time.

As drivers increasingly adopt 'hands-off' use of company vehicles, accidents and damage levels will decrease significantly, while costs will also be reduced by greater levels of car sharing.

Caroline Sandall, a director of ESE Consulting, former manager of the Barclays fleet and deputy chairman of the fleet operators' association ACFO, says: "There are tangible benefits to gaining a more detailed understanding of how vehicles are being used and how they are performing, not purely from a basic data viewpoint but a wider user perspective. Connected vehicles can deliver basic benefits around usage to support more sophisticated SMR (service, maintenance and repair) management and planning, with potential cost benefits, but also more intelligent benefits."

As fleet cars become more connected, they will interact with their environment, 'talking' to roadside sensors and other cars to create a picture of their surroundings, helping to avoid congestion and prevent accidents.

INCIDENT WARNINGS

For example, during accidents in poor visibility on motorways, a substantial number of injuries and deaths occur because drivers continue to hit stationary vehicles long after the initial incident.

In 2011, a multiple-vehicle collision occurred on the M5 near Taunton, Somerset, involving dozens of cars and articulated lorries after smoke from a nearby bonfire covered the road. In similar circumstances, connected cars would immediately warn all following vehicles following an incident so they could automatically brake, often before the driver is aware of any danger.

Sandall says there would be other connected car benefits, adding: "These include identifying road network issues to help others avoid incidents or poor road conditions that may lead to vehicle damage, such as potholes. We really haven't tapped into the wider benefits of what this data can bring."

While there are benefits, there will be a substantial increase in the level of data management required to run a connected fleet and a need to quickly extract insights and respond.

Sandall adds: "That increased data is an obvious challenge so we need the tech support behind it to deliver usable information to fleets and to drivers such as intelligent MI/dashboards and so on."

"There is still some way to go to get the supply chain fully joined up to deliver the benefits of connectivity."

Increasing levels of connectivity also bring the potential for companies to opt for a shared resource fleet solution in a shift away from the traditional company car.

This promises to bring massive benefits for fleet operators, with a greatly reduced fleet investment without any impact on employee mobility.

For example, a shift from grey fleet to connected car sharing programme at Aylesbury Vale District Council slashed business mileage and costs.

The council moved from having 220 grey fleet drivers using their own vehicles to just eight shared pool cars, which can be booked online in the same way a meeting room is reserved. Drivers then access their vehicles with a key card and the mileage covered is monitored by telematics and uploaded to the fleet's online management system.

When the scheme was introduced, drivers covered about 280,000 business miles annually, but this has now fallen to less than 180,000, while vehicle expenses have dropped by £104,000 a year.

On a national scale, the impact could be dramatic. A recent study by Nutonomy examined the impact of taking 850,000 private cars and replacing them with an autonomous, shared fleet. Only 300,000 vehicles would be needed, with a waiting time no longer than 15 minutes at peak times and two minutes at other times.

As autonomy increases, potential benefits for drivers also need to be considered.

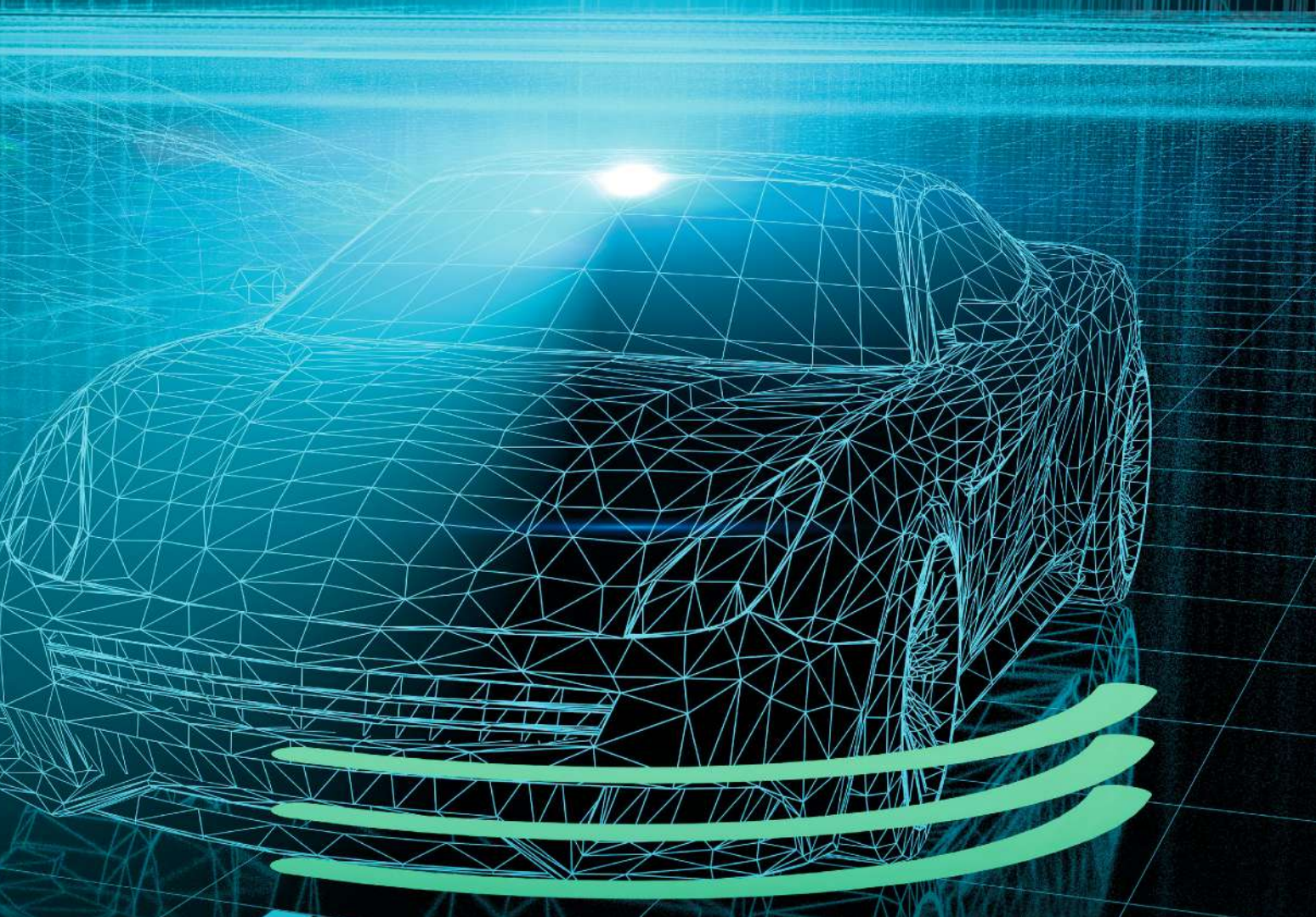
An Ernst & Young report called 'Can driverless cars be the destination?', says: "As vehicles become fully autonomous, the possibilities to reimagine the interior become endless."

"Drivers will become unburdened from the stress of having to stare at the road or watch for danger at every turn, and vehicle interiors can be transformed to become what consumers need or want for the duration of their journey – an office, an entertainment lounge, or even an oasis of calm and relaxation."

"There are no limits. Interiors will be able to become whatever we want them to be. 'Active' glass will enable windshields to become connected touchscreens that can also be controlled with eye-tracking and gesture recognition."

"Other connected car benefits include identifying road network issues to help others avoid incidents or poor road conditions that may lead to vehicle damage, such as potholes"

Caroline Sandall, ESE Consulting



"Augmented reality displays and dynamic sensing will give passengers the option of using hand gestures and other signals to interact with their virtual environment. Seats will swivel to facilitate interaction between passengers or recline for reading or napping."

Fanciful or a glimpse of the future? Whatever your view, the early stages of increased driver convenience delivered by connectivity are already arriving.

DS Automobiles recently unveiled a system to allow a car key to be used as a payment device and earlier this year Jaguar announced drivers could use a car's touchscreen to pay for fuel with a new cashless payment app at Shell service stations in the UK.

An electronic receipt will be displayed on the touchscreen,

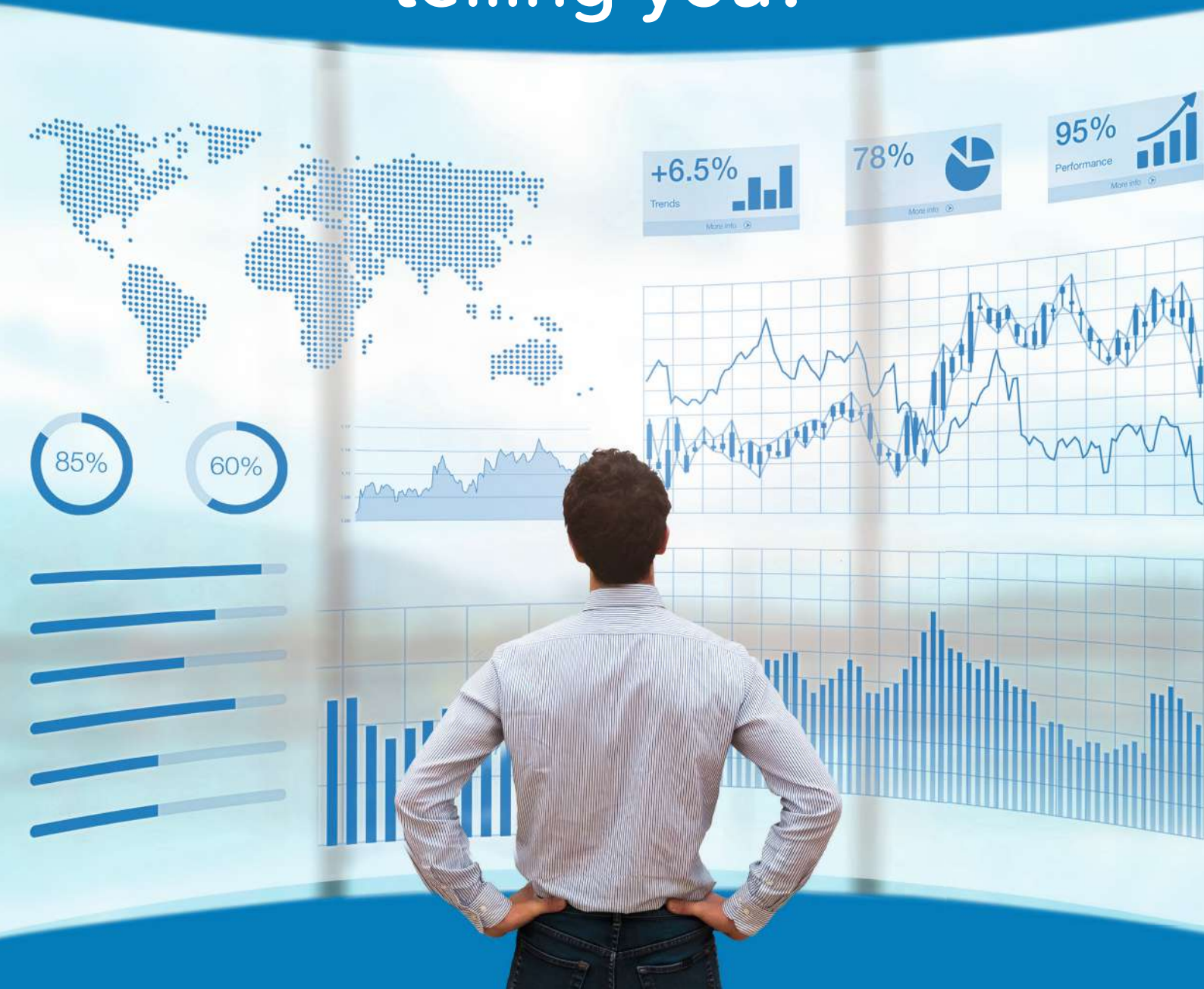
so customers can leave the forecourt confident of having paid. A receipt will also be sent directly from the pump to the driver's email address so it can be added to accounting or expenses software.

BMW Group says a total of 8.5 million vehicles worldwide already have connectivity courtesy of BMW ConnectedDrive, which connects a range of devices to the vehicle.

This year, a range of new services was launched under 'BMW Connected+' providing more extensive personalisation and greater levels of integration.

Driver preferences can automatically transfer between vehicles using the BMW ID, vehicle settings can be adapted by smartphone and the car is also able to run Skype for Business.

What is your fleet data telling you?



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- Your levers to optimise asset utilisation
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INSURERS EXCITED BY THE POTENTIAL OF AUTOMATED VEHICLES

Ben Howarth, senior adviser for motor and liability of the Association of British Insurers, outlines the industry's stance

Most estimates say that nine out of every 10 crashes on UK roads involve some element of human error. So it would seem to follow that automating the driving task will help reduce the overall number of crashes.

As an industry, insurers have been encouraged by the proactive approach taken by the Government's Centre for Connected and Autonomous Vehicles (CCAV) and we are confident this will help deliver what consumers need.

Given the economies of scale, it is likely commercial fleets will be among the first to use truly automated vehicles on our roads.

Earlier this year legislation was introduced to Parliament to clarify how insurance will work for the first wave of fully automated vehicles.

Insurers strongly supported these proposals, which struck the right balance between incentivising the uptake of this technology without disrupting the well-established and understood process of bringing a claim.

Unfortunately, the legislation did not make it into law before the Prime Minister called June's snap general election.

However, the Government quickly re-committed to bringing the proposals back in a new bill (now called the 'Automated Driving and Electric Vehicles Bill'), which we expect to be formally introduced in the autumn.

As the proposals had previously enjoyed cross-party support, we are confident they will become law so insurers are getting ready for the first of these vehicles to come onto the road. We still don't know exactly when that will happen.

The technology is nearly ready. It has, after all, been 12 years since a Stanford University team won \$2 million (£1.5m) for successfully sending 'Stanley', a fully self-driving car, on a complex course through a Californian desert.

But there is much to do to persuade the public.

A recent survey from Lexis Nexis showed only half of the public think driverless cars are a good idea. A minority (14%) don't think there will be any benefits whatsoever.

A crucial commitment made by the Government is that it will take responsibility for defining what is – and isn't – automated driving. Although the details need to be worked through, this is welcome and offers reassurance that people will not be misled into thinking a car is 'driverless' when, in reality, it relies on the driver to supervise the system and

intervene if needed. That is the reason why the ABI and That-cham Research have recently published a detailed proposal for the safety frameworks that should underpin automated driving.

Although individual manufacturers will want to differentiate themselves from their competitors, drivers will need to understand the distinction between 'assisted' driving (where technology makes the driving task easier, but never takes overall control) and 'automated' (where the technology performs every part of the driving task). In particular, it is vital that there are redundancy systems in place so that, while in automated mode, emergency manoeuvres can be performed without the driver needing to make a split-second intervention.

We are confident these safeguards will make the driving public feel much more confident about using this technology.

Like the Government, the insurance industry is treating the development of automated driving as a strategic priority.

We recognise that the model for settling insurance claims will need to be adapted in line with technological innovation. Insurance law needs to ensure that, when a car is in automated mode, the 'driver' cannot be blamed for an accident they could not reasonably be expected to prevent.

In those circumstances, the 'driver' would often be the victim, entitled to compensation themselves.

That does not mean the whole Road Traffic Act needs to be rewritten. After all, automated

mode will initially only be included in a small number of top-end vehicles and, even then, only in the safest driving situations.

Instead, we aim to adapt existing motor insurance, while working with vehicle manufacturers to establish a system for the costs of these claims to be apportioned fairly.

Under our simple system, the insurer will always settle the claim, as they do today, but will then have a right of recovery against a manufacturer for accidents occurring while the vehicle was in automated mode.

Although the long-term vision might be a seamless network of connected technologies, the reality is likely to be somewhat messier as different technologies serving different needs compete for the public's attention.

Insurance will be crucial to managing risks as it is clear not every driver will be moving along the 'pathway to driverless cars' at the same speed.

■ For an extended version of this article, visit www.fleet-news.co.uk/blog/automated-vehicles

Expert opinion: The connect

Beverley Wise, sales director UK & Ireland, TomTom Telematics, considers how the telematics black box has become a connectivity hub, bringing fleet drivers and the back office closer than ever.

Telematics is evolving. Where businesses once focused on 'tracked' vehicles they are now increasingly focusing on connected ones.

The emphasis is shifting from fleet management to smarter mobility, empowered by an explosion in connected fleet applications.

Their development has been enabled by the rapid rate of innovation we have witnessed over recent years, with advanced telematics platforms now benefiting from stable, open application programming interfaces (APIs) and robust software development kits (SDKs).

By opening up the telematics platform, its capabilities have been enhanced, allowing the creation of highly-tailored solutions – in many cases by third-party developers. These integrations of vehicle-related data with a wide range of software and mobile hardware have helped result in automated business processes that had previously called for laborious, administrative effort.

Integrations have become commonplace between telematics software and office suites, such as enterprise resource planning (ERP), routing and scheduling optimisation, supply chain planning and asset management – and these connected solutions have become increasingly smart.

Telematics integrations have also emerged with a range of mobile hardware, such as printers and tablet-style devices that host a wealth of mobile business apps.

Driver apps in the spotlight: efficiency delivered

A growing suite of mobile driver apps has become available to drivers in a bid to help them become more productive by reducing



the administrative burden on both them and back office staff, while also providing key performance aids.

These apps can assist workers with a number of essential responsibilities.

Mileage logs can now be completed, for example, with minimal input from the fleet manager. Drivers can simply verify the nature of each trip and data will be collated in a format that is appropriate to assist creation of mileage claims and compliance with HMRC regulations.

Apps have also been created that make it easier for sales staff to use their customer relationship management (CRM) system on the road. Fleet intelligence can be combined with CRM data to help sales teams work more efficiently with automatic trip reporting and simplified appointment management.

Sales managers, for their part, can view dashboards that allow trip data to be compared with opportunities, leads and closed deals to analyse the effectiveness of each sales representative.

For larger vehicles, vehicle check apps allow drivers to conduct vehicle safety checks

at the start of every working day, with all details updated in the back-office system. Often, these processes are paper-based, leaving them open to potential inaccuracies and creating a paperwork burden for drivers and the office. These apps will notify managers if daily checks are not completed and will flag faults immediately to help ensure unsafe vehicles are not on the road.

Other driver tasks that have been simplified include everything from workflow management to parking assistance. In a world where convenience is key, such apps provide drivers with the kind of rich functionality at their fingertips that will increasingly become an expectation rather than a luxury.

Closing the loop: from supplier to driver

Businesses are also benefitting from a range of aftermarket connected car services, underpinned by telematics data, being delivered by industry suppliers, such as vehicle leasing and rental providers, car dealerships and insurance companies. This is enabling them to provide a more holistic

ed car for business



view of fleet management.

Collaborations between telematics providers and fuel card companies, for example, have enabled drivers to receive helpful information on mobile apps, such as the location of fuel stations, along with feedback on their performance behind the wheel. At the same time, back-end fleet management portals can combine driver behaviour data with fuel transaction information from the fuel card provider.

The evolution of smart mobility is leading to telematics insights on vehicle mileage and usage being utilised by employees to help them allocate 'mobility budgets' – monthly allowances set by employers – on the most appropriate and cost-effective modes of transport that available to them. This might be their company car, use of car-sharing scheme, public transport or even an electric bike. The concept of the mobility allowance, it seems, is a growing one, particularly in countries such as Germany, the Netherlands and Belgium. Consequently, the role of telematics in mobility solutions from suppliers is likely to escalate.

Leased fleet customers can receive assistance in staying one step ahead of vehicle maintenance needs with vehicle data-enabling notifications to be automatically sent to them when maintenance tasks, such as an oil change or new brake pads, are required. These notifications can be based on either vehicle mileage, time intervals, specific sensors or error messages.

The opportunities for insurers to unlock the potential of connected car data to open up new marketing, underwriting and pricing opportunities are already being explored.

Harnessing the power of data-driven insurance

Insurance can be a considerable balance sheet consideration for fleet owners. Telematics-led product solutions are now in the market, however, that utilise vehicle and driving performance data to help them manage risk and gain greater control of their costs.

Insurers, for example, can offer premium reductions for businesses that meet targets to

reduce the frequency and severity of motor claims. By helping individual drivers improve, by identifying low scoring drivers and sending them on training programmes for example, fleets can reduce their risk and fleet claims ratios, ultimately keeping a lid on premium costs.

By adopting such an approach with its insurer, building contractor Breyer Group realised fleet insurance savings of £60,000 in just 12 months using WEBFLEET, the fleet management solution from TomTom Telematics.

Accident data meanwhile, including time and location and type of vehicle, can also be used by insurers to help speed up the claims process and optimise roadside assistance services with immediate notification of vehicle breakdowns.

The unrelenting rise of the connected car is set to see usage-based insurance (UBI) – both commercial and personal lines – continue to revolutionise the motor insurance market.

An exciting future

With extensive vehicle-related data from telematics technology opening up new opportunities for aftermarket connected car products and services, the future of fleet, mobility and management, looks an exciting one.

At TomTom Telematics, for example, our commitment to developing innovative solutions and collaborating with technology partners to create specialised applications for fleets of all sizes continues apace.

Offering the possibility for vehicles to become connected straight away, we can expect innovations built on the telematics platform to deliver ever greater levels of functionality – and to continue transforming the wider world of business and mobility.

Beverley Wise, sales director UK & Ireland for TomTom Telematics, has more than 20 years' experience in the fleet industry. The former corporate sales director at Lex Autolease joined TomTom Telematics in 2016. She is responsible for spearheading the growth of TomTom Telematics within the UK.

Revolutionising Vehicle Rental



Nexus Vehicle Rental is the UK's leading corporate vehicle rental provider, despite not owning any vehicles.

Its unique approach has revolutionised the daily rental industry and through its network of supply partners – which spans the largest vehicle rental providers in the UK – it offers access to over 550,000 vehicles, including 100,000 specialist and commercial vehicles and 50,000 HGVs, across 2,000 locations.

Nexus can source any vehicle, anytime, anywhere from cars and vans to HGVs. It offers a flexible service including, short, medium and long-term rentals.



Nexus' agility means vehicles can usually be delivered within two hours anywhere in the UK.

The company's bespoke software system automates processes allowing all clients and members of Nexus' supply chain to self-serve in real-time. Its all-in-one portal, IRIS, provides complete visibility of the rental journey, from live reservations and escalation points such as queried mileages, through to disputed damage claims and invoicing - an innovation that mutually benefits suppliers and clients by improving efficiency and service levels.

Nexus' in-house development team works to a three year technology development plan to ensure IRIS remains aligned to changing customer needs and expectations; the next full update of the system is due in 2018.

“Our rental booking platform, IRIS, enables businesses to not only book, extend and cancel vehicle rentals online; but also monitor existing rentals and gives fleet managers access to a comprehensive range of reporting and invoicing tools, helping them to track costs efficiently.”

**David Brennan, CEO,
Nexus Vehicle Rental**

Its unique booking platform enables vehicles across any asset category to be booked with the click of a mouse and confirmed in just 30 seconds, while repeat bookings can be made in just 10.

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DEBENHAMS

Case study: Debenhams

Debenhams has been a Nexus client since December 2011, renting mainly cars and light commercial vehicles, and looking to Nexus for a variety of short term rental needs.

The company makes about 2,000 transactions with Nexus per year and as a multi-site operation, it needs a partner who can cover its national footprint and the varying requirements of every store from Cornwall to Scotland.

Steve Light, Facilities Controller at Debenhams Retail, said: “Nexus supports our operations by supplying reliable, timely and cost effective short term hire vehicles nationwide.

“The Nexus IRIS system enables us to stay in control of our costs by giving access to all hire information online and drilling down to hire specifics as and when we require.

“The system is flexible and easy to use and we continue to enjoy a healthy relationship with Nexus.”

FLEETS AND SUPPLIERS PLAY THE DATA GENERATION GAME

Who owns the data and how can it be kept secure are two important questions facing fleet. The race for control of information is rapidly gaining momentum

Vehicle data from connected and autonomous cars offers risk and rewards to fleet operators and suppliers alike.

Modern vehicles generate gigabytes of data every day, with information covering the vehicle, the road and the journey. This information offers valuable insight about vehicle use, road conditions, vehicle status, driver inputs and a range of other data feeds.

For fleets, there is a wealth of insight that will help them understand vehicle use and driver performance, but the vehicles' sensors could also power an entire industry of support services.

This includes servicing, tailored to the exact requirements of the vehicle, location-based advertising and driver support services. In addition, the in-vehicle sensors could power a wealth of other third-party services, ranging from traffic information to weather data.

This has raised two important questions. First, who owns the data? Second, how can it be kept secure?

In the battle over data ownership, manufacturers hold the strongest cards, as it is 'their' vehicles that are generating insight on a daily basis.

However, those vehicles have often been sold to leasing companies who, as the new owners, want to control the customer relationship and the data from their assets.

In turn fleets, as the party generating the data, argue they should have a say in how any data is used, while drivers may contend their vehicle use is a private matter.

Additionally, third-party service suppliers are pushing EU legislators to force manufacturers to give them full access to vehicle data so they can develop new services, claiming anything less is anti-competitive.

Transport Systems Catapult aims to resolve the issue with the launch of an intelligent mobility data hub, an open data platform where information is securely shared.

Paul Campion, CEO of the Transport Systems Catapult, says: "It is a collection of data sets, relatively small today and it needs to grow. [It is] data we can provide to SMEs and companies to explore new alternatives for delivering business value, new platforms and new services."

The debate is going to become more complex with the arrival of the EU General Data Protection Regulation (GDPR).

When the regulation is implemented in 2018, automotive



"Uber doesn't want to be a taxi company any more than Amazon wanted to be a bookshop back in 1997. Uber wants data"

Paul Campion,
Transport Systems
Catapult

manufacturers will have to comply with standards that define how consumer data is processed, shared and stored.

It also raises the issue of data security, particularly when it comes to managing personal information about drivers.

Legal expert Ashley Winton told a recent British Vehicle Rental and Leasing Association (BVRLA) conference that the complexity and scale of GDPR meant it was unlikely companies could be fully compliant in time.

Winton said: "There is no longer a requirement for monetary loss before you can bring a claim. If you suffer distress, you can bring a claim. Imagine you have thousands of fleet drivers suddenly distressed about their information being disclosed to a third-party. That will be quite an interesting case and that is where the risk will lie."

The consequences of inadequate data management processes have been revealed in recent data breaches.

Most recently, credit agency Equifax revealed that data from 143 million customers may have been compromised in a security breach earlier this year.

And recently a security expert reported a massive increase in large-scale personal data theft, involving individual cases where more than one million records were stolen.

Inga Goddijn, executive vice president for Risk Based Security, which revealed the figures in its mid-year Data Breach QuickView report, says: "In the first six months of 2013, 2014 and 2015, the number of large breaches hovered in the mid-teens. Last year that number jumped to 28, and now, for the first six months of this year, we're tracking 50 incidents."

Hacking accounted for 41% of disclosed breaches, with Goddijn warning: "There are a lot of moving parts to an effective patch management programme, but no matter how strong that process might be, it can be undermined when known vulnerabilities are missed simply because the organisation was not aware to look for them."

Despite the risks, Campion says the industry is in a race to control data before it is lost to rivals, such as Uber.

He says: "Uber doesn't want to be a taxi company any more than Amazon wanted to be a bookshop in 1997."

"Uber wants data. It wants to be the portal for your transport outcomes, last mile delivery and personal mobility."

"I have nothing against Uber, it is fantastic. But if Uber is successful, then your data and my data is going to be locked up offshore and it is never coming back."

WHY FLEET MANAGERS SHOULD EMBRACE MaaS

Mobility as a Service will allow you to offer clients better value and remove the pain from travel



By James Datson, senior technologist,
Mobility as a Service, Transport Systems Catapult

Looking at the transport landscape in 2017, it is clear we are in the midst of a technological revolution which will fundamentally change the way we travel. Talk of autonomous cars is now commonplace. Hyperloop is presenting an alternative to rail travel. The digital revolution, which has already swept the retail and media sectors, is becoming embedded in our transport experiences.

We have seen the rise of ride-hailing apps and car-sharing schemes, as well as a huge growth in the use of smartphone apps to help us travel. Many of us make our travel plans online and rely on our smartphones for directions and travel information.

For many, especially the younger people in society, there is a growing expectation that transport should fit into the digital ecosystem and this is triggering the development of a new kind of transport business model known as Mobility as a Service (MaaS).

MaaS involves the provision of transport using digitalisation. This could mean travellers buying contracts similar to those we have for mobile phones which cover minutes and data usage – but instead will offer packages of travel mileage or minutes on multiple forms of transport.

It's easy to see how a 'pay as you go' service could become attractive for those of us who choose to own and travel in a car.

These MaaS offers will allow you to travel seamlessly between transport modes based on your circumstances.

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

These contracts are likely to look different based on individual needs. For instance, a rural MaaS contract may offer the lease of a vehicle most of the time, but include access to public transport for journeys into urban areas.

Meanwhile, a London MaaS user package might include

"Finding partnerships where win-win outcomes are likely is key. Engaging with policymakers to ensure the right infrastructure is in place to support new ways of using cars is vital"

■ For an extended version of this article with more on the opportunities and challenges facing fleets, go to www.fleetnews.co.uk/blog/embrace-maas

additional modes of travel already covered by the capital's Oyster pre-payment system and include the offer of a car when travelling out of the city.

Connected and autonomous vehicles will likely be well suited to MaaS, allowing car travel to be included in packages for people without driving licences and managing the supply of driverless vehicles so they are in the right place at the right time.

The popularity of vehicle leasing and hire purchase schemes, compared to buying vehicles outright, means the idea of paying monthly for transport needs is familiar to many.

However, the extent to which consumers perceive their day-to-day costs of vehicle ownership and how they will feel about the value of emerging MaaS offers remains to be seen.

A key challenge for MaaS providers is to achieve the necessary supply and demand into the platform: supply of transport operators and demand from consumers of mobility.

There are clearly opportunities in this space for fleet management companies who are already providing vehicles as a service to their clients – they have on tap a significant level of demand for mobility.

They also have the opportunity of supplying and managing fleets of vehicles on behalf of MaaS providers.

The redistribution of consumer spend on mobility is difficult to predict and finding win-win outcomes is vital to encouraging transport operators to work together to grow their businesses.

What MaaS does to traveller behaviours is of key interest to transport policymakers because MaaS could increase or decrease congestion on the road network.

Fleet managers should embrace the opportunity to be part of MaaS. They have opportunities to offer their business clients better value. They have the opportunity to remove pain points from travellers, and their access to vehicles means that where public transport can't be competitive, the use of cars as a service can be provided.

Finding partnerships where win-win outcomes are likely is key. Engaging with policymakers to ensure the infrastructure is in place to support new ways of using cars is vital.



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IoT AND SMART CITIES WILL INCREASE FLEET EFFICIENCY

The possibilities of what can be achieved 'are endless' as the world continues to become more and more connected

By Sergio Barata, general manager – EMEA, Telogis

It is predicted that by 2020 there will be more than 20 billion connected things sending data all over the world. Everyday objects, from running shoes to fridges, fish tanks to vending machines, have the potential to send and receive data from the likes of networks, infrastructure and our mobile phones.

The possibilities for what can be achieved are endless. But for fleet or field service managers, the smart city is one exciting area where this is really starting to take shape.

Smart cities use Internet of Things (IoT) devices and sensors to gather and analyse information across infrastructure.

This helps authorities to intelligently manage their assets, increase efficiencies, revolutionise transport, reduce costs, and, in theory, enhance overall quality of life for residents.

For fleets, there is a huge potential upside.

With connected infrastructure, drivers will be able to receive and send an unprecedented amount of data to make their job easier and be more efficient.

There are two key technologies powering smarter cities. First is the promise of the next generation of data transfer speeds. This will deliver dramatically quicker data movement from one point to another, which means data can be collected, processed and analysed faster than before.

Sensors are the second piece to the puzzle. Smart cities are powered by an intelligent network of sensors that collect and transmit data used to gather insights and information. Today, sensors are around the size of a hockey puck (or smaller), and tomorrow, they could be the size of a speck of dust, invisible to the human eye.

The sensors can be placed all along our roads, and can interact with people's connected devices such as mobile phones or fitness trackers, to transmit information on our road networks and infrastructure.

For commercial fleets, an intelligent network of sensors and live data can be used in a variety of ways to increase safety and productivity. While technology already exists to monitor acceleration, braking and other driver

"Sensors can also notify drivers of increased traffic on the roads and help with smarter routing, reducing journey times"

behaviours, imagine how safety could be advanced when combined with additional data points from IoT devices.

For example, sensors can be used to monitor weather and road conditions to provide updates on potential danger points, in real time. This could be used to help drivers avoid stretches of road with black ice or other hazards.

It can also help managers with compliance processes and risk mitigation. Local authorities could use the data to assess the condition of the roads to help prioritise maintenance activities and keep roads in good condition. Sensors can also notify drivers of increased traffic on the roads and help with smarter routing, reducing journey times.

Data from sensors and user data could also be integrated with machine-learning processes to help transit authorities better calibrate traffic light schedules, lane allocations and variable speed limits – all based on traffic demand, weather conditions and other key factors.

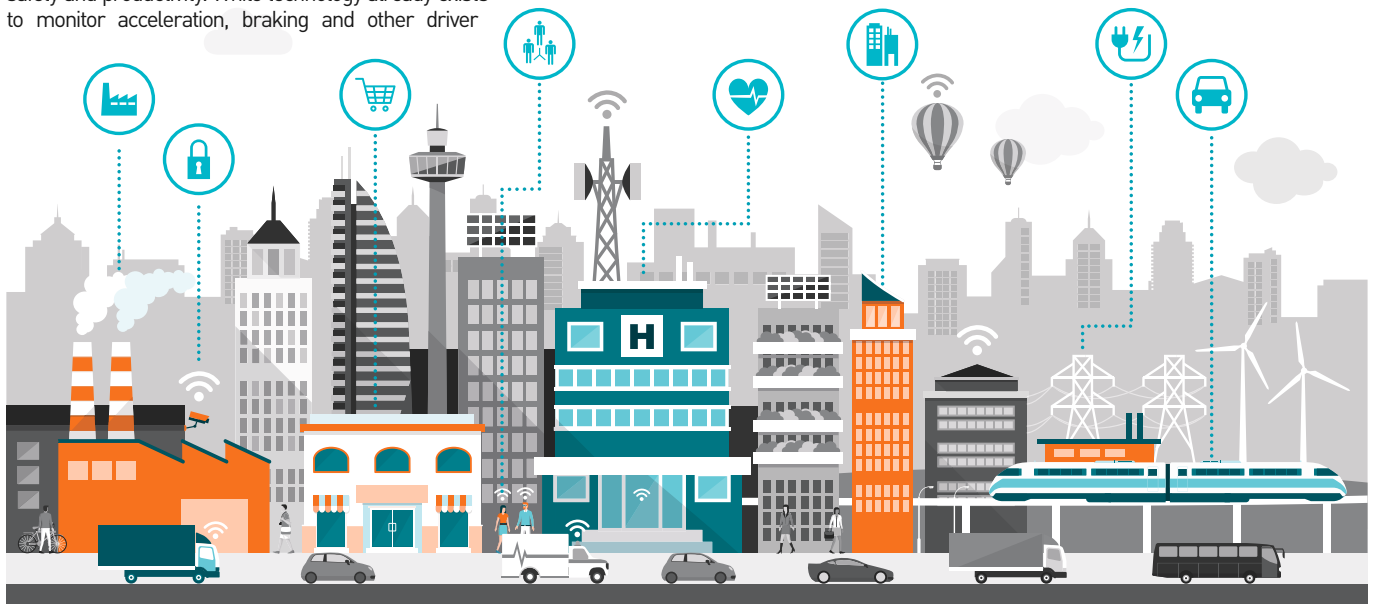
Finding parking spaces will also be a thing of the past as sensors can alert drivers when spaces are free. Less time spent finding a space will reduce idling, cut down pollution and fuel consumption.

Cities the world over are starting to adopt a 'smart city approach'. In Barcelona, it is being used to make decisions for the city's buses, allowing authorities to optimise routes and schedules based on accurate, live data.

In Singapore, the concept is being embraced even further, with many municipal institutions using IoT sensors to improve public transport performance, publicise vacant car park spaces to citizens and provide up-to-date information on flood levels, among many other things.

Singapore also has Robocars, one of the first public trials of self-driving cars for consumers.

These are just early examples of a how smart city approach will help governments and city planners understand how transport infrastructure is used, and make better infrastructure decisions for the future.



Strategic & operational tools deliver greater efficiencies

The relentless quest for greater efficiency and achieving more-from-less unites fleet managers across industry. At Immense Simulations, we'll show you how lifting the lid on operational environments can produce both strategic & operational insights that help deliver greater efficiencies for your fleets. So how is this done? Fleets are inherently complex, but so are the environments that they operate in. We believe that by effectively modelling and simulating these large-scale environments we can offer fleet managers a previously impossible level of insight - national scale with huge levels of detail.

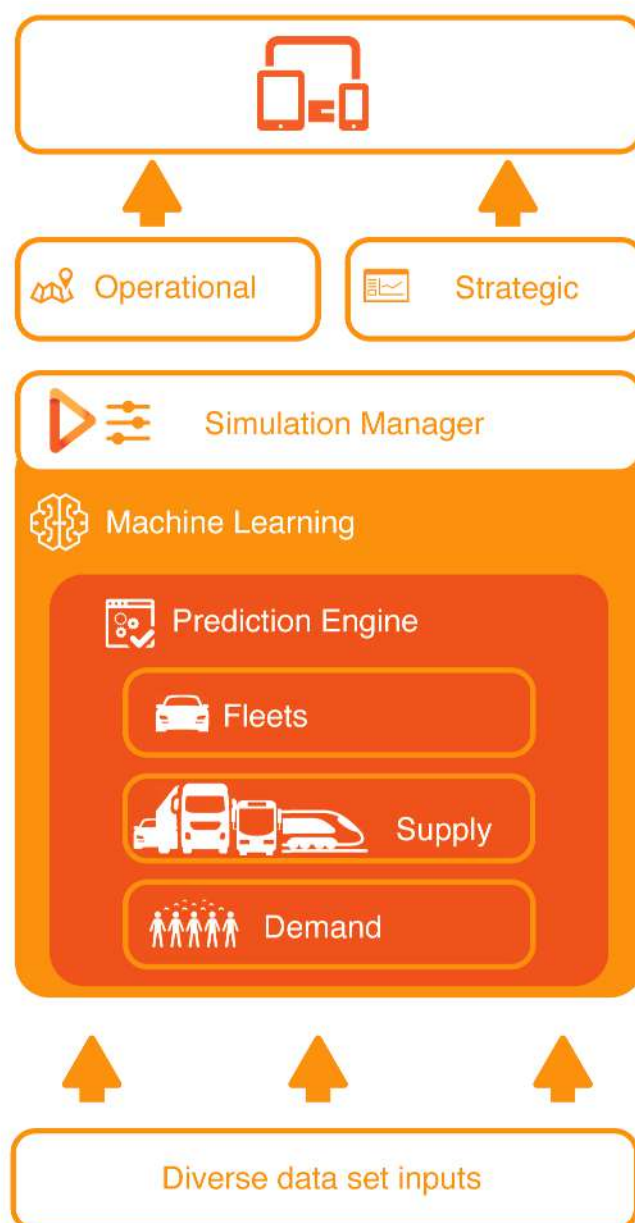
We've built our platform around the premise that the wider and more accurate understanding you have of the whole picture, the better your decision making can be. To achieve this level of detail Immense bring together together new, disparate data sources with machine learning to create our base platform. This is then overlaid with your individual fleet data to build a detailed, always learning, simulation accessed via the cloud. The platform, or the IMSim as it is known, represents a first of kind solution that takes and evolves network planning tools used by transit authorities and places them in the hands of fleet managers.

So how can IMSims be used to help deliver greater efficiencies? We've split our tools into two main groups; strategic & operational. Using our strategic service is a really cost effective, low risk way to test strategic scenarios. Just as an example, we can help identify optimum depot locations, CAV fleets adoption, fleet electrification, maintenance plans and maximise utilisation by running simulations in the cloud so that multiple scenarios can be developed and tested quickly and efficiently. In a wider business context we've been working with a large private hire operator to answer key business case questions. We think we have the tools to provide the answers to pretty much all of the strategic questions you can ask.

Operationally we're focused on predicting upcoming transport demand hotspots across the network as this gives us advance warning of congestion as well as evaluating external impacts, such as weather, accidents or unplanned road closures around the network as a whole. Our strength lies in being able to answer the 'what if' questions providing the most efficient solutions that, ultimately, result in savings for fleet managers. If you're able to shave time and cost operationally then you're in good shape competitively.

Whilst the underlying tech is complex the interface shouldn't be. Understanding that not everyone involved in the decision making process has the level of knowledge or experience held by fleet managers, we wanted to make sure our tools are simple to use and the outputs easy to understand across an organisation. If you can't get cross department support and buy-in from stakeholders such as suppliers, drivers and unions then it doesn't matter how good the solution is if nobody adopts it through lack of clarity or understanding!

For more details visit Immense in the Intelligent Technology Zone at Fleet Management Live or see www.immense.ai





"We just need to ensure people know who we are, what we're about and what we can do"

Iker Lazzari, Nissan

WINNER: NISSAN JUKE

Nissan is confident it has good products, but is aiming higher

Fleet sales director Iker Lazzari is determined to give fleets the same customer experience – irrespective of their size

By Gareth Roberts

Good product alone will not deliver fleet sales success to Nissan, according to the manufacturer's new fleet sales director, Iker Lazzari. Instead, customer experience will be key to its future fleet offering, with small fleets receiving the same service delivery as larger corporate clients.

Lazzari is currently putting the finishing touches to a new fleet sales strategy, three months after making the switch from the VW Group where he had spent all his working life – some 18 years.

During his time with the German manufacturer, he held several different roles, including the setting-up of Group Fleet Services, which was an initiative to overcome the duplication of different brands for common customers.

More recently, he was head of sales and marketing at Volkswagen Financial Services – the manufacturer's leasing division.

However, looking for a new challenge and noticing how electric vehicles (EVs) and mobility were coming to the fore, Lazzari saw Nissan as the perfect fit.

"There was no better place to learn about EVs than from the market leader," he says.

New product, including Qashqai, X-Trail and Micra also impressed Lazzari and the opportunity to package a fleet offering for the market sealed the deal.

"I think a number of people in the marketplace don't quite understand the strength and depth of product that we have at Nissan," he says.

Lazzari wants to change that.

Fleet News: How does it feel now you're three months into the job?

Iker Lazzari: It feels like I've been here for longer than that, because I've been made to feel so welcome and I've really immersed myself in the business as much as I can.

However, it's not an awful lot of time to really change anything; the first three months have really been about evaluation and setting the new strategy. That's virtually complete so in another three-to-six months I can start speaking about the things that we've done and the things we're continuing to do.

But we've got a great opportunity to really push the fleet brand forward and, utilising some of my previous background skills as national contract hire and leasing manager at Volkswagen, to build a strategy that is not only internally focused, but is also externally focused.

All I can say is that there are some really positive and exciting things coming forward that ultimately will benefit all of the stakeholders in fleet, from the dealer network to the leasing companies and our corporate customers.

FN: In terms of service delivery to fleets, whether small, medium or large, what are hoping to achieve?

IL: What I'm aiming to do is harmonise that level of service for all corporate customers and leasing companies alike. We want them to walk into more and more of our dealers and get the same level of excellent fleet service. It's vital.

FN: How would you describe the current state of fleet?

IL: It's the most challenging market we've seen for many years due to a lack of confidence. Consumer and businesses confidence is at a low point and, as a consequence, people are potentially holding off in terms of investment.

It's also really competitive because of the product out there, but that's a challenge we're meeting. We just need to ensure people know who we are, what we're about and what we can do. Our expertise and being obsessed about customer experience is key.

FN: Is having good product not enough to guarantee sales success anymore?

IL: It's such a competitive market place, with so many manufacturers offering good quality product, it needs to be more than that, particularly in a B2B or fleet environment. That's why customer experience and trust in the brand is vital.

However, I have joined Nissan at the right time. We had just launched Micra when I joined which is now a different car altogether. We also have number one share in cross-over. Qashqai just got better and X-trail, which has been further developed in terms of technology and styling, is brilliant. Plus we have new Leaf coming next year.

FN: Are concerns around air quality driving more interest in EVs?

IL: Most definitely. It is one of the most, if not the most



Members of the Nissan team celebrate the Juke's win in the best compact SUV class

topical conversations out there in fleet. Whether it's corporate customers, leasing companies, rental companies, everybody is looking for some guidance.

We can offer support and help their understanding about how EV can fit with their fleet policy. We're fortunate to have the product that is appropriate for those customers.

FN: How do you ensure dealers and leasing companies can offer the correct advice around the suitability of EVs to end-user fleets?

IL: With technology changing so rapidly, we've got to stay on the front foot with the information that is provided to customers.

Fortunately, Nissan has a very good internal communications strategy whereby we're continually updating staff. We hold various updates about new product or specific technologies which are disseminated to our network.

However, I do think it's a challenge if I'm honest and that's why we absolutely need to be driving that agenda forward. We need to help people understand the technologies; we need to keep abreast of the econometric information and the legislation, as well as macros factors, too.

FN: What's your view on the Government continuing to incentivise EVs through the plug-in grant?

IL: It's an enabler for people to move into the EV arena across cars and commercials.

FN: Is there an appetite for plug-in vans in the fleet market?

IL: We've got a great product and we've got some really good case studies of where companies have trialled the e-NV200 and are now adopting it in larger volumes.

I think, ultimately, what it's down to is where the vans are being used, because it's all about the charging infrastructure. They can be ideal for inner city use and we're getting more and more interest from companies that have commercial vehicles on fleet. But, with our product line-up

from cars to commercials and EV around both, we can provide fleets with that one-stop shop.

Nissan's new Leaf will have an increased range of 235 miles and the introduction of its latest autonomous driving technology.

The new Leaf will aim to embrace the early steps of advanced driver assistance with the introduction of Nissan's ProPilot autonomous driving system, ProPilot Park and the e-Pedal concept, which is said to allow drivers to control the car using a single foot pedal.

ProPilot can automatically control distance to the vehicle in front at a pre-set speed – even in stop/start traffic – and will maintain the Leaf's position within a lane.

ProPilot Park will give the vehicle autonomous parking capabilities while the e-Pedal, which will come as standard on all new Leafs, allows drivers to accelerate and brake using one pedal thanks to the regenerative braking power.

No prices for the new car have yet been released, but the new Leaf will go on sale across Europe in January next year.

Lazarri says: "New Leaf is a game-changer and I'm so excited at being able over the next few months to release more information about this vehicle to fleet.

"Ultimately, I want to go to corporate customers to ask them to take the Leaf challenge. We want to help develop corporate customers' fleet policies to focus more on electric vehicles.

"Clearly, it's never going to be all-electric, but there is space and an opportunity to introduce electric vehicles, both in terms of our e-NV200 van and even more so, company car drivers and the new Leaf."

The new Nissan Leaf replaces the first-generation model, which has become the world's best-selling electric vehicle.

Nissan reported that more than 283,000 customers have chosen the Leaf since the model went on sale in 2010.

FACTFILE

Fleet sales director Iker Lazzari
Fleet sales 2016 77,951 (up 4.26%)
Fleet market share 2016 5.65%
Fleet sales YTD 56,795 (up 15.6%)
Fleet market share YTD 6.61%
Dealer network 198
Fleet business centres 58

JUDGES' COMMENTS

In a sector where price accessibility and running costs are key factors, the Juke emerges as a clear winner. Broad appeal for both fleets and drivers, the Juke is an enduring car that is equally at home as a salary sacrifice car as it is fulfilling a job-need function.

VOLKSWAGEN T-ROC

Golf meets Tiguan to provide manufacturer's first compact crossover model

By Matt de Prez

What do you get if you cross a Golf with a Tiguan? The all new Volkswagen T-Roc.

It's the German brand's first model in the compact crossover sector, and will arrive in the UK in December.

Prices are expected to start at around £19,000, but for now Volkswagen is remaining tight-lipped about final UK specifications.

What we do know is the car is destined to rival key models in the segment like the Nissan Juke and Mini Countryman, as well as other Volkswagen Group products such as Audi's Q2 and the upcoming Seat Arona.

Volkswagen expects T-Roc sales to be among the highest in its UK model range – joining the Golf and Polo – and will accelerate the brand's global sales to more than 10.6 million by 2027. Fleet customers are expected to account for around 25% of sales.

EXTERIOR

Chunky proportions and a wide stance suggest the T-Roc errs on the sportier side of the SUV sphere. There is more than a whiff of Audi Q2 about the way it looks, but the car retains its own unique identity allowing it to stand out.

Personalisation will be a key attribute of the T-Roc and Volkswagen will make a vast range of colour, trim and equipment options available to customers.

The entire roof, including the A-pillars and exterior mirrors, may optionally be painted in one of three contrasting colours.

It's also likely an R-Line variant will be available, offering sportier bumpers and wheels.

The crossover model is 4,234mm long (252mm shorter than the Tiguan), and 1,819mm wide (without exterior mirrors). Its height is 1,573mm.

ENGINES

The UK powertrain line-up has not yet been confirmed but in the European market, a range of Volkswagen Group engines are available.

Petrol derivatives are expected to be the most popular, accounting for 80% of sales. The line-up is likely to include a 1.0-litre turbo-charged TSI unit with 115PS, a 1.5-litre TSI with 150PS and a 2.0-litre TSI with 190PS. The diesel offering is anticipated to contain a 115PS 1.6-litre unit and a 2.0-litre with 150PS or 190PS.

All-wheel-drive should be available on all but the least powerful models, along with a choice of six speed manual and seven-speed DSG transmissions.



Interior is slightly more rugged but with the same logical layout

INTERIOR

Inside the T-Roc feels like a home-from-home for anyone already familiar with the Volkswagen range.

The design is slightly more rugged than we've seen in other models but it has the same logical layout.

Quality isn't the highest, with a large amount of harder plastics and the same switchgear as seen in many other models.

There has been an added focus on utilising digital displays for both the infotainment and instruments plus all the interior trim pieces can be customised in a range of 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.

SAFETY

Families will be core to the T-Roc's customer base and therefore a full spectrum of active safety technology is available. Front Assist with Pedestrian Monitoring, City Emergency Braking, Blind Spot Detection and Park Assist are among the highlights.

The T-Roc can be further adapted to the driver's personal preferences via adaptive chassis control (DCC). The system's electrically adjustable dampers make it possible to make the T-Roc running gear tuning very sporty, or more pliant, as an alternative to the normal set-up. The car's dynamic character and comfort are also optimised by progressive steering, which was originally introduced in the Golf GTI.

All-wheel drive versions of the T-Roc have 4Motion Active Control with driving profile selection as standard. The system is operated via a rotary control on the centre console. The driver uses it to activate four modes: Street, Snow, Off-road and Off-road Individual.



"Volkswagen expects T-Roc sales to be among the highest in its UK model range – joining the Golf and the Polo"

TECHNOLOGY

Volkswagen has developed the Active Info Display, which uses a high resolution 11.7-inch screen in place of conventional dials, with greater interplay between it and the infotainment system.

The Discover Media system uses an eight-inch glass display and comes with a navigation module and connected services.

A range of online services and apps via smartphone and Volkswagen Car-Net are available, along with integrated MirrorLink, Apple CarPlay and Android Auto.

Wireless smartphone charging is provided via a storage compartment in front of the gear lever.

For those looking for an enhanced audio option, Beats offers a 300-watt, eight-channel sound system specifically tuned to the interior of the T-Roc.

THINKING CAP



By Martin Ward, manufacturer relationships manager

cap hpi

Tuesday: This was the first day of the Frankfurt motor show, but given many manufacturers and suppliers decided not to exhibit this year, the halls were fairly empty.

Gone are the days of pretty girls sat on the bonnet of the latest model, and now social media is so active that the need for an unveil at a show is becoming old hat.

Reliable sources tell me costs are getting out of control. The smallest of stands cost up to €500,000 (approx £444,000), when the rent, staff, transport, hotels, car parking, and hospitality are taken into account.

The big stands are up to €40-50 million (approx £35.5m-£44.4m) and are probably not cost-effective as visitor numbers decline. I expect the Geneva show, on the other hand, to remain popular with exhibitors and visitors.

"Big stands are up to €40m-€50m and are probably not cost-effective"

Wednesday/Thursday: To Hamburg to drive the all-new sixth generation Volkswagen Polo, which is a revolution and not an evolution.

This five-door hatch looks brilliant, with some really crisp and cleverly engineered lines. It is about the same size as the Mk4 Golf, so has grown quite a bit in size. The interior is very grown-up and looks like it is from a much larger car.

We drove the 1.0-litre three-cylinder petrol and it's such a sweet, refined little engine. We also drove the 1.6 TDI, but I guess sales of this engine will be limited. It's a great little (or big) hatch: I couldn't find any holes in this Polo.



Friday: In the Paris area for a meeting and I spotted a couple of the forthcoming Alpine A110 models, which

are due in the UK in Q2 next year. What a pretty two-seater sports car it is. Alpine started in 1955 in Dieppe and was bought by Renault in 1973. Alpine achieved much success in motorsport, but hasn't been an active brand for a number of years. However, it's back now with a bang.

VOLKSWAGEN PASSAT

Introduction of petrol version means cheaper price and improved fuel consumption



Petrol version of the Passat should be a strong contender for fleet choice lists

By Andrew Ryan

When the current Volkswagen Passat range was launched at the end of 2014, the manufacturer took the unusual step of making it available only with a choice of diesel engines.

At the time, this was understandable as the fleet sector accounted for around 80% of the range's registrations and diesel was the default fuel choice.

However, market trends change and the manufacturer has responded to them: last year it launched a plug-in hybrid option, and now it has added a number of petrol models to the range.

These mirror the trim levels of the diesel line-up, but will be priced at roughly £1,900 below their diesel counterparts.

Combined with competitive efficiency, this means the cost argument for opting for a petrol Passat stacks up for both fleet and driver.

For example, the 1.4 TSI ACT 150 SE Business DSG saloon – aided by Active Cylinder Technology, which shuts down two cylinders under certain conditions to reduce fuel consumption and emissions – has an official combined fuel economy of 55.4mpg and CO₂ emissions of 117g/km.

This puts it in the 22% benefit-in-kind (BIK) tax band, meaning a 20% taxpayer would incur an annual bill of £1,108.

In comparison, the same employee driving the equivalent diesel – a Passat 2.0 TDI 150 SE Business DSG with a P11D price of £27,080 – would face a BIK charge of £1,354.

The diesel model also loses out in the running cost calculations. Over a four-year/80,000-mile cycle, the 1.4 TSI will cost 37.40 pence per mile (ppm), with the diesel priced at 38.37ppm.

The good news continues to the car itself. Passats have always been very good large family cars, and our test model was no different.

On the road, it proved to be a good all-rounder. It rode well, while the petrol engine provided ample performance, delivering its power smoothly from low revs.

COSTS

P11D price	£25,180
BIK tax band (2017/18)	22%
Annual BIK tax (20%)	£1,108
Class 1A NIC	£764
Annual VED	£160 then £140
RV (4yr/80k)	£6,000/24%
Fuel cost (ppm)	9.62
AFR (ppm)	11
Running cost (4yr/80k)	37.40ppm

SPEC

Power (PS)/torque (Nm)	150/250
CO₂ emissions (g/km)	117
Top speed (mph)	137
0-62mph (sec)	8.4
Fuel efficiency (mpg)	55.4

KEY RIVAL

Vauxhall Insignia Grand Sport 1.5i Turbo 165 Tech Line Nav

P11D price:	£19,825
BIK tax band (2017/18)	26%
Annual BIK tax (20%)	£1,031
Class 1A NIC	£711
Annual VED	£200 then £140
RV (4yr/80k)	£5,875/30%
Fuel cost (ppm)	11.32
AFR (ppm)	13
Running cost (4yr/80k)	32.37ppm

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



The eight-inch touchscreen is a highlight of the interior

It's more refined than its diesel counterpart, with reduced engine noise particularly noticeable at lower speeds.

There's plenty of room inside and while the cabin may lack the design flair of some of its rivals, it more than makes up for it in ease of use and build quality.

The eight-inch touchscreen used by the satellite navigation and infotainment system is a highlight: the display is super sharp and the technology is intuitive to operate.

Other standard equipment includes keyless start, stop-start function and adaptive cruise control including front assist and autonomous emergency braking.

SE Business trim also features front and rear parking sensors, air conditioning, Bluetooth telephone and audio connection and Volkswagen Media Control which allows smartphone and tablet control of infotainment system.

Overall, it's an impressive package and, combined with its attractive running costs, the petrol version is undoubtedly a strong contender on a fleet choice list.

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RENAULT MÉGANE

1.5 DCI
DYNAMIQUE S-NAV

Fuel consumption gets closer to official mpg figures



The Mégane's 1.5-litre diesel unit makes it a popular choice for fleets

COSTS

P11D price	£21,165
BIK tax band	21%
Annual BIK tax (20%)	£889
Class 1A NIC	£613
Annual VED	£120 then £140
RV (4yr/80k)	£5,000
Fuel cost (ppm)	7.11
AFR (ppm)	11
Running cost (ppm)	30.80ppm

SPEC

Engine (cc)	1,461
Power (PS)	110
Torque (Nm)	260
CO ₂ emissions (g/km)	96
Manufacturer mpg	76.4
Real-world mpg*	47.1
Test mpg	66
Max speed (mph)	116
0-62mph (sec)	11.3
Current mileage	11,326

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

* Data supplied by Equi index

By Simon Harris

Almost two years have passed since I first tried a fourth-generation Mégane, so being able to revisit it has been a useful experience.

I never got to drive the 1.5 dCi on the international media launch as only more powerful variants were offered at the time. But there was no doubt that this engine would power the majority of models chosen by fleets.

I was talking with a friend about it recently, and we agreed that this 1.5-litre unit from Renault probably offers the best balance of performance, economy, refinement and drivability of any small diesel engine available.

It doesn't need to be thrashed to maintain speed with the flow of traffic, it purrs away fairly quietly and unobtrusively and – according to the trip computer at least – is returning more than 66mpg since I refuelled.

I'll need to measure it when I next refuel for a more accurate

calculation, as trip computers are usually off by a few percentage points, but it certainly appears to be performing better than colleague Matt de Prez was able to achieve with the 'eco' mode deployed, and a little closer to the official combined fuel economy figure of 76.4mpg.

Although I suspect that is a little optimistic, and it will be interesting to see what manufacturers begin to publish for cars and engines of this size and type when the new WLTP fuel economy figures are adopted for new models.

The driving experience so far has been comfortable, with a ride far more supple than the Subaru Levorg I had been driving previously, but without any adverse effect on the Mégane's roadholding.

The Achilles' heel in how the Mégane feels on the road is its artificial-feeling steering, which is something Renault hasn't quite got right on this car for several generations, in my opinion.

Obviously, the company's chassis engineers prefer the Mégane to offer a highly assisted feel.

FORD S-MAX 2.0 TDCI 150 TITANIUM AWD



In her song *Big Yellow Taxi*, Joni Mitchell sang "you don't know what you've got 'til it's gone", and although this wasn't about switching out of her long-term Ford S-Max, I've taken her sentiments to heart.

A slight reshuffle in our test car fleet is seeing me move out of our people carrier, and the loss of the Ford's practicality has sparked a flurry of activity.

First off was a trip to a nearby paddock to pick up a dozen or so bags of well-rotted horse manure to give both mine and my parents' gardens a boost.

The S-Max's low boot lip and flat load area when the rear and middle row of seats are folded made it easy to load and unload.

The imminent loss of the MPV also accelerated my plans to renovate my 'home office'. At the moment this consists of a computer desk and filing cabinet surrounded by various bits of sports equipment, as well as a little-used exercise bike.

I want to make it more conducive to working in, so headed off to my nearest Ikea to pick up some flat-pack furniture.

Again, the S-Max proved capable. Despite being 2.2m long, the bookcase boxes fitted in diagonally across the load bay – something which wouldn't be possible in any of our other cars.

Its practicality isn't the only thing I'll miss about the Ford. It's well-built and good to drive, being particularly adept as a long distance cruiser.

However, this also highlights a shortcoming: its fuel economy is averaging 41.2mpg (official fuel economy is 52.3mpg), meaning that while I'll miss many things about the S-Max, my bank account will be breathing a sigh of relief.

Andrew Ryan



AT A GLANCE – THE REST OF OUR FLEET



BMW 5 Series 520d M Sport

At almost 1.9-metres wide the 5 Series is proving slightly challenging to park in narrow bays.



Honda Civic 1.0 VTEC Turbo SR

The sat-nav in the Civic continues to be hit and miss. It recently suggested another 'phantom' road closure.



Mazda 6 2.2D SE-L Nav

On cold mornings when I use the heating the windscreen mists over, meaning I have to wait up to 15 minutes.

KEN NEEDHAM

FLEET AND LOGISTICS DIRECTOR AT FOXTONS ESTATE AGENTS

Jeremy Clarkson fan Needham is genuinely excited by the motor industry. Even his favourite book has a character called Ford Prefect and his top film features a group of car thieves

My pet hate is unsolicited calls and emails that are clearly scripted and the person clearly has not done any background checks into the company they are calling. Often they don't understand the offer they are making.

The most pivotal moment in my life was marrying my wife, Sarah. She has taught me how to get my work/life balance back to its correct form. She is my wife and best friend.

My first memory associated with a car was that shorts and vinyl car seats are not a good mix. Ouch! Especially the summer of 1976, wow, I think I still have the scars now!

The three vehicles I would like in my garage are a Range Rover L405, Defender 50th Anniversary and I just need to add an Ariel Nomad.

I want to be remembered as someone that tried his best. Sorry if it wasn't good enough.

My hobbies and interest revolve around my eight Weimaraner dogs. They keep me on my toes and it's a great sight to see the pack in a field. When time allows I enjoy bush craft and off-road driving.

A book I would recommend would be any of Douglas Adams' *Hitchhikers Guide to the Galaxy*. They are mostly harmless (read the books and you'll get it!).

The first thing I would do if I were made Prime Minister for the day is ban politics and then make Jeremy Clarkson PM instead!

My favourite film is *Gone in 60 Seconds*, because it has a great cast and a fabulous soundtrack.

The advice I would give to my 18-year-old self would be, "here we go again", but better!



First fleet role I was an apprentice motorcycle mechanic. I simply love the industry. I think the motor industry is constantly evolving, so it is exciting and worth getting up for.

Career goals at Foxtons I guess the same as every head of fleet (within my role). Improve overall fleet safety, reduce associated costs and tame the beast. I can't impress the salience of an in-house dedicated team enough.

Biggest achievement in business I am not so sure I have achieved it yet! However, I find if you treat every day as a school day and listen to the views and opinions of others, it can be enlightening.

"My team is multi-skilled so, if I'm in meetings or away, I can trust the decisions made"

Biggest career influence No single person has influenced my career in any way. Of course, my parents influenced my values and taught me right from wrong, but I feel it is best to lead by absolute example.

Biggest mistake in business In the early days, my mistake was over-ambition and trying to impress without truly understanding the ramifications and consequences.

Leadership style Hands on is the way I like it, however, my team is multi-skilled so, if I'm in meetings or away, I can trust the decisions made.

If I wasn't in fleet Search and rescue pilot.

Childhood ambition To be a motorcycle stunt rider going to the Royal Bath & West show.

Next issue: Tony Chalk, head of fleet, Police Scotland



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